

Handling Changes to MI Part Core Tax on Manager SE Estimate/R.O./Invoice

Summary: In Michigan parts are taxable, however a change in 2017 Michigan law mandates taxes no longer be collected on cores. However the core activity must still be recorded on the final invoice as TWO LINES, <core> AND <core return> and cannot be included in actual part cost itself.

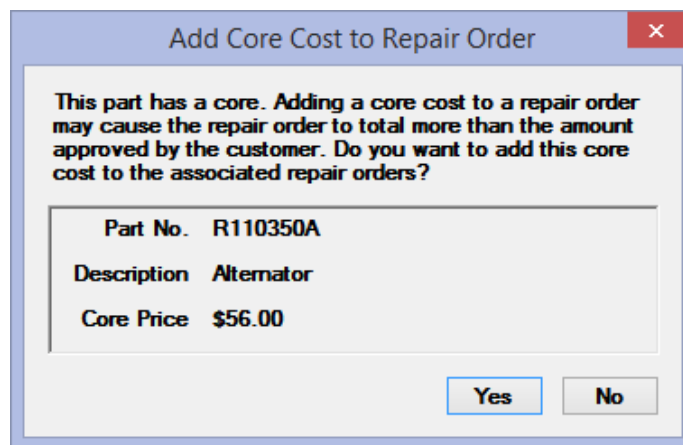
This document is intended to assist in preparing invoices in Manager SE that comply with this tax change.

Page 1: How catalog part Transfer function adds <core> line [below]

Page 2: Handling taxable (retail) customers

Page 3: Handling non-taxable (resale or other tax exemption) customers

A) During catalog transfer, Manager SE first asks the user to confirm if a core is to be included with the part; when the user answers 'Yes', the core value appears on the order as a separate line item (below).



This is what Manager SE will provide from a catalog transfer: 1) part + 2) core:

Description	Qty	Extended	Sale	Price	List	Part No.	MfgCode	Tech Name	Size	Est. Parts	Cost
Alternator	1.00	\$391.23	\$391.23	\$391.23	\$354.22	R110350A	ULT	PLEASE, SELECT		\$0.00	\$200.63
Alternator <CORE>	1.00	\$56.00	\$56.00	\$56.00	\$56.00	R110350A	ULT	PLEASE, SELECT		\$0.00	\$56.00

However, this is what the final Michigan invoice will be expected to include: 1)part + 2) core + 3) **core return**:

Description	Qty	Extended	Sale	Price	List	Part No.	MfgCode	Tech Name	Size	Est. Parts	Cost
Alternator	1.00	\$391.23	\$391.23	\$391.23	\$354.22	R110350A	ULT	PLEASE, SELECT		\$0.00	\$200.63
Alternator <CORE>	1.00	\$56.00	\$56.00	\$56.00	\$56.00	R110350A	ULT	PLEASE, SELECT		\$0.00	\$56.00
Core Return <CORE>	1.00	(\$56.00)	(\$56.00)	(\$56.00)	\$0.00	CR		PLEASE, SELECT		\$0.00	(\$56.00)

B) At this time, Manager SE also reads the customer tax setting as it is adding these lines to the repair order.

Since parts are taxable in Michigan, the customer and vehicle record inherits the default system tax setting:

	Material Rate	Labor Rate	Default	GL Code
Example:	7.7500%	0.0000%	<input checked="" type="checkbox"/>	2090

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Catalog Part for Taxable Customer / Vehicle = CORE IS TAXED. How to turn off tax:

1. Double-click on the <CORE> line to open 'Part Item Edit' window.

Alternator <CORE>	1.00	\$56.00	\$56.00	\$56.00	\$56.00	R110350A	ULT	PLEASE, SELECT	1	\$0.00	\$56.00
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2. In the 'Part Item Edit' window, click the **Tax** button.

Part Item - EDIT

Part No. R110350A Part Code

Part is ☒ Taxable ☐ Not Taxable

Tax Location	Material	Labor	Apply
Tax Rate	7.7500%	0.0000%	<input checked="" type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	9.9750%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>

Cancel OK

Inventory **Tax** Cust Type Cancel Save Done

3. Change bullet selector to Non-Taxable and click **OK**.

Tax List

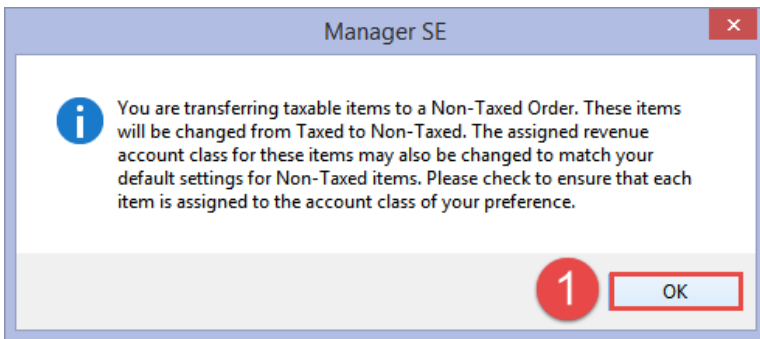
Part is ☐ Taxable ☒ Not Taxable

Tax Location	Material	Labor	Apply
Tax Rate	7.7500%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	9.9750%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>
	0.0000%	0.0000%	<input type="checkbox"/>

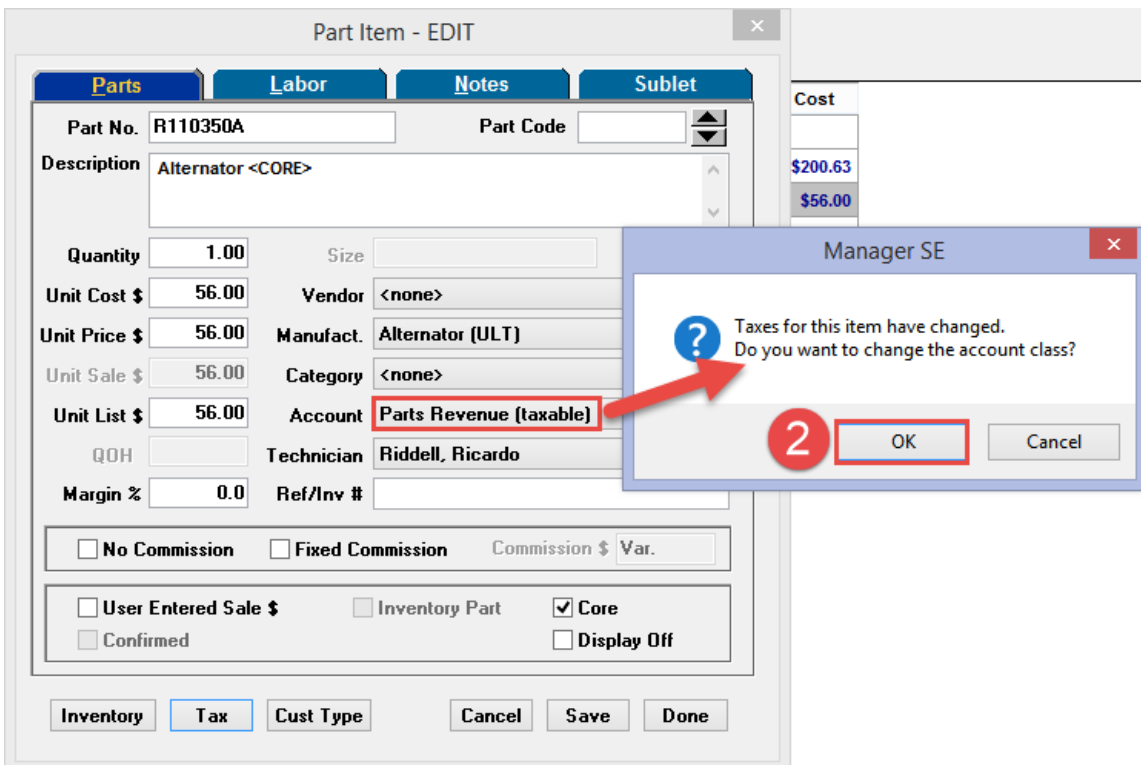
Cancel OK

Handling Changes to MI Part Core Tax on Manager SE Estimate/R.O./Invoice Catalog Part for Non-taxable Customer / Vehicle = CORE IS NOT TAXED. Follow Process:

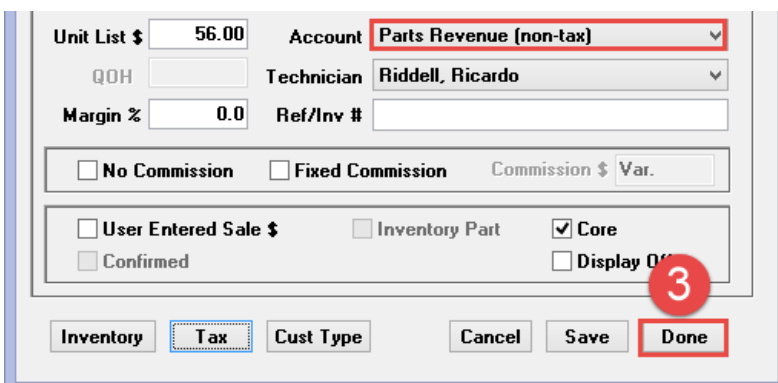
1. Click 'OK' as shown below; this opens 'Part Item-EDIT' window with confirmation box.



2. In confirmation box, click **OK** to permit accounting change. (*Account entry is changed for you*)



3. The end result is <core> \$ recorded under Parts Revenue (non-tax). Click on **Done**.



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The resulting Manager SE invoice with Part and required Core lines:

A and J Auto Service 14145 Danielson St. Poway, CA. 92064 Phone: 858-391-5000 Fax: 858- -				INVOICE <div style="border: 1px solid black; padding: 2px; display: inline-block; color: red;">32184</div>																
				MICHIGAN REGISTRATION: Proposed completion date : 3/17/2017 Printed date: 03/21/2017																
INVOICE Gagnon, Shanae 2 Richmond Rd. A-1c Biola, CA 93606 Spouse: 555-764-0777 0 Cust ID : 2326				2013 Acura - TL - 3.5L, V6 (0CI) VIN(8) Lic # : - CA Odometer In : 0 VIN # :																
Part Description / Number	Qty	Sale	Ext	Labor Description	Hours	Extended														
Alternator R110350A	1.00	391.23	391.23																	
Alternator <CORE> R110350A	1.00	56.00	56.00																	
Core Return <CORE> CR	1.00	-56.00	-56.00																	
Shop Supplies			7.82																	
[Payments -]																				
<p>YOU ARE ENTITLED BY LAW TO THE RETURN OF ALL PARTS REPLACED EXCEPT THOSE WHICH ARE TOO HEAVY OR LARGE , AND THOSE REQUIRED TO BE SENT BACK TO THE MANUFACTURER OR DISTRIBUTOR BECAUSE WARRANTY WORK OR AN EXCHANGE AGREEMENT . YOU ARE ENTITLED TO INSPECT THE PARTS WHICH CANNOT BE RETURNED TO YOU.</p> <p>Save _____ Discard _____ Sig _____</p> <p>I hereby authorize the above repair work to be done along with the necessary materials , and hereby grant you and /or your employee permission to operate the car , truck or vehicle herein described on streets , highways or elsewhere for the purpose of testing and/or inspection. An express mechanic's lien is hereby acknowledged on above car , truck or vehicle to secure the amount of repairs thereto. X</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;"> Estimated Increased Total: \$ Mechanic's Name & Michigan Certification Number Repairs Performed by : PLEASE , SELECT </td> <td style="width: 50%; padding: 5px;"> Authorized by: <div style="border: 1px solid black; padding: 5px; text-align: center;"> -CERTIFICATION - ALL REPAIRS AND PARTS LISTED WERE FURNISHED IN COMPLIANCE WITH THE MICHIGAN AUTO REPAIR ACT (P.A. 300) X </div> </td> </tr> </table>							Estimated Increased Total: \$ Mechanic's Name & Michigan Certification Number Repairs Performed by : PLEASE , SELECT	Authorized by: <div style="border: 1px solid black; padding: 5px; text-align: center;"> -CERTIFICATION - ALL REPAIRS AND PARTS LISTED WERE FURNISHED IN COMPLIANCE WITH THE MICHIGAN AUTO REPAIR ACT (P.A. 300) X </div>												
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					<table style="width: 100%;"> <tr> <td>Labor:</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Parts:</td> <td style="text-align: right;">399.05</td> </tr> <tr> <td>Sublet:</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Sub:</td> <td style="text-align: right;">399.05</td> </tr> <tr> <td>Tax:</td> <td style="text-align: right;">30.93</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">\$429.98</td> </tr> <tr> <td>Bal Due:</td> <td style="text-align: right; color: red;">\$429.98</td> </tr> </table>		Labor:	0.00	Parts:	399.05	Sublet:	0.00	Sub:	399.05	Tax:	30.93	Total:	\$429.98	Bal Due:	\$429.98
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Tax:	30.93																			
Total:	\$429.98																			
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