

Rules - Material Valuation Class

Definition

The valuation class has the following functions:

- Allows the stock values of materials of the same material type to be posted to different G/L accounts.
- Allows the stock values of materials of different material types to be posted to the same G/L account.
- Determines together with other factors the G/L accounts updated for a valuation-relevant transaction (such as a goods movement).



The valuation class cannot be easily changed if the material code has inventory and open orders associated with it. If the valuation class needs to be changed after inventory movements then an UR needs to be raised.



In WP1, the valuation class depends on the type of material

Code	Description	Material type	Definition
Z100	CS Raw materials	ZMAT	Material not sold but used for the production of a finished product
Z110	CS Packaging	ZVER	Packaging.
Z130	CS Trading goods	ZMAT	Material purchased but not used in the production
Z140	CS Intermediates	ZMAT	Material produced but usually not be sold
Z150	CS Finished product	ZMAT	Material produced and can be sold

Decision tree

It is a general principle but local rules can replace it



