

**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.

The screenshot shows the 'Tax Category Details' window in BUSY. The 'Name' field is 'GST 5% -> 12%'. The 'Type' is 'Goods'. The 'Tax Type' is 'GST'. The 'GST Rate Info' section shows: Tax Rate (IGST) 5.00, Tax Rate (CGST) 2.50, Tax Rate (SGST) 2.50, and Tax on MRP N. A table titled 'Change in Tax Rates' is shown below, with the following data:

S.No	w.e.f.	IGST-Tax %	CGST-Tax %	SGST-Tax %	Tax Type	Price Based Tax	Basi
1	01-07-2022	12.00	6.00	6.00		N	
2							
3							
4							

Annotations in the image include: 'Don't modify existing tax rate' pointing to the existing tax rates, and 'Specify changed tax rate with date here' pointing to the 'w.e.f.' column in the table. The 'Save' and 'Quit' buttons are at the bottom.

## BUSY

### **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%.

**Name:** GST 5% → 18%      **Type:** Goods      **Tax Type:** GST

**GST Rate Info**

Tax Rate (IGST)	5.00	(For Inter-State)
Tax Rate (CGST)	2.50	(For Local Transactions)
Tax Rate (SGST)	2.50	(For Local Transactions)
Tax on MRP	N	(Only for Multi-Tax Vouchers)

Change Tax Rate on the Basis of Price: N

**Change in Tax Rates**

S.No	w.e.f.	IGST-Tax %	CGST-Tax %	SGST-Tax %	Tax Type	Price Based Tax	Basi
1	01-07-2022	18.00	9.00	9.00		N	
2							
3							
4							

Buttons: Save, Quit

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.

Next - PgDn | Prev - PgUp | List

**Modify Item Master**

Name <b>Ashirwad Atta</b>		Discount & Markup Det.	
Alias		Sale Discount <b>0.00</b>	Purc. Discount <b>0.00</b>
Print Name <b>Ashirwad Atta</b>		Sale Compound Disc.	Purc. Compound Disc.
Group <b>Branded Flour</b>		Specify Sales Disc. Structure <b>N</b>	Specify Purc. Disc. Structure <b>N</b>
Main Unit Details		Alternate Unit Details	
Unit <b>Bags</b>	Alternate Unit <b>Bags</b>	Sale Markup	
Op. Stock (Qty.) <b>0.00</b>	Con. Factor	Purc. Markup	
Op. Stock (Value)	Con. Type	Sale Comp. Markup	
	Op. Stock (Qty.)	Specify Sales Markup Structure	
		Specify Purc. Markup Structure	
<b>Tax Category GST 5% → 12%</b>		Item Description	
HSN/SAC Code for GST <b>1101</b> ... <b>Validate</b>		Set Critical Level (Y/N) <b>Y</b> ...	
Item Price Info		Maintain RG-23D	
Sales Price applied on	Purc. Price applied on	Serial No.-wise Details <b>Y</b>	
Sales Price (Bags) <b>0.00</b>		Parameterized Details	
Purc. Price (Bags) <b>0.00</b>		MRP-wise Details	
M.R.P. (Bags) <b>0.00</b>		Exp./Mfg. Date Required	
Min. Sales Price (Bags) <b>0.00</b> (Exclusive of Taxes)		Specify Default MC	
Self-Val. Price <b>0.00</b>		Freeze MC for Item	
Packaging Unit Details		Total No. of Authors (Max. 10) <b>Don't Maintain Stock Balance N</b>	
Packaging Unit	Con. Factor	Pick Item Sizing Info. from Item Description	
Sales Price (Bags)	Purc. Price (Bags)	Specify Default Vendor <b>N</b>	
Default Unit for Sales <b>Not Req.</b>	Default Unit for Purc. <b>Not Req.</b>	Skip In GST Reports <b>N</b>	
Tax Inclusive Sale Price <b>N</b>	Tax Inclusive Purchase <b>N</b>		
Specify Sales Acc <b>Not Reqd.</b>			
Specify Purc Acc <b>Not Reqd.</b>			

Notes | Opt. Fields | Multiple Alias | ITEM IMAGE | Save | Quit

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'.

S.No	Name	HSN Code	Tax Category
1	Amul Butter - 100 Gm	9876	GST 12%
2	Amul Butter - 500 Gm.	9876	GST 12%
3	Ashirwad Atta	1101	GST 5% --> 12%
4	Bambino Vermicilli - 500 Gm	0987	GST 5% --> 12%
5	Britannia Bourbon	9876	GST 12%
6	Britannia Jim Jam	9876	GST 12%
7	California Almonds - 100gm	0987	GST 12%
8	Everest Sambhar Masala	0906	GST 5% --> 12%
9	Head & Shoulders Shampoo - 340 ml	9876	GST 18%
10	Maggi Noodles- 70 Gm	4651	GST 12%
11	Mc Can French Fries	9876	GST 18%
12	Mc Can Veggie Burger Patties	9876	GST 18%
13	MDH Deggi Mirch	.....	GST 5% --> 12%

**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.

## **BUSY**

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** 😊 >>>