



**compatible**  
automotive

# DMS: Titan DMS VAT on Over Allowance Process

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## Contents

DMS: Titan DMS .....	0
VAT on Over Allowance Process .....	0
COMPATIBLE AUTOMOTIVE CONTACT DETAILS .....	1
Business Purpose:.....	2
Example of Trade in on Deal:.....	3

Date	Comments	Changed by
June 2022	Document Created	Nadhira Kallan

## COMPATIBLE AUTOMOTIVE CONTACT DETAILS

For any enquiries regarding this document for VAT on Over Allowance Process, please contact:

### SUPPORT

Contact Number: 011 518 2000

Email Address: [V10support@Compatible.co.za](mailto:V10support@Compatible.co.za)

Online Ticket Portal: <https://compatibleautomotive1.teamwork.com/support/#/tickets/new>

Reference: VAT on Over Allowance

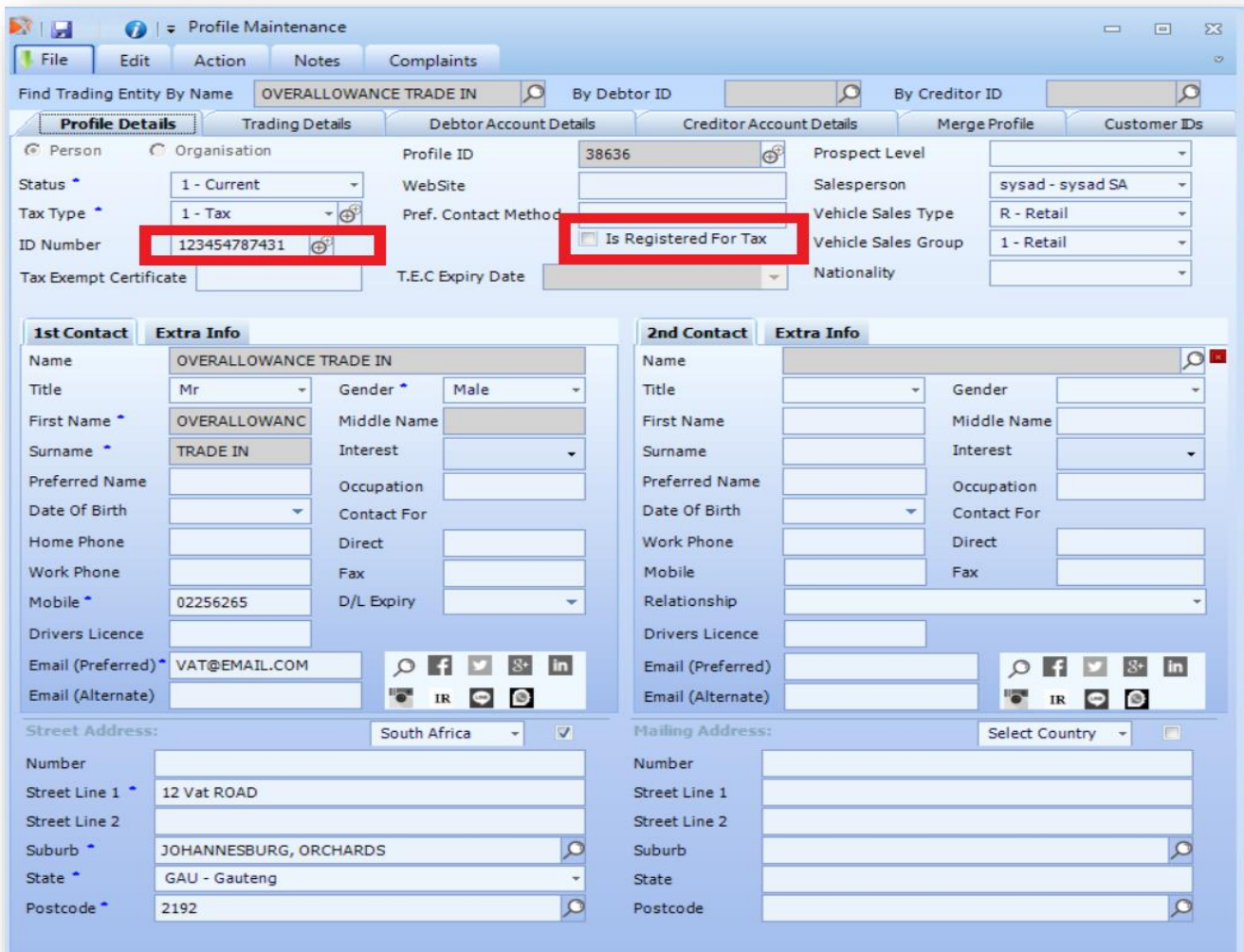


## Business Purpose:

This document explains the process of the VAT on over allowance based on the new requirement that was passed by SARS on 01.01.2022. This requirement indicates that VAT on over allowance must be calculated on the lesser value when the owner of the trade in is not a registered VAT vendor. If the owner is a registered VAT vendor the calculation on VAT remains on the higher value and works as prior to this requirement being passed.

## Process:

When creating a customer either directly through Profile Maintenance or through the Vehicle Quote/Order/Invoice screen, the 'Is registered for tax' tick box must be unticked. You will notice that if it is a person and ID number must be entered and if an organisation the VAT number must be entered before the tick box becomes available to untick. Once this box is unticked the system will automatically calculate the VAT on the lesser amount.

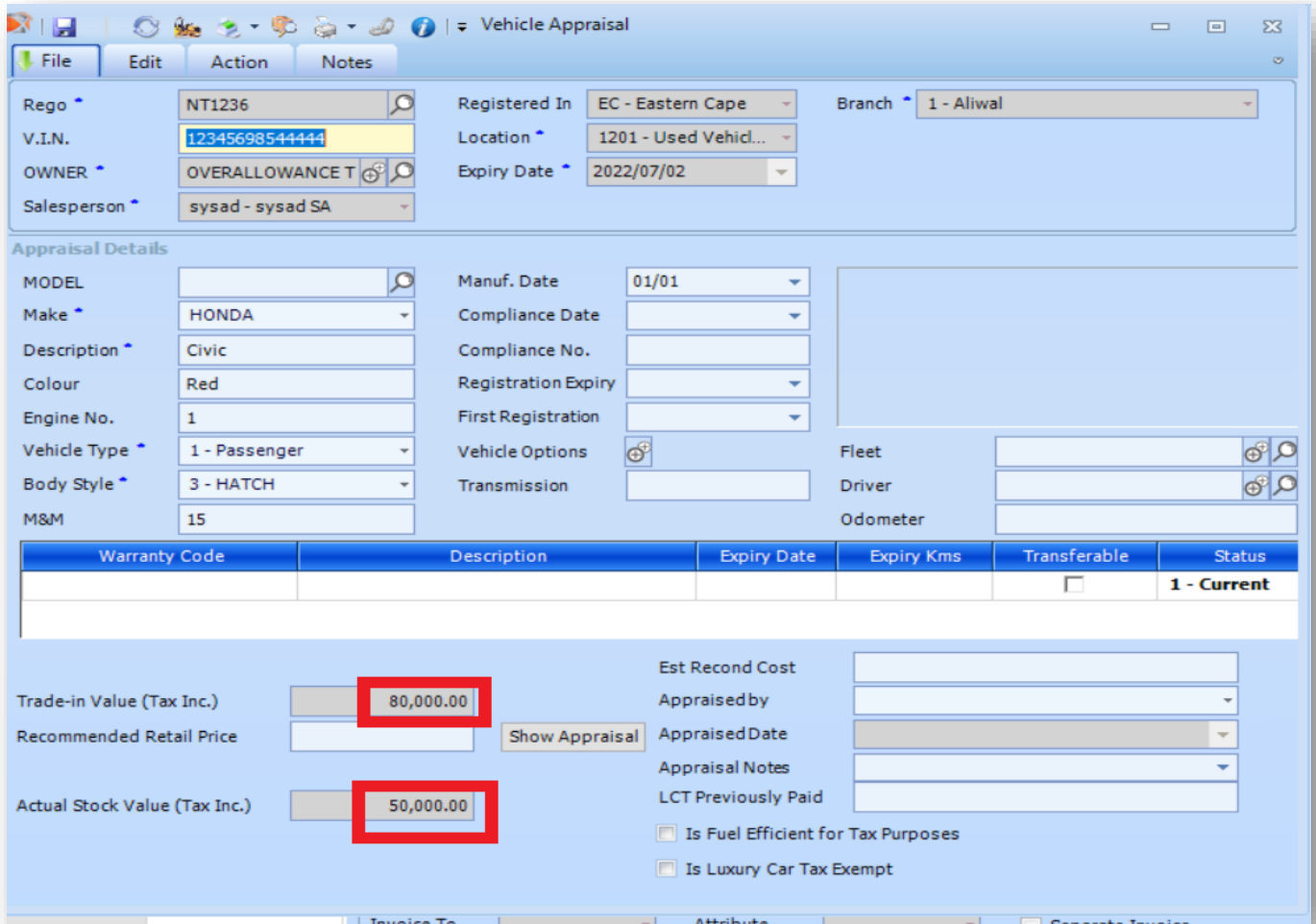


The screenshot displays the 'Profile Maintenance' software interface. The 'Profile Details' tab is active, showing fields for 'Person' and 'Organisation'. The 'ID Number' field contains '123454787431' and is highlighted with a red box. The 'Is Registered For Tax' checkbox is also highlighted with a red box and is currently unchecked. Other fields include 'Profile ID' (38636), 'Status' (1 - Current), 'Tax Type' (1 - Tax), 'WebSite', 'Pref. Contact Method', 'Prospect Level', 'Salesperson' (sysad - sysad SA), 'Vehicle Sales Type' (R - Retail), 'Vehicle Sales Group' (1 - Retail), 'Tax Exempt Certificate', and 'T.E.C Expiry Date'. Below the main form, there are sections for '1st Contact' and '2nd Contact', each with 'Name' and 'Extra Info' sub-sections. The '1st Contact' section includes fields for Name, Title, First Name, Surname, Preferred Name, Date Of Birth, Home Phone, Work Phone, Mobile (02256265), Drivers Licence, Email (Preferred) (VAT@EMAIL.COM), and Email (Alternate). The '2nd Contact' section includes fields for Name, Title, First Name, Surname, Preferred Name, Date Of Birth, Work Phone, Mobile, Relationship, Drivers Licence, Email (Preferred), and Email (Alternate). At the bottom, there are sections for 'Street Address' and 'Mailing Address', both with fields for Number, Street Line 1, Street Line 2, Suburb, State, and Postcode. The 'Street Address' section is populated with 'South Africa', '12 Vat ROAD', 'JOHANNESBURG, ORCHARDS', 'GAU - Gauteng', and '2192'.



## Example of Trade in on Deal:

In the below example 80 000 was given to the customer for the trade in but the vehicle was only stocked for 50 000. The system should calculate VAT on the lesser value because the 'Is registered for tax' tick box is unticked in Profile Maintenance.



The screenshot shows the 'Vehicle Appraisal' window with the following details:

- Rego:** NT1236
- V.I.N.:** 12345698544444
- OWNER:** OVERALLOWANCE T
- Salesperson:** sysad - sysad SA
- Registered In:** EC - Eastern Cape
- Location:** 1201 - Used Vehid...
- Branch:** 1 - Aliwal
- Expiry Date:** 2022/07/02

**Appraisal Details:**

- MODEL:** [Empty]
- Make:** HONDA
- Description:** Civic
- Colour:** Red
- Engine No.:** 1
- Vehicle Type:** 1 - Passenger
- Body Style:** 3 - HATCH
- M&M:** 15
- Manuf. Date:** 01/01
- Compliance Date:** [Empty]
- Compliance No.:** [Empty]
- Registration Expiry:** [Empty]
- First Registration:** [Empty]
- Vehicle Options:** [Empty]
- Transmission:** [Empty]
- Fleet:** [Empty]
- Driver:** [Empty]
- Odometer:** [Empty]

Warranty Code	Description	Expiry Date	Expiry Kms	Transferable	Status
				<input type="checkbox"/>	1 - Current

**Trade-in Value (Tax Inc.):** 80,000.00

**Recommended Retail Price:** [Empty] [Show Appraisal](#)

**Actual Stock Value (Tax Inc.):** 50,000.00

**Est Recond Cost:** [Empty]

**Appraised by:** [Empty]

**Appraised Date:** [Empty]

**Appraisal Notes:** [Empty]

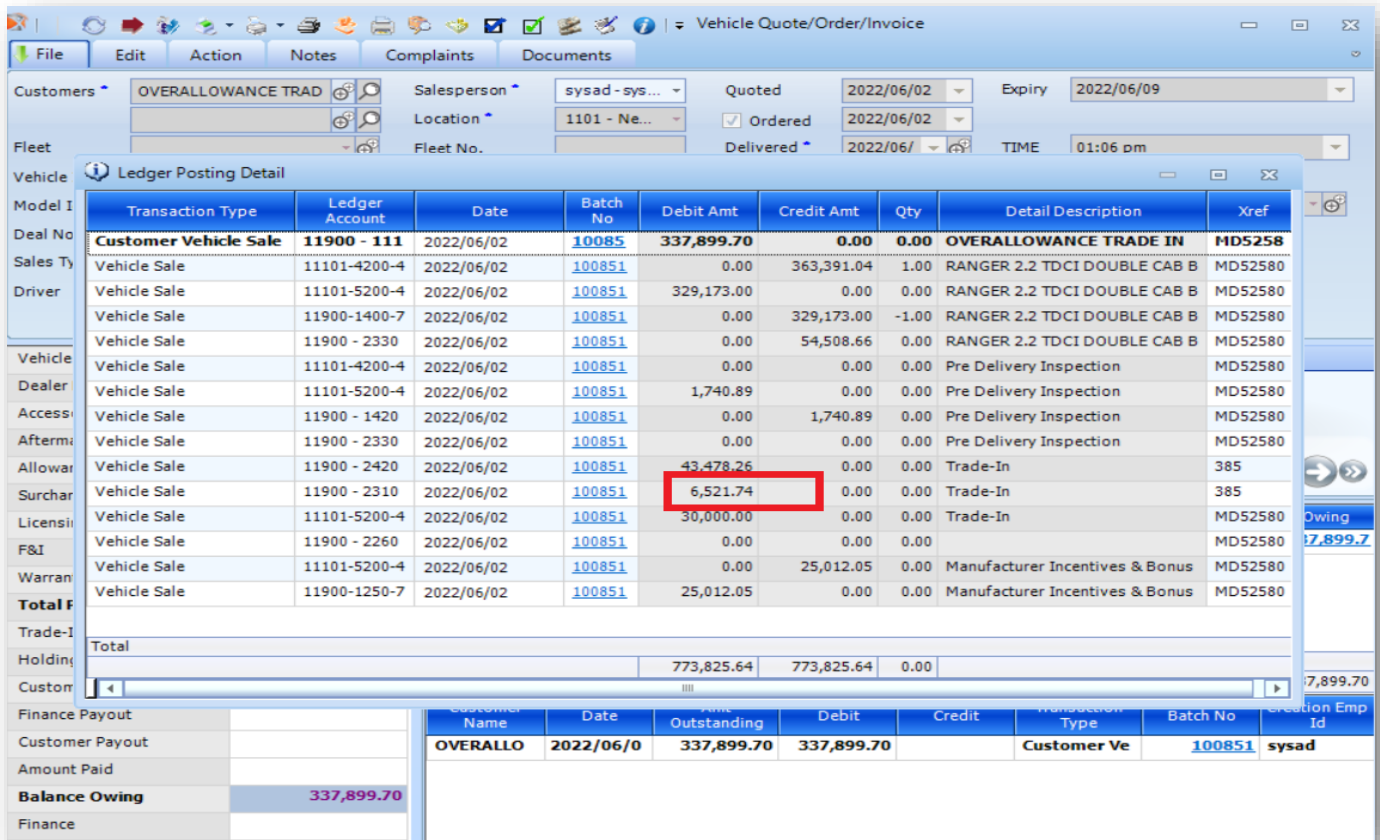
**LCT Previously Paid:** [Empty]

Is Fuel Efficient for Tax Purposes

Is Luxury Car Tax Exempt



The system calculates the VAT on the 50 000. See below.



Transaction Type	Ledger Account	Date	Batch No	Debit Amt	Credit Amt	Qty	Detail Description	Xref
<b>Customer Vehicle Sale</b>	<b>11900 - 111</b>	2022/06/02	<b>10085</b>	<b>337,899.70</b>	<b>0.00</b>	<b>0.00</b>	<b>OVERALLOWANCE TRADE IN</b>	<b>MD5258</b>
Vehicle Sale	11101-4200-4	2022/06/02	100851	0.00	363,391.04	1.00	RANGER 2.2 TDCI DOUBLE CAB B	MD52580
Vehicle Sale	11101-5200-4	2022/06/02	100851	329,173.00	0.00	0.00	RANGER 2.2 TDCI DOUBLE CAB B	MD52580
Vehicle Sale	11900-1400-7	2022/06/02	100851	0.00	329,173.00	-1.00	RANGER 2.2 TDCI DOUBLE CAB B	MD52580
Vehicle Sale	11900 - 2330	2022/06/02	100851	0.00	54,508.66	0.00	RANGER 2.2 TDCI DOUBLE CAB B	MD52580
Vehicle Sale	11101-4200-4	2022/06/02	100851	0.00	0.00	0.00	Pre Delivery Inspection	MD52580
Vehicle Sale	11101-5200-4	2022/06/02	100851	1,740.89	0.00	0.00	Pre Delivery Inspection	MD52580
Vehicle Sale	11900 - 1420	2022/06/02	100851	0.00	1,740.89	0.00	Pre Delivery Inspection	MD52580
Vehicle Sale	11900 - 2330	2022/06/02	100851	0.00	0.00	0.00	Pre Delivery Inspection	MD52580
Vehicle Sale	11900 - 2420	2022/06/02	100851	43,478.26	0.00	0.00	Trade-In	385
Vehicle Sale	11900 - 2310	2022/06/02	100851	6,521.74	0.00	0.00	Trade-In	385
Vehicle Sale	11101-5200-4	2022/06/02	100851	30,000.00	0.00	0.00	Trade-In	MD52580
Vehicle Sale	11900 - 2260	2022/06/02	100851	0.00	0.00	0.00		MD52580
Vehicle Sale	11101-5200-4	2022/06/02	100851	0.00	25,012.05	0.00	Manufacturer Incentives & Bonus	MD52580
Vehicle Sale	11900-1250-7	2022/06/02	100851	25,012.05	0.00	0.00	Manufacturer Incentives & Bonus	MD52580
<b>Total</b>				<b>773,825.64</b>	<b>773,825.64</b>	<b>0.00</b>		

Customer Name	Date	Outstanding	Debit	Credit	Transaction Type	Batch No	Creation Emp Id
OVERALLO	2022/06/0	337,899.70	337,899.70		Customer Ve	100851	sysad

**Balance Owning** 337,899.70

The Input VAT (VAT Receivable) Report now has an extra column. This extra column indicates the value that the VAT was calculated on for easy reconciliation and reporting.

Period From: 2022/06/01  
 Period To: 2022/06/30  
 VAT Registration No

VAT STANDARD											
Source	Supplier Name	Supplier Vat No.	Invoice Date	Invoice No.	Batch No	Description	Rate	Amt Exc.	VAT Amt	Amt Inc	Amt For Tax Calc.
Trade-In Vehicle	None	None	2022-06-02	27734	100851	Trade-In	15.00	43478.27	6521.74	50000.01	-50000.00

