



Tennessee Sales Tax Setup

Table of Contents

Introduction.....	2
Tennessee Sales Tax	2
Tennessee Local Tax.....	3
Tennessee Single Tax	4
Special Sales Tax Rules for Trade-Ins/Custom Jobs	5
Buy/Trade for Like Merchandise.....	5
Buy/Trade for Non-Like Merchandise.....	6
Custom Jobs.....	6

Introduction

Tennessee sales tax laws are a little more complicated than those of many other states. The following instructions contain recommended settings for most Tennessee jewelry retailers. It is possible that your needs may differ. Please check your tax laws to ensure you choose the correct settings. For Tennessee, there are three types of taxes. After creating a record for each one, save the record. You can save them as you go, but they will not take effect until you reboot The Edge.

NOTE!

Be sure to set system options concerning sales tax as appropriate.

Tennessee Sales Tax

To setup the new sales tax definition:

1. Select **Administrative ► Sales Tax ► Tax Definitions**.
2. Select **Add**. The **Tax Definitions** screen will appear.

The screenshot shows the 'Sales Tax Definition 'TN'' window with the following fields and settings:

- General Tab:**
 - ID: TN
 - Inactive
 - Description: TN Sales Tax
 - Rate %: 7.0000%
 - Rounding: 0.005
- Qualifying Sales:**
 - Dropdown: All Sales
 - of at least: []
 - but not more than: []
- Qualifying Customers:**
 - Shipping to (or walk-in to store located in)...: []
 - State: TN
 - This tax will apply to All ZIP Codes in the specified state.**
 - To specify a tax which is applied only to certain ZIP Codes, please click [Some ZIPs].
 - Buttons: All ZIPs, Some ZIPs
- Exemptions:**
 - This tax is NOT collected on...
 - The First: []
 - The Amount Over: []
- Dates:**
 - this tax is only collected on sales made:
 - starting: []
 - ending: 1/1/2099
- Navigation:**
 - Buttons: <<, <, 2 of 4, >, >>, Save & New, Save & Duplicate, Revert, Save & Stay, OK / Save & Close, Cancel

3. Enter an ID for the tax and a description (e.g., TN and TN Sales Tax).
4. Enter 7.000 into the **Rate %** field.
5. Enter 0.005 into the Rounding field.
6. Set **Qualifying Sales** to All Sales.

7. Set **Qualifying Customers** to Shipping to (or walk-in to store located in)... and choose TN for the state.
8. Set the ending date to sometime in the distant future (e.g., 1/1/2099).
9. Select the **Categories** tab and check all taxable categories.
10. Select the **Stores** tab and check all stores in Tennessee.
11. Select the **Misc.** tab and check those miscellaneous charges that are taxable.
12. Select the **Other** tab and check the taxable items here (e.g., repair parts/labor/other, custom parts/labor/other).
13. Select **OK/Save and Close** to save your new tax.

Tennessee Local Tax

To setup local tax:

1. Select **Administrative ► Sales Tax ► Tax Definitions**.
2. Select **Add**. The **Tax Definitions** screen will open.

The screenshot shows the 'New Sales Tax Definition' window with the following details:

- General Tab:**
 - ID: TN Local
 - Inactive
 - Description: TN Local Sales Tax
 - Rate %: 2.7500%
 - Rounding: 0.005
- Qualifying Sales:**
 - Items Costing... (dropdown)
 - of at least (input)
 - but not more than (input)
- Qualifying Customers:**
 - Shipping to (or walk-in to store located in)... (dropdown)
 - State: TN (dropdown)
 - This tax will apply to All ZIP Codes in the specified state.
 - To specify a tax which is applied only to certain ZIP Codes, please click [Some ZIPs].
 - [All ZIPs] [Some ZIPs] (buttons)
- Exemptions:**
 - This tax is NOT collected on...
 - The First (input)
 - The Amount Over: \$1,600.00
- Dates:**
 - This tax is only collected on sales made
 - starting (dropdown)
 - ending: 1/1/2099 (dropdown)
- Buttons:**
 - Navigation: <<, <, New, >, >>
 - Save & New, Save & Duplicate, Revert, Save & Stay, OK/Save & Close, Cancel

3. Enter an ID and description for this tax definition (e.g., TN Local and TN Local Sales Tax).
4. Enter 2.7500 into the **Rate %** field.
5. Enter 0.005 into the **Rounding** field.
6. Set **Qualifying Sales** to Items Costing.
7. Set **Qualifying Customers** to Shipping to (or walk-in to store located in) and choose **TN** from the **State** drop-down menu.
8. In the **Exemptions** area, in the **The Amount Over** field, enter \$1,600.00.
9. Set the ending date to anytime in the distant future (e.g., 1/1/2099).

10. Select the **Categories** tab and check all taxable categories.
11. Select the **Stores** tab and check all stores where this tax is applicable.
12. Select the **Misc.** tab and check those miscellaneous charges that are taxable.
13. Select the **Other** tab and check the taxable items here (e.g., repair parts/labor/other, custom parts/labor/other).
14. Select **OK/Save and Close** to save your new tax.

Tennessee Single Tax

To setup the single tax:

1. Select **Administrative ► Sales Tax ► Tax Definitions**.
2. Select **Add**. The **Tax Definition** screen will appear.

3. Enter an ID and description for this tax definition (e.g., TN Single Tax and TN Single Tax).
4. Enter 2.7500 into the **Rate %** field.
5. Enter 0.005 into the **Rounding** field.
6. In the **Qualifying Sales** area, select **Items Costing** from the drop-down menu and enter \$1,600.00 in the **of at least** field.
7. In the **Exemptions** area, in the **The First** field, enter \$1,600.00 and in the **The Amount Over** field, enter \$3,200.00.
8. Set **Qualifying Customers** to Shipping to (or walk-in to store located in) and choose TN in the **State** drop-down list.
9. Set the ending date to anytime in the distant future (e.g., 1/1/2099).
10. Select the **Categories** tab and check all taxable categories.
11. Select the **Stores** tab and check all stores in Tennessee.

12. Select the **Misc.** tab and check those miscellaneous charges that are taxable.
13. Select the **Other** tab and check the taxable items here (e.g., repair parts/labor/other, custom parts/labor/other).
14. Select **OK/Save and Close** to save your new tax.

Special Sales Tax Rules for Trade-Ins/Custom Jobs

The state of Tennessee mandates that a sales and use tax as well as a single article tax be collected per sold item. The Edge can be set up to accommodate this tax scheme but requires a special POS procedure for processing Trade-Ins and Custom Jobs. The procedure involves a new checkbox added under sales tax at POS; scroll down for the different applicable usage scenarios.

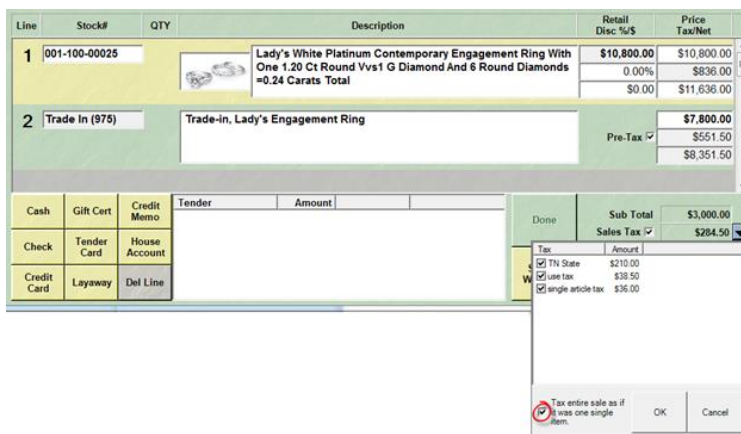
Before proceeding, please verify that your taxes are setup correctly:

1. Click **Administrative > Tax Definitions**.
2. Three taxes should be setup:
State, Sales/Use, and Single Article
3. Edit each tax definition and verify it is set to **Qualifying Sales: Items Costing**.
4. Verify the exemption limits match local law (e.g. single article tax applies only to first \$1,600 of item).

Please contact technical support if you require assistance or have further questions on the correct tax setup.

Buy/Trade for Like Merchandise

If you are taking a buy/trade that is being applied to a like-item purchase, you must click the dropdown arrow next to **Sales Tax** and check the **Tax entire sale as if it was one single item** checkbox. Multiple trades can be taken against a single like-item purchase so long as all items involved are of like characteristics. This sale **MUST** be limited to the trade-in transaction; you cannot mix other types of transactions on this sale.



Buy/Trade for Non-Like Merchandise

If you are taking a buy/trade that is being applied to one or more non-like item purchases, you should uncheck the **Pre-Tax** option on each trade-in saleline.

Line	Stock#	QTY	Description	Retail Disc %/\$	Price Tax/Net
1	001-100-00007		Lady's White 18 Karat Cross Over Engagement Ring With One 5.60 Ct Round Vvs1 H Diamond	\$3,750.00	\$3,750.00
				0.00%	\$342.50
				\$0.00	\$4,092.50
2	001-100-00022		Lady's White Platinum Satin Contemporary Engagement Ring With One 1.01 Ct Princess Vs2 G Diamond And .36 Twt Round Vs2 G Diamonds	\$6,250.00	\$6,250.00
				0.00%	\$517.50
				\$0.00	\$6,767.50
3	Trade In (975)		Pocketwatch		\$1,000.00
				Pre-Tax	<input type="checkbox"/>

Custom Jobs

When processing a custom job transaction, you must click the dropdown arrow next to **Sales Tax** and check the **Tax entire sale as if it was one single item** checkbox. Also, the sale MUST be limited to only the single custom job; you cannot mix other types of transactions on this sale.

Line	Stock#	QTY	Description	Retail Disc %/\$	Price Tax/Net																				
1	Custom		Lady's fashion ring. Declared value: \$4,000.00. Tasks:Initial quote.	Env.	\$4,400.00																				
					\$388.00																				
				Deposit...	\$4,788.00																				
<table border="1"> <tr> <td>Cash</td> <td>Gift Cert</td> <td>Credit Memo</td> <td>Tender</td> <td>Amount</td> </tr> <tr> <td>Check</td> <td>Tender Card</td> <td>House Account</td> <td></td> <td></td> </tr> <tr> <td>Credit Card</td> <td>Layaway</td> <td>Del Line</td> <td></td> <td></td> </tr> </table>				Cash	Gift Cert	Credit Memo	Tender	Amount	Check	Tender Card	House Account			Credit Card	Layaway	Del Line			<table border="1"> <tr> <td>Done</td> <td>Sub Total</td> <td>\$4,400.00</td> </tr> <tr> <td></td> <td>Sales Tax</td> <td>\$388.00</td> </tr> </table>	Done	Sub Total	\$4,400.00		Sales Tax	\$388.00
Cash	Gift Cert	Credit Memo	Tender	Amount																					
Check	Tender Card	House Account																							
Credit Card	Layaway	Del Line																							
Done	Sub Total	\$4,400.00																							
	Sales Tax	\$388.00																							
				<table border="1"> <tr> <th>Tax</th> <th>Amount</th> </tr> <tr> <td><input checked="" type="checkbox"/> TN State</td> <td>\$308.00</td> </tr> <tr> <td><input checked="" type="checkbox"/> Use tax</td> <td>\$44.00</td> </tr> <tr> <td><input checked="" type="checkbox"/> single article tax</td> <td>\$36.00</td> </tr> </table>	Tax	Amount	<input checked="" type="checkbox"/> TN State	\$308.00	<input checked="" type="checkbox"/> Use tax	\$44.00	<input checked="" type="checkbox"/> single article tax	\$36.00													
Tax	Amount																								
<input checked="" type="checkbox"/> TN State	\$308.00																								
<input checked="" type="checkbox"/> Use tax	\$44.00																								
<input checked="" type="checkbox"/> single article tax	\$36.00																								
				<input checked="" type="checkbox"/> Tax entire sale as if it was one single item. OK Cancel																					