

Withholding Tax

Tasks to be completed when creating an operating procedure (from creation to publication)

- 1. Enter the **Title of the procedure**
- 2. Add the following Labels:
 - Region: ww, apac, emea, lam, nam
 - Country or country group (if applicable): benelux, dach, france, iberia, italy, uk_finland, other_emea_countries, china, japan, korea, thailand, india, singapore, australia, indonesia, other_apac_countries
 - Unit and Domain using the: [List of labels to be used in Finance Service Line space](#).
 - Sub-Domain using the: [2nd List of labels to be used in Finance Service Line space](#)
- 3. Fill all fields as described
- 4. Once the procedure is completed, publish it using the [SBS-RtR approval workflow](#)

Domain: Country Accounting	Responsibility area: N/A
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Scope

Country Accounting

ERP

PF1

Frequency

References

CJ20N; [KB15N](#); CJ13

Forms

[US 5782 Withholding Tax Template](#)

Attachments

1. Objective and Scope

1.1. Objective of this Procedure

The purpose of this document is to explain how to perform the posting of Withholding Tax and its credit note.

1.2. Scope

This procedure applies to company 5782 Solvay Specialty Polymers USA that invoice companies inside the group located in countries that applies withholding tax.

2. Definitions

See Finance Glossary:

- CAM
- CICC
- CROCO
- GBU
- SBS
- WBS

3. Tasks description

For all clients listed in the [CROCO](#) project I05782SPGF, a withholding tax needs to be paid by the customer for the services that are provided by a foreign companies in those countries (protection of the market). As the withholding tax is retained at the source, on the client side, [CICC](#) don't receive the total amount of the invoice, a credit note need to be issued to regularize the customer account.

At the end of the month, the accountant looks at all the invoice issued during the month and makes a total credit note for all of them, based on the percentage that is given below.

3.1. Responsibilities

SBS Responsibilities:

- Performing the **calculation** and the **posting** for withholding tax;
- **Checking** the posting consistency (right number of posting, one for each customer and in the right currency);
- **Timing:** The posting of withholding tax has to be performed on a **monthly** basis, after the last invoice created (generally invoice must be done on D-1 at the latest).

3.2. Periodicity

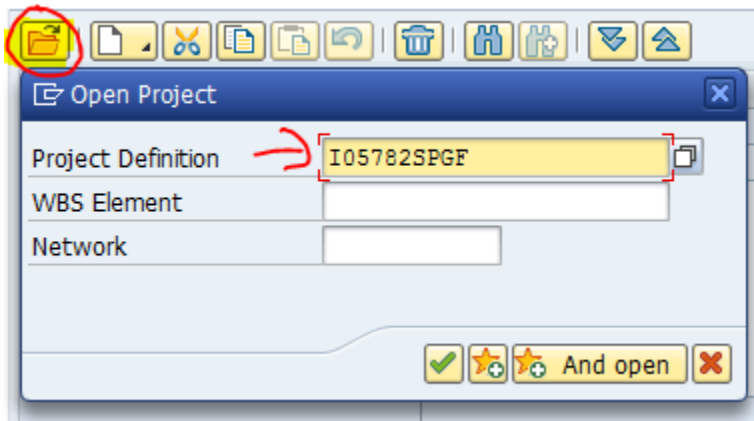
The extraction and posting should be done until D+1.

It is possible that special requests arrive from local team via Freshdesk.

3.3. I retrieve and upload the data

3.3.1. I retrieve the data

Go to CJ20N and open the project I05782SPGF:



Verify if there is a new company code in project and if it needs the withholding tax depending of the country:

****5782 only do it for Indian company 5955****

Project Structure: Description		Identification
▼	SP GBU Management FEES	I05782SPGF
▼	⚠ I05782SPGF	I05782SPGF
•	⚠ SP GBU Management	I05782SPGF05991
•	⚠ SP GBU Management	I05782SPGF05955
•	⚠ SP GBU Management	I05782SPGF05978
•	⚠ SP GBU Management	I05782SPGF06246
•	⚠ SP GBU Management	I05782SPGF03470
•	⚠ SP GBU Management	I05782SPGF05835

The invoices are made by Europe [SBS](#) Intercompany Team.

Open the [WBS](#) element I05782SPGF05955 in CJI3 with the closure month:

Project Management Selections (DB profile: 000000000001)

Project  

WBS Element to 

Network/order to 

Activity to 

Materials in network to 

Cost Elements

Cost Element to 

Or

Cost Element Group

Posting Data

Posting date to

Settings

Layout Check WBS balance MSY

Identify the **KB15N** post of the original invoice made by Europe **SBS** Intercompany Team and double click on it:

CsCd	DocTyp	Tr.Prt	fm	Posting Date	OTy	DocumentNo	PR	Project Definition	Cost Element	z	Value in Obj.	CrCy	ObCur	Object	Partner object	RefDocNo	z	Value	TranCur	TCurr	D/C	Cost element name	z	Val/COArea	CrCy
5782	CO	5955	3	28.03.2018	WBS	150008452	4	I05782SPGF	6124009990		22.771,12	USD		I05782SPGF05955		9000684630		22.771,12	USD	C	COS o/rev-Manag fees		18.356,40	I	
5782	CO	5955	3	07.03.2018	WBS	149893899	4	I05782SPGF	6124009990		22.576,55	USD				9000682374		22.576,55	USD	C	COS o/rev-Manag fees		18.181,97	I	
5782	CO	5955	3	01.03.2018	WBS	149893875	4	I05782SPGF	6124009990		22.576,55	USD				9000682362		22.576,55	USD	D	COS o/rev-Manag fees		18.356,41	I	
5782			3	28.03.2018	WBS	329685477	10	I05782SPGF	9162000011		442,99	USD		ND18768U09				357,11	EUR	D	Forf-Direction & Ser		357,11	I	
5782			3	28.03.2018	WBS	329685477	38	I05782SPGF	9182000001		6.511,42	USD		ND18768U09				5.249,03	EUR	D	Regl - Direction Sec		5.249,03	I	
5782			3	28.03.2018	WBS	329685477	50	I05782SPGF	9184000001		15.816,71	USD		ND18768U09				12.750,27	EUR	D	Regl - Direction com		12.750,27	I	
5782			3	13.03.2018	WBS	329608037	1	I05782SPGF	9700000000		0,00	USD		CROCO.TECH.5782	16148256		0,00	USD	O	COSS => 0		174,44	I		
5782			3	13.03.2018	WBS	329634961	1	I05782SPGF	9700000000		0,00	USD		CROCO.TECH.5782	16159968		0,00	USD	O	COSS => 0		174,44	I		
5782			3	20.03.2018	WBS	329637413	1	I05782SPGF	9700000000		0,00	USD		CROCO.TECH.5782	16161396		0,00	USD	O	COSS => 0		174,44	I		

Verify the month on "doc. text" field and filter the "Receiver WBS Element" with I05782SPGF05955

Display Manual Cost Allocation

Entry Data Additional Info

Doc. Date: 28.03.2018
 Postg Date: 28.03.2018 Period: 3
 DocumentNo: 329685477 Number Ranges
 Doc. Text: MGT FEES POLYMERS 03.2018

Scrn var.: ZZ-08 Centre / Centre,ordre,otp,sup Input Type: L List Entry

Items	ItmNo.	Send. Cctr	Sender order	Cost Elem.	Amount	Crcy	Rec. Cctr	Rec. Order	Receiver WBS element	RecCos
	0001	ND187GBU09		9162000011	3.699,45	EUR			I05782SPGF05835	
	0002	ND187GBU09		9162000011	1.292,31	EUR			I05782SPGF03470	
	0003	ND187GBU09		9162000011	1.292,31	EUR			I05782SPGF06246	
	0004	ND187GBU09		9162000011	712,22	EUR			I05782SPGF05978	
	0005	ND187GBU09		9162000011	357,11	EUR			I05782SPGF05955	
	0006	ND187GBU09		9162000011	1.018,89	EUR			I05782SPGF05991	
	0007	U7187GBU09		9162000011	8.813,41	EUR			I05978SPGF05835	
	0008	U7187GBU09		9162000011	20.081,14	EUR			I05978SPGF05782	
	0009	U7187GBU09		9162000011	3.078,74	EUR			I05978SPGF06246	
	0010	U7187GBU09		9162000011	3.078,74	EUR			I05978SPGF03470	
	0011	U7187GBU09		9162000011	850,77	EUR			I05978SPGF05955	
	0012	U7187GBU09		9162000011	2.427,35	EUR			I05978SPGF05991	
	0013	U732000000		9162000011	10.009,51	EUR	U732500000			

Verify the "Sender Cctr", the "Cost Element", the "Crcy" (the credit not needs to be done with this currency) and the "Text" (there will be 3 lines with different cost elements, pay attention!)

Items									
ItmNo.	Send. Cctr	S..	Cost Elem.	Amount	Crcy	R R..	Receiver WBS elem...	R..	Text
0005	ND187GBU09		9162000011	357,11	EUR		I05782SPGF05955		GBU Manufacturing Transversal Functions
0019	ND187GBU09		9182000001	5.249,03	EUR		I05782SPGF05955		GBU General Management Service
0025	ND187GBU09		9184000001	12.750,27	EUR		I05782SPGF05955		GBU - Business Develo,Marketing,Supply Chain

Copy those information and paste on attached excel [US 5782 Withholding Tax Template](#), tab "GBU item":

Send. Cctr	Sender C.Code	Rec. WBS	Rec. Order	Rec. C.Code	Cost Elem.	Text	Amount	Crcy
ND187GBU09	5782	I05782SPGF05955		5955	9162000011	GBU Manufacturing Transversal Functions	357,11	EUR
ND187GBU09	5782	I05782SPGF05955		5955	9182000001	GBU General Management Service	5.249,03	EUR
ND187GBU09	5782	I05782SPGF05955		5955	9184000001	GBU FCOMT - Business Develo,Marketing,Supply Chain	12.750,27	EUR

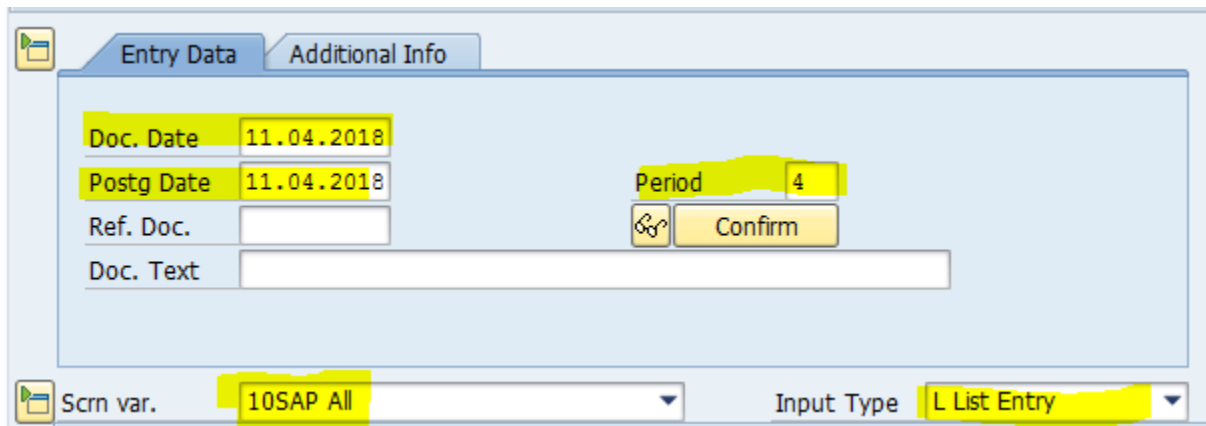
In tab template, the formula will calculate the withholding tax rate (10%) of the total invoiced. Then, you need to copy the [KB15N](#) post (from column A to AK):

Send. WBS	Cost Elem.	Amount	Crcy	Rec. Cctr	Text
I05782SP05955V3	9162000011	35,71	EUR	ND187GBU09	GBU Manufacturing Transversal Functions03.2018
I05782SP05955V3	9182000001	524,90	EUR	ND187GBU09	GBU General Management Service03.2018
I05782SP05955V3	9184000001	1275,03	EUR	ND187GBU09	GBU FCOMT - Business Develo,Marketing,Supply Chain03.2018

3.3.2. I perform the post

Copy the information showed in previous step (tab template) and paste it on [KB15N](#) transaction in [SAP](#). Do not forget to change:

- Doc. Date
- Postg Date
- Period
- Scrn var. = SAP All
- Input Type = List Entry



The screenshot shows the SAP 'Entry Data' form. The 'Entry Data' tab is active. The form contains the following fields and values:

Doc. Date	11.04.2018	Period	4
Postg Date	11.04.2018	Confirm	
Ref. Doc.			
Doc. Text			

At the bottom of the form, there are two dropdown menus:

- Scrn var. is set to 10SAP All.
- Input Type is set to L List Entry.

Verify the information before post, if it was pasted correctly in columns.

Check and verify the currency used – It should be the same as the one used on the original posting, if the invoice were posted using EUR, than the credit note should be done in EUR;

After posted, proceed with the invoice creation.

3.3.3. I inform that the process was performed

CAM should be informed that the process was performed. Send a copy of credit note to:

- Alpharetta (AIS) plant controller 5782 - Joseph Stecik joseph.stecik@solvay.com
- India Contact - Hemen Girnara hemen.girnara@solvay.com
- 5782 CAM - Patrick McNulty patrick.mculty@solvay.com

End of document.