

How to use taxes in the system?

In this article

- [General Tax Settings](#)
- [Configuring taxes](#)
- [How to make taxes visible in invoices?](#)
- [Why there are no taxes in an invoice?](#)

General Tax Settings

The following instructions take you through the basic tax configurations in the system. Before creating tax profiles and setting up taxes, make sure you are familiar with locale tax requirements.

Within VCS, you can combine and apply multiple taxes (such as **federal**, **state** and **local tax**) to different destinations.


Apart from simple taxes, JeraSoft VCS is integrated with third-party tax calculation engine - **SureTax**.

This tax calculation is based on the location of the customer's taxing jurisdiction. It contains virtually very jurisdictional rate and rule in the US, US territories and Canada.

For more information, check out the [US Taxation](#) article in our Knowledge Base.

Configuring taxes

To set up taxes that will be applied to respective clients, you need to do the following:

1. Create a tax profile.
 - Go to the **Configuration > Taxes Profiles**.
 - Create a new tax, click on the **Taxes**  icon to add values.
2. Assign this tax profile to the Client.
 - Go to the **Management > Clients**.
 - Open client settings and select a target profile from the drop-down list of **Tax Profile** field.

You can **add taxes to rates** while creating a rate table in the system:

1. Open **Rate Tables** section and press **New Rate Table** button.
2. Fill in required fields and tick the **Rates Include Taxes** check box.
3. Add rates for this rate table.



Tip

When the **Rates Include Taxes** checkbox is enabled, **taxes are included into rates**. For example, a call has the rate: \$0.005 (the tax is \$0.001 is already included). When it's disabled, **taxes are NOT included into rates**. For example, a call has the cost: \$0.005 for +44 code, the rate of the call will be \$0.005 + taxes.

How to make taxes visible in invoices?

Taxes will be visible in the invoice if the functions described below are specified in the invoice template.
Please check, whether these configurations are added or not, go to the **Configuration > Invoice Templates**.

Table	Variables
Packages Table	<i>{package_tax}</i> - total tax of packages: total value of packages taxes
	<i>{package_cost_net}</i> - total cost: package price multiplied by charge quantity without taxes
Global Totals	<i>{total_cost_tax}</i> - total taxes sum: total sum for all taxes
	<i>{total_calls_tax}</i> - total calls taxes sum: total sum for all calls taxes
	<i>{total_packages_tax}</i> - total packages taxes sum: total sum for all packages taxes
Custom Items Table	<i>{tax}</i> - taxes: value of the taxes
Financial Summary	<i>{tax}</i> - tax value

Moreover, you can specify in the **Invoices Templates** the way taxes must be calculated and shown in invoices:

- **percent from total amount** - taxes are calculated as a percentage from the total amount;
- **sum of individual taxes** - taxes are calculated as a sum of respective taxes.

Why there are no taxes in an invoice?

If taxes aren't properly calculated in an invoice or they are not present at all, this case could be because of next issues:

1. **Invoice** period starts before the **Tax profile** period.
2. Incorrect tax profile or tax value is indicated.
3. **Invoice template** is not created to properly display the taxes.

Resolution:

1. Make two invoices with different periods: the first one - before **Tax profile** period starts and the second - after it starts.
2. View related tax profile to see if tax is specified correctly and make sure that correct tax profile is applied to a respective customer.
3. Open a respective **Invoice Template** and make sure that there are specific tables and variables that describe how to display taxes in the invoice.