

Changing GST Rates In Simply Accounting

Effective Jan 1, 2008 the GST rate is changing from 6% to 5%.

To make this change:

- Go to the Setup Menu
- Choose – System Settings
- Choose – Sales Taxes
- Click – The Tax Codes Tab
- Double Click on the tax item you need to under the Code Column to open the Details Window
- Change the 6 to a 5
- Click the OK
- Change to description of the Code to Read GST @ 5%

Repeat the above to change the rate for your I – Included tax code.

If you have an M code for using with Restaurant and Entertainment receipts, change it from 3% to 2.5%

Why do we change the existing code and not just setup new codes for the 5%? Because if we have tax codes linked to our customers vendors, service and inventory items we would have to go through them all and change them to the new code, this way you are using the same code with a new rate.

As you will probably still have quite a few entries to make for 2007 or earlier it will be worth setting up an additional tax code to use for those entries.

You can add a new one by:

- Go to the Setup Menu
- Choose – System Settings
- Choose – Sales Taxes
- Click – The Tax Codes Tab
- Double Click on the first blank line under the Code column to open the Details Window
- In the Tax column, double click and choose GST from the next window
- Click – Select
- Leave Taxable in the status column
- Set Rate to 6
- Click on the No in the Refundable column to change it to a yes.
- When making a new “Tax Included” item Click on the No in the Included column to change it to a yes.
- Click - OK
- When back to the Sales Tax Information in the Code column enter a new name of 6 and for the Included Item use 6i for the new item.