Canadian Vendor Tax Guidance

UPDATED 11/27/2022

For our Canadian Vendors, we understand that it is mandatory as per the Canadian Government that your Tax number(s) need to be present on Invoice documents. Although the invoices you are creating in Ariba are digital, there is still a need to enter the Tax ID number so that it will default into the Invoices you are creating. There are only a few steps to do this, and it is a one-time configuration.

Please complete the following steps to get your Tax ID number defaulted into your invoice documents.

If you have already completed these steps, please go to slide 6 to see how tax should be configured and applied when invoicing.

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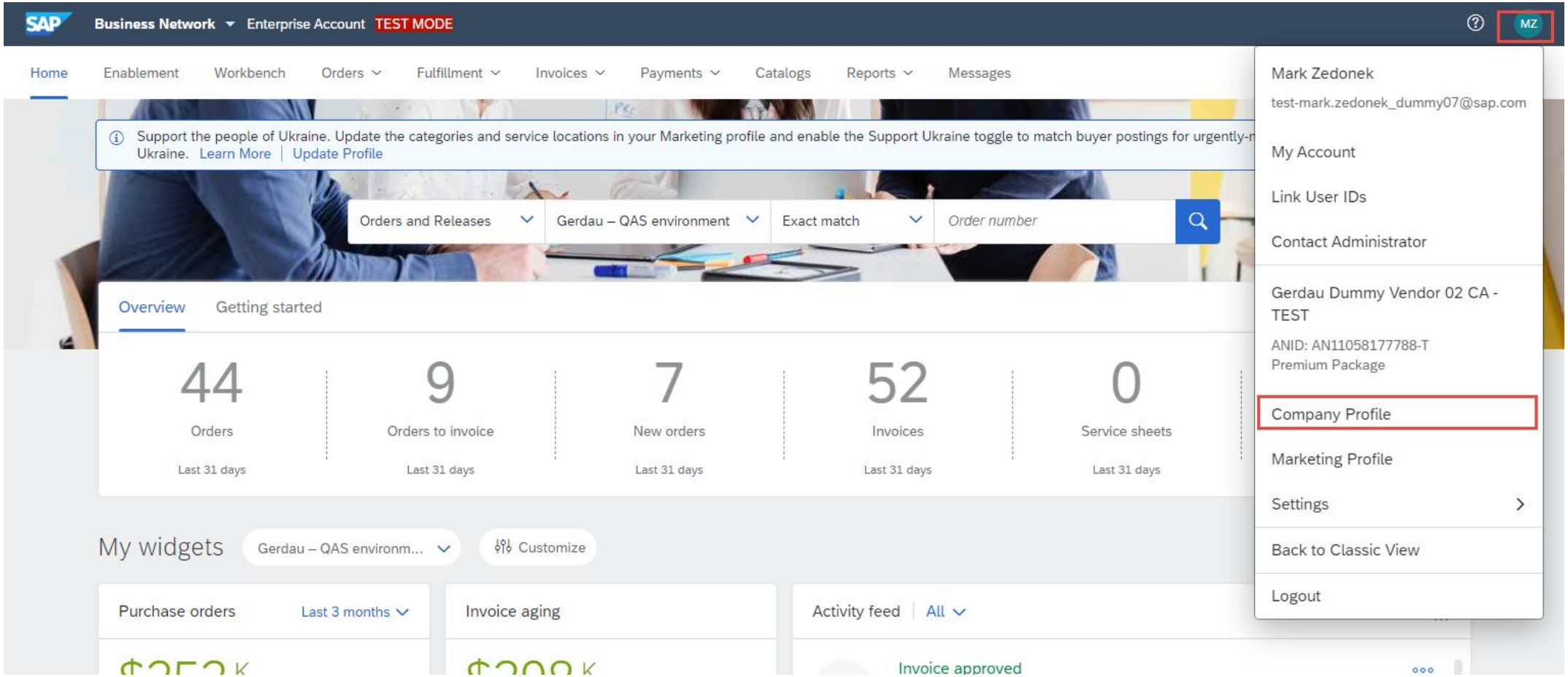
First, click on your initials which can be found in the blue button in the top, right-side corner of the screen. When you click here, a drop down will come up. In addition to showing your Ariba ANID number, there are other selections that can be made. To get to the fields to enter your Tax ID number, click on the "Company Profile" selection.



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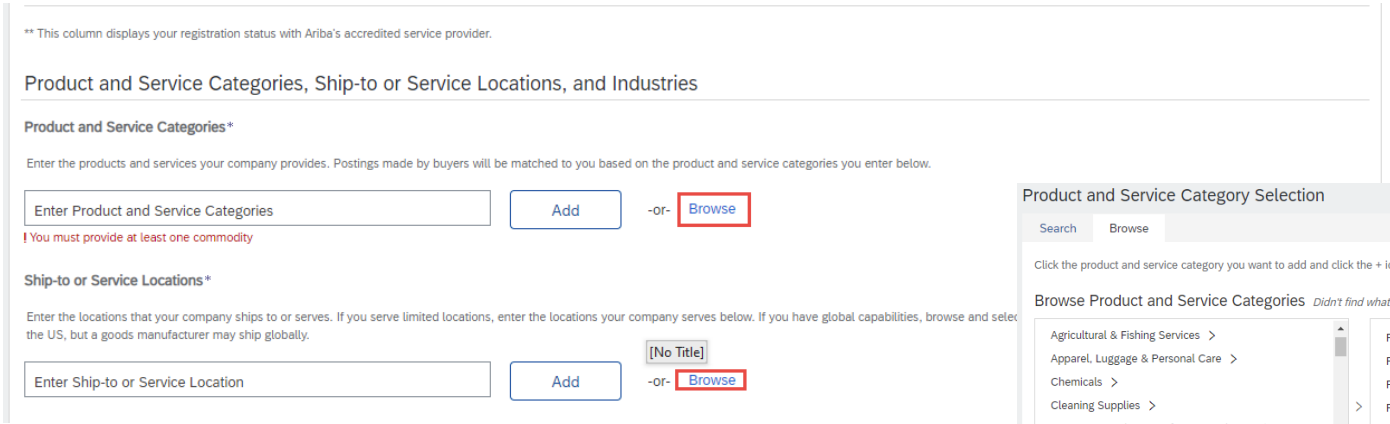
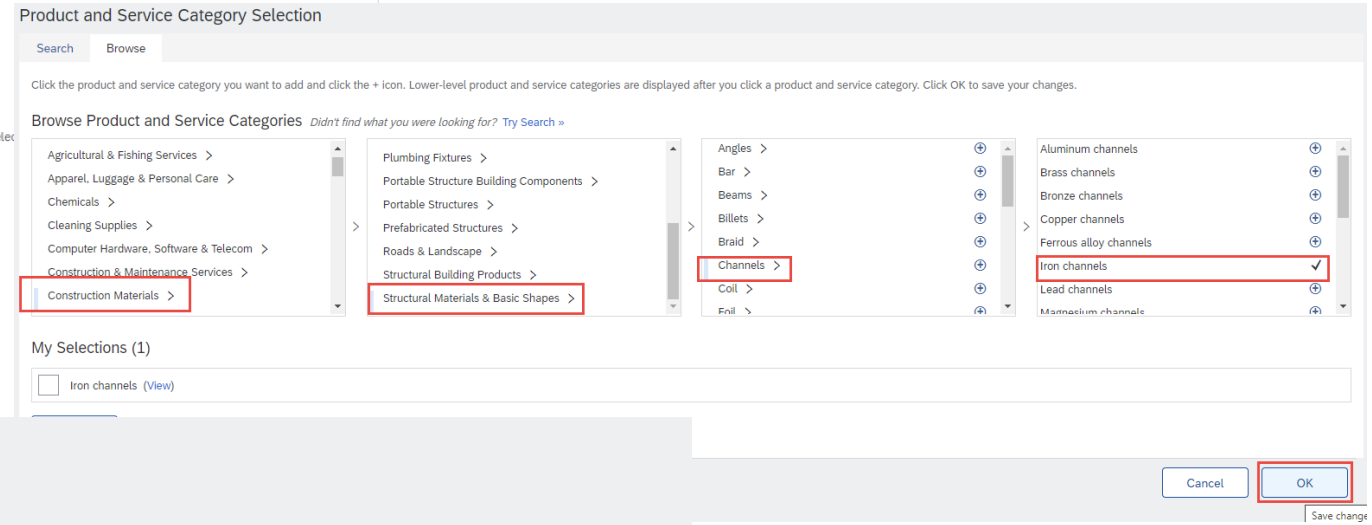
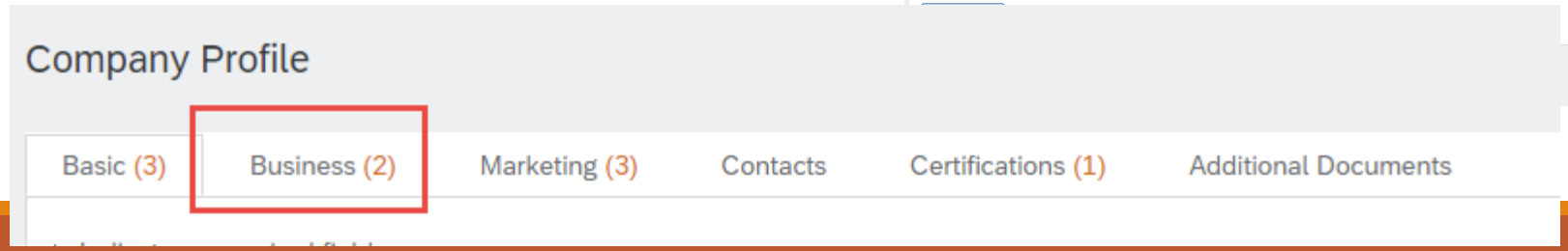
This will take you to the sections of your profile where you can enter your company's details. Click on the "Business" tab to get to enter this information.

If you are not able to get to the "Business" tab, you may need to enter some information on the "Basic" tab. Usually this is the Products and Service Categories section. You can Browse to select what most closely describes your business and the area you serve – this can be very general. After you Save those entries, you can then click on the "Business" tab.







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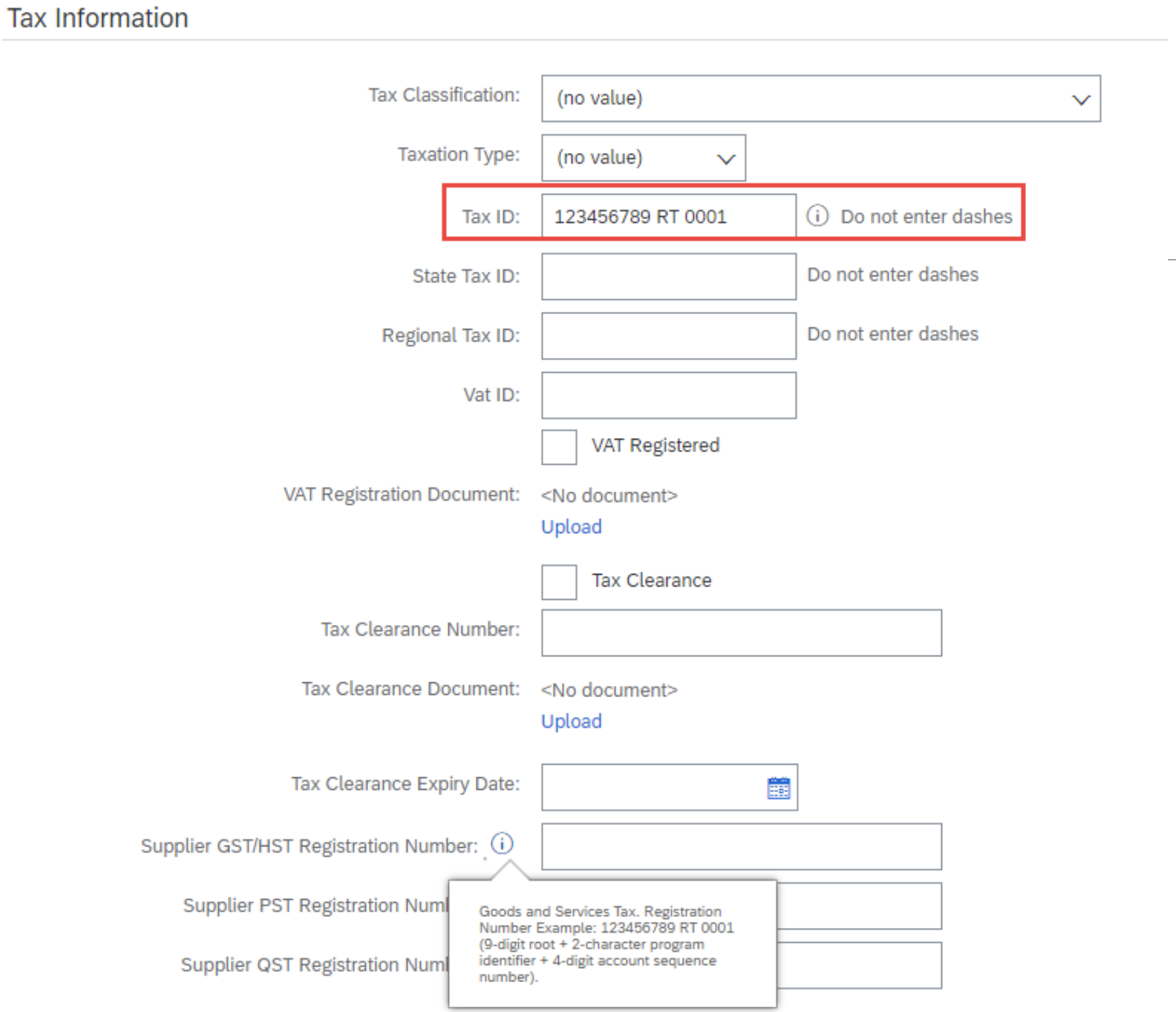

In the "Business" tab, scroll down into the "Tax Information".

Enter your main (HST or GST) number in the "Tax ID" field.

Continue down until you get to the fields for HST/GST, PST, and QST. Enter your Tax ID number(s) in the appropriate fields as well. For these fields, you will need to use the format that is noted when you click on the little "i" in a circle next to the field.

For example: Goods and Services Tax. Registration Number Example: 123456789 RT 0001 (9-digit root + 2-character program identifier + 4-digit account sequence number).

Once you are done, scroll to the bottom and click "Save".
Now your ID will automatically show in your invoices.

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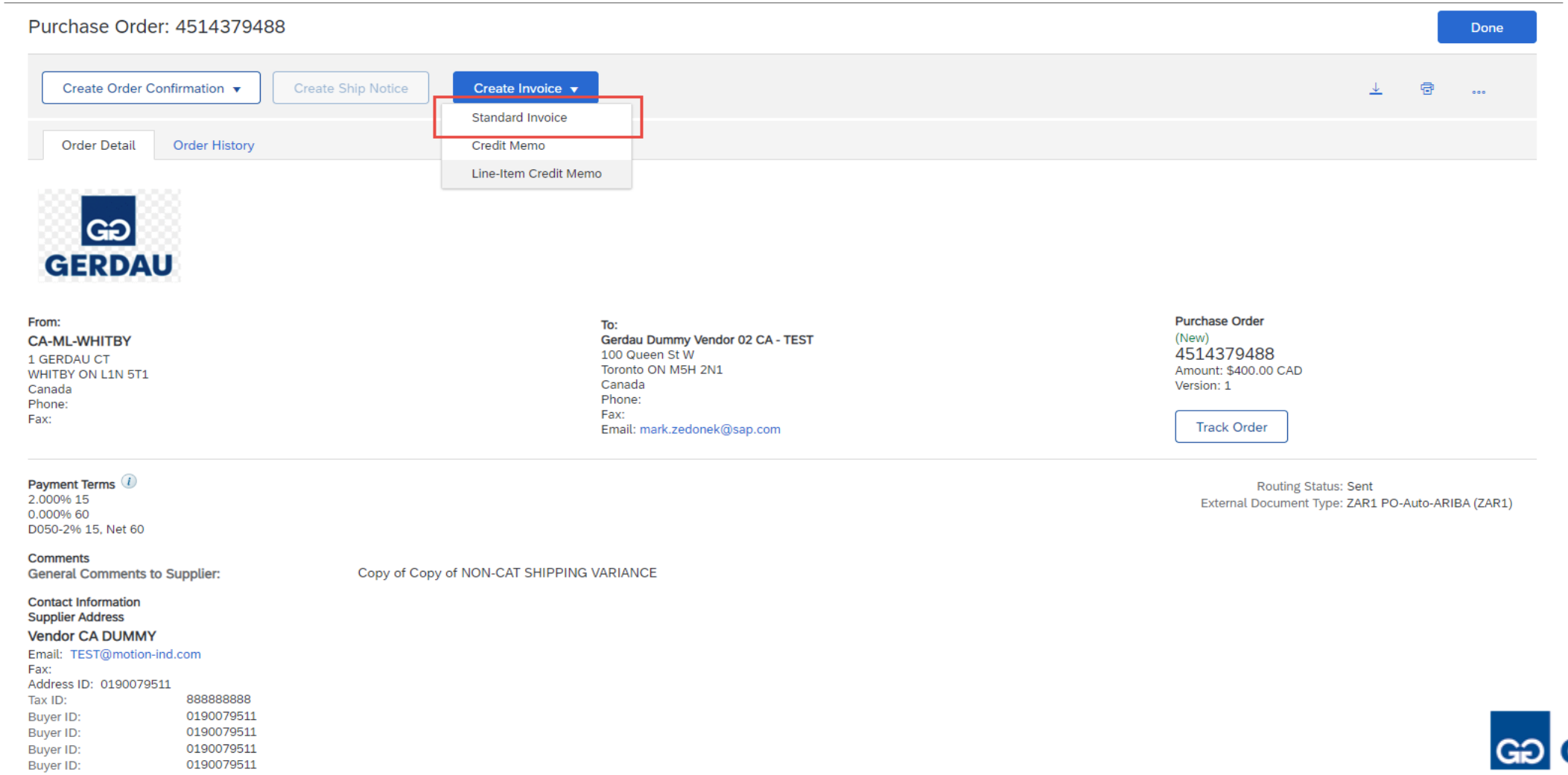
To create your invoices for Standard (free) accounts, opening the Ariba invoice notification email will take you to the PO to be invoiced directly or you can log into your Ariba account and go to Orders in your Workbench tile. Enterprise (paid) accounts can just log into their Ariba home page, click on the orders tab at the top, and select which PO you want to invoice. Click on the "Create Invoice" button and then on "Standard Invoice" to get started.



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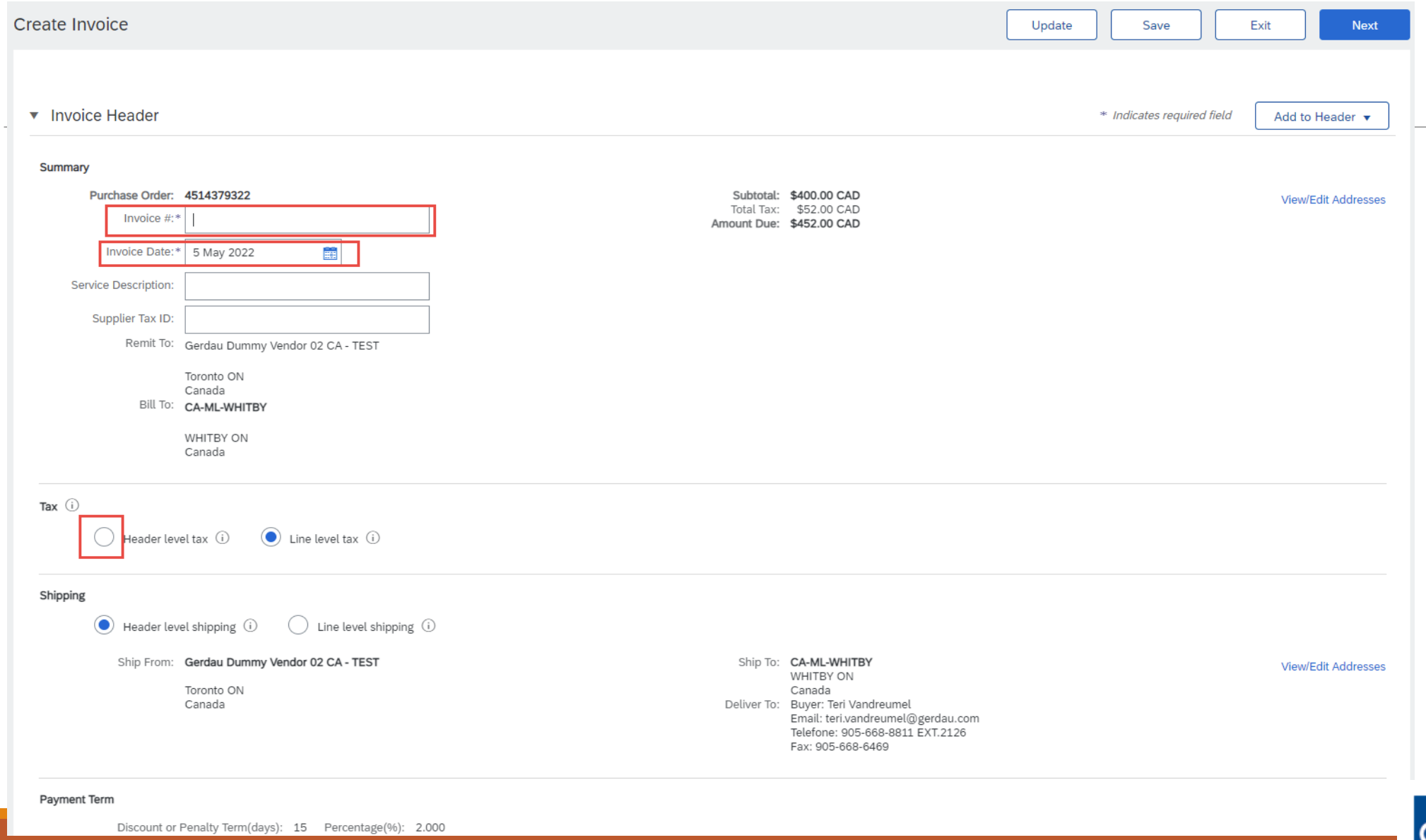
Enter the invoice number that you want to use and enter the invoice date. Note that you can back date when you are creating an invoice. Next, click the toggle button for Tax and set it to be Header Level Tax.



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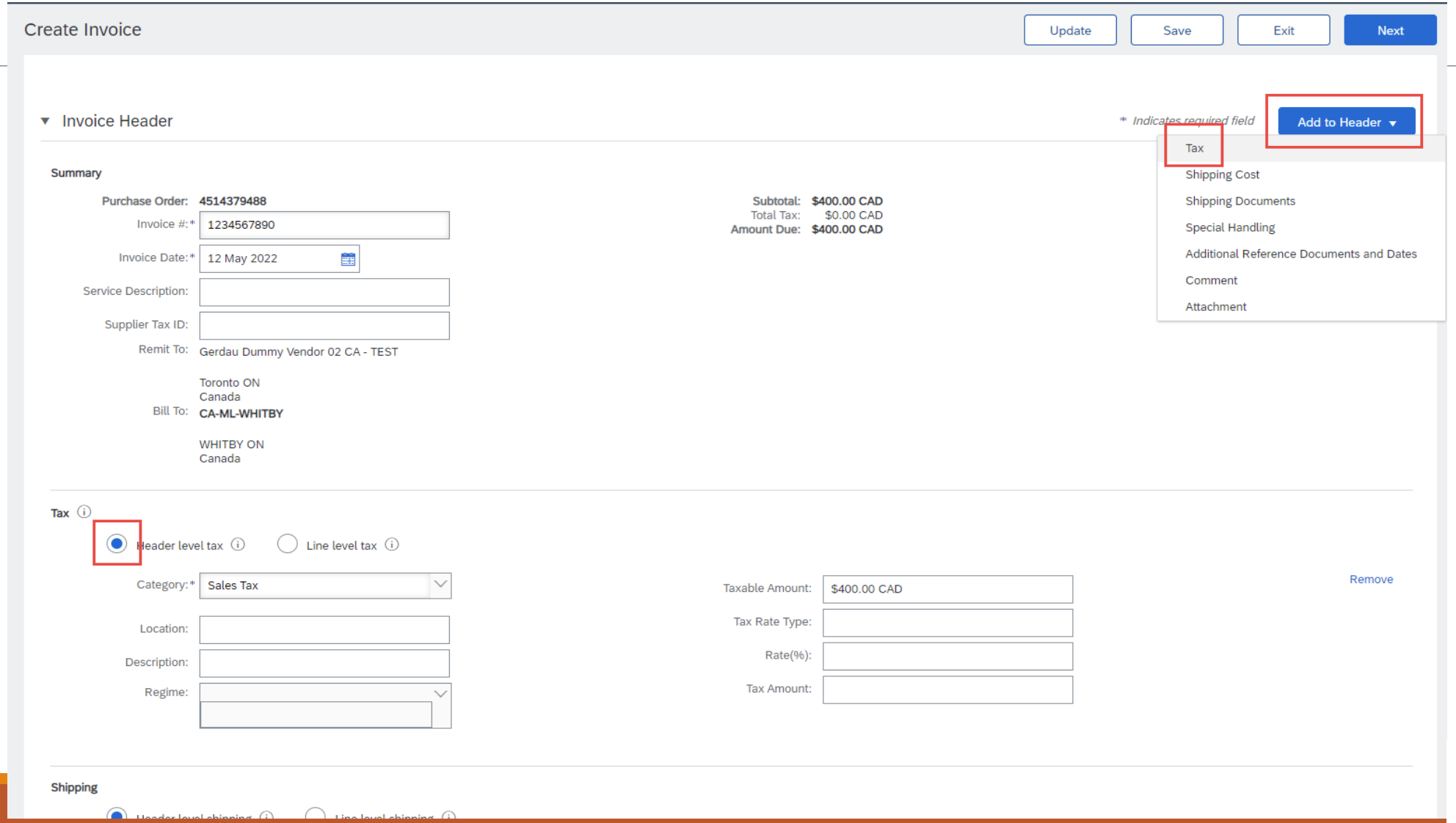
After you select the Header Level Tax toggle button. If a tax field doesn't automatically appear, go to the top of the screen and click the Add to Header button. In the drop down, select Tax. For Provinces with PST, you'll need to charge two taxes, so do this process twice, even if one tax charge will be $0. For HST, there should be 1 tax line, for PST/GST you need 2.



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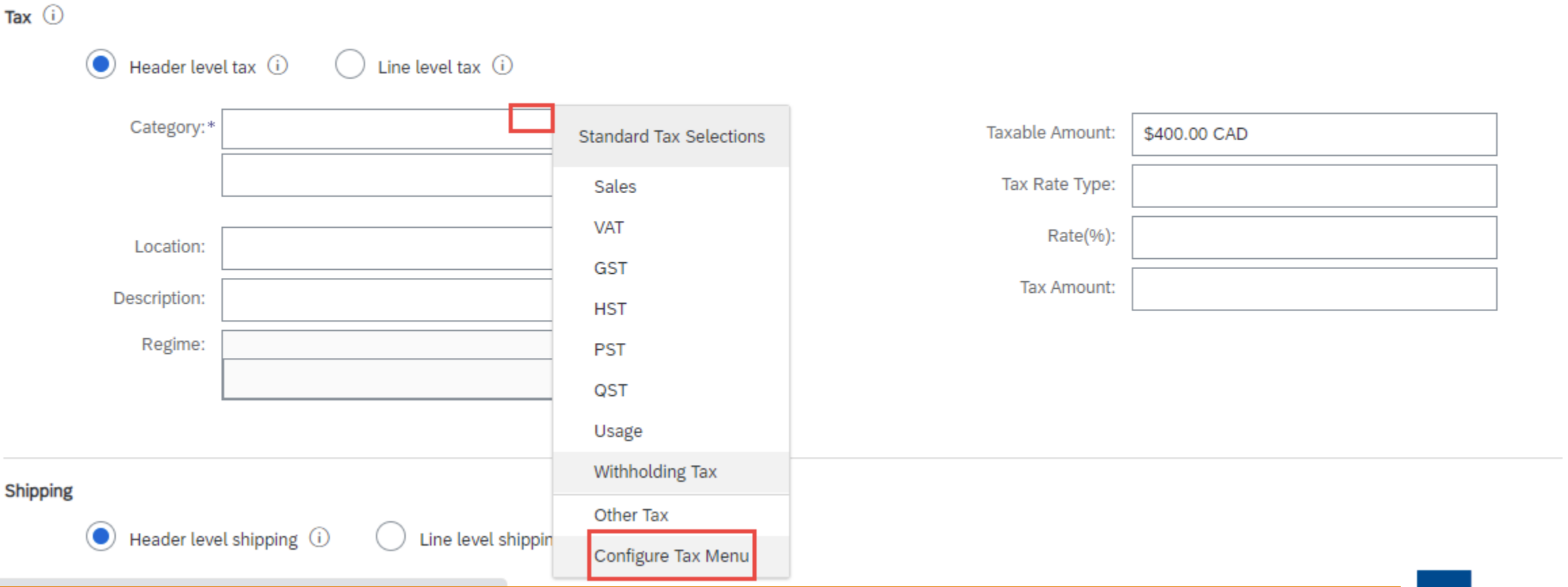
Configuring your tax categories is the easiest way to make sure that the correct tax is charged. This is a <u>one-time</u> step that will allow the system to correctly recognize the tax categories to match what Gerdau has mapped in our side of Ariba.
Please do not use the GST/HST/PST/QST that are showing pre-populated in the drop-down. The invoices will not process if you use these. Instead, click on Configure Tax Menu and proceed.



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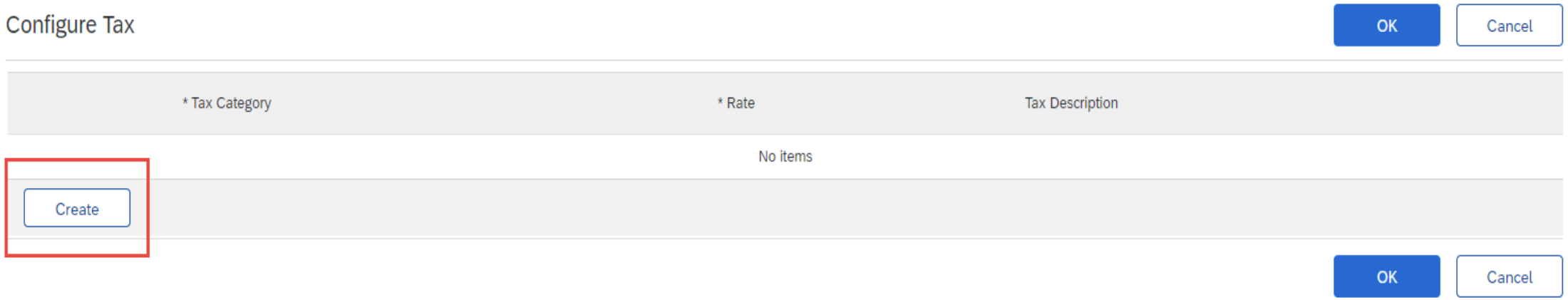
The Configure Tax section should now be showing. Click on the Create button to enter your first tax category



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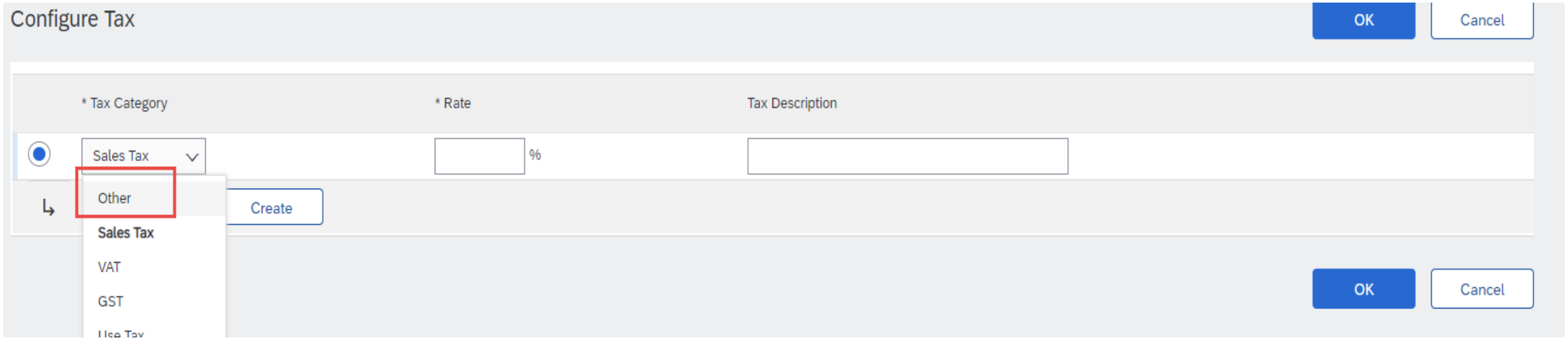
A new line will appear with the Tax Category usually defaulted to be Sales Tax. This isn't what we need, so click on the drop-down arrow and select Other.



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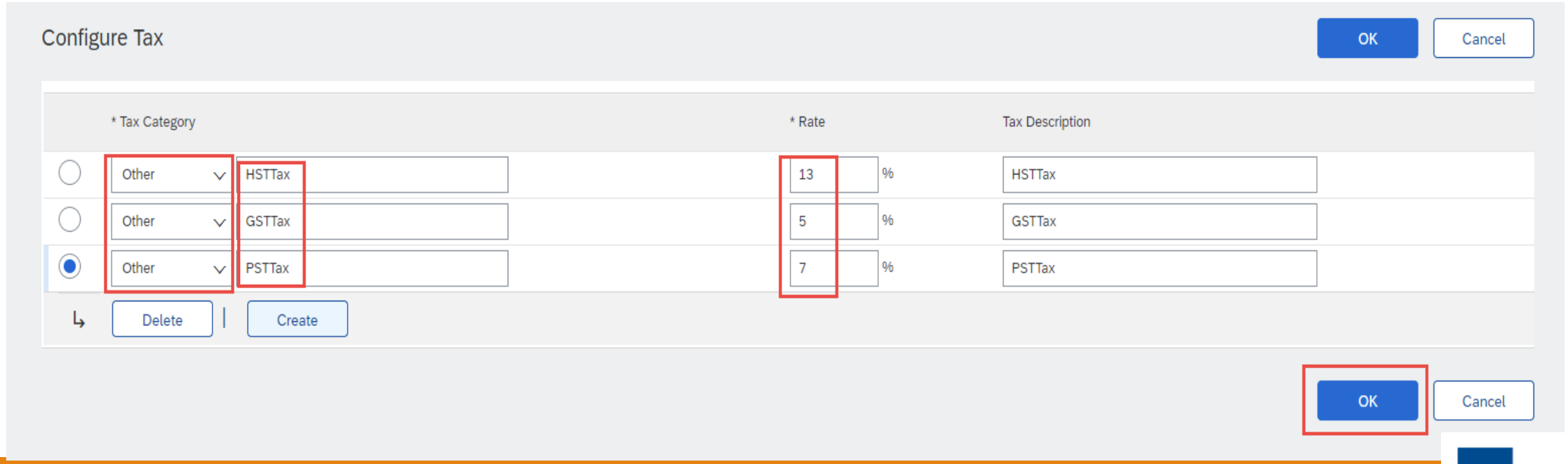
you are only going to be charging the Harmonized Sales Tax, HST, you will enter the category name exactly this way, case-sensitive: HSTTax. Then enter 13 in the % Rate box, then enter HSTTax as the Text description. Then click OK.

If you are invoicing to Manitoba you MUST set up both GST and PST, so you need to create 2 separate lines. Each time you will select Other as the tax category and then will enter case-sensitive GSTTax and 5 for the rate on one line; enter PSTTax and 7 for the rate on the second line. NOTE: If you do not charge PST, then enter the rate as 0. Then click OK.

If you are doing business with both Manitoba and Ontario locations, you will need to create 3 lines, one for each type of tariff, still using the Tax Category Other.

Remember, this is a one-time step, but if you need to modify something in the future, you can always go back and re-configure the tax to be what you need.

FOR MANITOBA INVOICING, YOU MUST HAVE GST AND PST TAX LINES ENTERED EVEN IF THE RATE is 0% FOR ONE.



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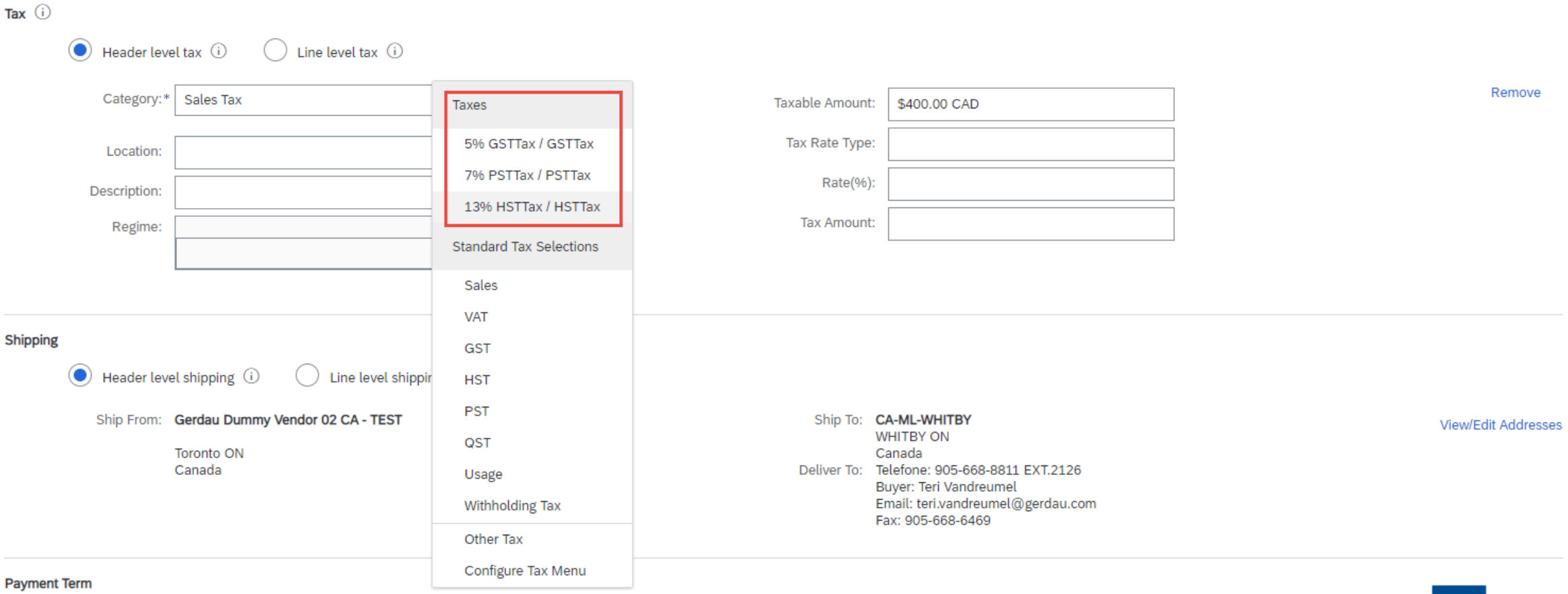
Now when you go back to select the tax category, all of the ones you configured will show at the top. You can select the one you need, and it will auto-populate the rate and tax amount in the fields on the right. Note that if you are needing more than one tax category, you can just go to the Add to Header button at the top right and click on Tax. Then you can select the ones you need. Again, the rate and tax amount will be auto-populated for you. (Shown on the following slides.) If you are not charging tax and Ariba will not allow you to create an invoice without it, simply add the appropriate tax category to the header and change the rate to 0%.



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Tax

Header level tax Line level tax

Category:* 13% HSTTax / HSTTax

Location:

Description: HSTTax

Regime:

Taxable Amount: $400.00 CAD

Tax Rate Type:

Rate(%): 13

Tax Amount: $52.00 CAD

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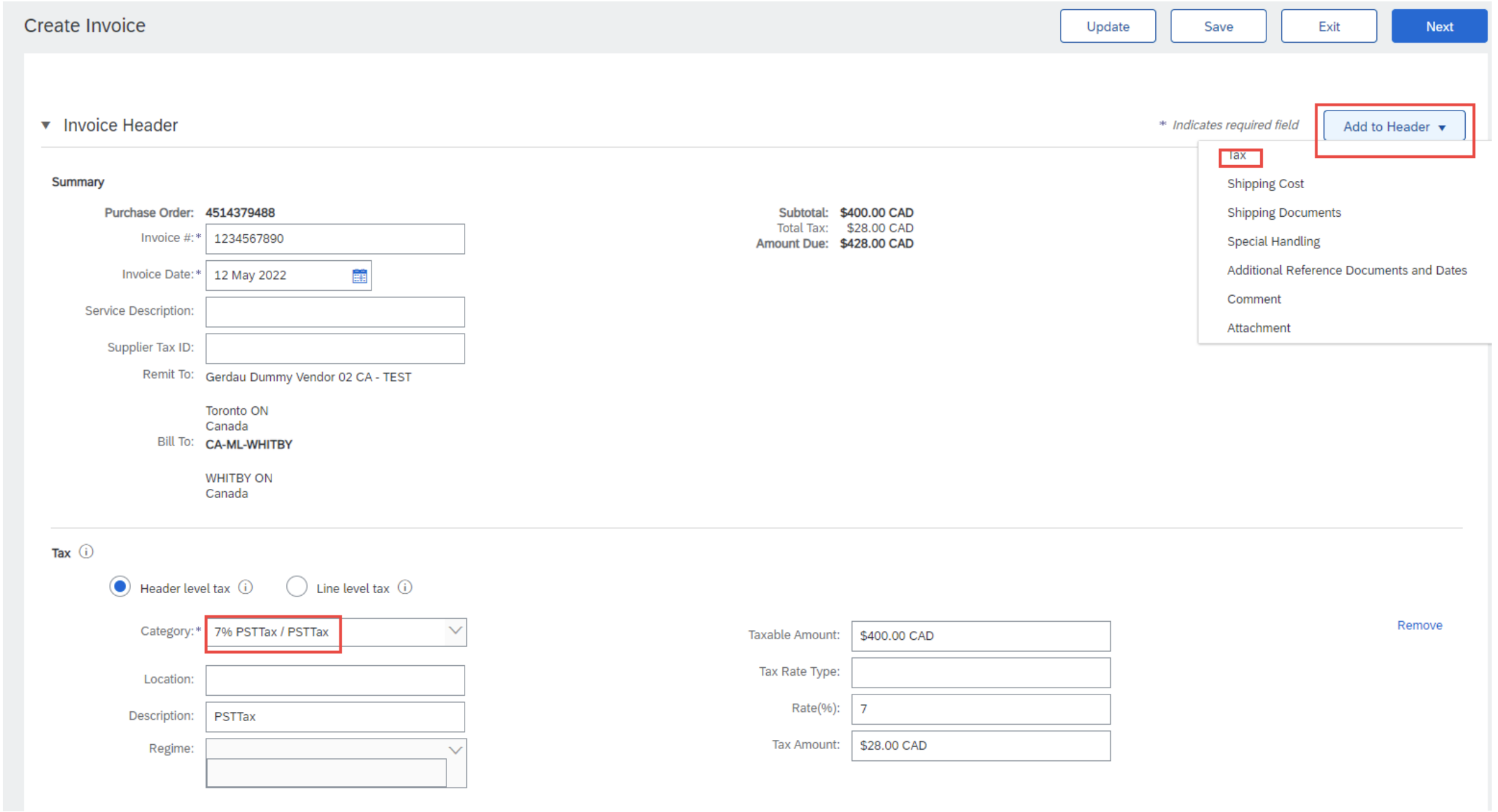

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Tax

Header level tax Line level tax

Category: * 7% PSTTax / PSTTax

Location:

Description: PSTTax

Regime:

Taxable Amount: $400.00 CAD

Tax Rate Type:

Rate(%): 7

Tax Amount: $28.00 CAD

Remove

Category: * 5% GSTTax / GSTTax

Location:

Description: GSTTax

Regime:

Taxable Amount: $400.00 CAD

Tax Rate Type:

Rate(%): 5

Tax Amount: $20.00 CAD

Remove

Shipping

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Thank you!

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