Managing Tax Rate Change in BUSY

As per recent GST Council meeting, there have been changes in tax rates of many products as per which a lot of Items have been moved from 5% to 12% or 18%.

In this document, we will discuss that how you can manage tax rate change of Items in BUSY with effect from a certain date.

Case 1: Tax rate for all the Items under a specific rate changed to another rate like 5% changed to 12%

If tax rate for all the Items under a specific rate is changed to another rate then you can simply modify the existing tax category for that tax rate and specify new rate with effect from specified date. For example if 5% slab changed to 12%, simply modify existing tax category for 5% and specify new rate as 12% as shown below. No need to modify any Item.

Case 2: Tax rate for some of the Items changed to another rate like some of the Items in 5% moved to 12% or 18%

Let us assume that you had 10 Items under 5% and out of them 3 have been moved to 12% and 2 moved to 18%.

In this case we cannot modify existing tax category of 5% because it will impact all Items tagged with it. So, we need to create new tax category masters with the names like GST 5 →12% & GST 5 →18% and specify new rate with effect from specified date. Given below is the screenshot of Tax Category Master for Tax Category GST 5 →18%.

Similarly, you should create new Tax Category master for changes in other tax rates like GST 5 →12%, GST 18 →12 %, GST 12 →5 % and so on.

After creating new Tax Category masters, next step will be to tag Tax Category master to the required Item masters. For example, Branded Flour such as Ashirwad Atta were earlier taxable at 5% and now they are taxable at 12%, so in Ashirwad Atta Item master, you will tag GST 5 →12% Tax Category master. Given below is the screenshot of Item master with new Tax Category tagged.

Please Note: You are only required to change the Tax Category for items whose tax rates have been changed. For items whose tax rates have not been changed there is no need to make any changes.

You can also change Item's Tax Category for multiple Items in single screen using *Administration→Masters→Bulk Updation→Check/Update Item HSN/Tax Category* option. On clicking Check/Update Item HSN/Tax Category option, a *Select Range* window appears where you can select the Item Range. Given below is the screenshot of Check/Update Item HSN/Tax Category window when Item Range is selected as 'All'.

Change Tax Category for All Items under a particular HSN Code

To change Tax Category for all Items under a particular HSN Code you can use the above screen and filter Items on the basis of HSN Code. Alternatively, you can use *Administration→Bulk Updations→Update Item Tax Category/HSN Code*. On clicking *Update Item Tax Category/HSN Code*, an *Update Item Tax Category* window will appear. Given below is the screenshot of *Update Item Tax Category* window.

Here specify 'Y' under *'Filter on HSN Code'* option and specify the HSN Code for which you want to change the Tax Category. After that specify the new Tax Category that you want to update for above mentioned HSN Code.

With the help of above option you can update Tax Category for all Items for a particular HSN Code.

<<< ☺ **Thank You** ☺ >>>