



# **AccountMate for SQL/Express Sales Tax Integration Guide**

ACCOUNTMATE SOFTWARE CORPORATION  
1445 Technology Ln, Ste A3, Petaluma, CA 95407 USA

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This Integration Guide is developed to help AccountMate users correctly set up and get a better understanding of **Sales Tax Integration with Avalara AvaTax** for sales tax calculations, reporting, and filing. It covers the steps required to activate the integration and how to properly set up AccountMate to use the integration.

The Sales Tax Integration feature does not replace the built-in sales tax calculation in AccountMate where end users are responsible for maintaining sales tax rates and choosing the correct sales tax code for each transaction. Sales Tax Integration provides sales tax automation where correct sales tax rates are determined based on your Nexus states and each state's Economic Nexus Laws, your customer's entity use code (i.e., reason for tax exemption), shipping address, and the type of products included in an order. Some products could be either exempted from sales tax or taxed at a reduced rate in different tax jurisdictions.

AccountMate provides complete flexibility to let the users decide whether they want to take the responsibility of maintaining sales tax rates and choosing the sales tax code for each transaction or let Sales Tax Integration determine the correct sales tax rate. Users also have the option of choosing which transactions to use Sales Tax Integration.

## Software Requirements

AccountMate 13.1 for SQL or Express or higher and a Sales Tax Subscription are required to use Avalara AvaTax Sales Tax Integration. When AccountMate for SQL or Express software is installed, the Sales Tax Integration software is installed. No additional software installation step is needed.

A stable internet connection is required whenever your AccountMate software interacts with Avalara.

## Software Licensing

AccountMate Registered Users can purchase the Sales Tax Subscription license through their AccountMate Solution Provider. Product information can be found on the [AccountMate website](#). Pricing will be provided by the AccountMate Solution Provider.

## Activation

### Setting Up Avalara Account

You are required to sign up for an Avalara account on the [Avalara website](#). Sales Tax Integration for AccountMate for SQL or Express requires an [Avalara AvaTax](#) subscription. Contact Avalara for pricing information and options.

### Generating Avalara License Key

After the Avalara account is set up, you must request an Avalara [License Key](#).

### Adding Company

A [company](#) needs to be set up in your Avalara account. If multiple companies are set up in AccountMate using the same Tax ID for tax filing purposes, [additional companies](#) can be set up in Avalara.

## Activating Avalara AvaTax Sales Tax Integration in AccountMate

1. Access the **AR Module Setup** or **SO Module Setup** function under the **Housekeeping** menu of the AR or SO module in the AccountMate application.
2. Go to the **Integration** tab in **AR Module Setup** or the **General (2)** tab in **SO Module Setup**; then mark the **Enable Sales Tax Integration** checkbox.
  - The option is available only when the company is set up to use "United States" or "Canada" **Country Tax** and the **Home Currency** is "USD" or "CAD", respectively.
  - You can turn the setting on or off at any time.
3. Select **Avalara AvaTax** as the sales tax integration provider.
4. Click the **Setup** button to complete the setup for Sales Tax Integration.

## Setup

There are four tabs on the **Avalara Setup** window. Go through each tab to complete the setup.

## Settings

1. Enter the **Account #** created by Avalara. This is a 10-digit number used to authenticate the API calls to Avalara. In the AvaTax Admin Console, you can find the Account ID when you click your user profile picture in the top right corner.
2. Enter the **License Key** generated from the AvaTax Admin Console. This is a 13-character, or 16-character string used to authenticate the API calls to Avalara. This key will be e-mailed to your account administrator once generated.
3. Enter the **Service URL** for the AvaTax calculation.
4. Click the **Test Connection** button to verify that the license key is valid. You must establish a successful connection before selecting a **Company Code** and proceeding with the rest of the setup.
5. Select the appropriate **Company Code** from the list box that corresponds to the company you accessed based on what you define in the AvaTax Admin Console. This is a unique code that identifies the company in the AvaTax account. The maximum allowed length is 50 characters.  
**Note:** *Once the company code is set up and saved, you cannot change it anymore.*
6. Indicate if you want AccountMate to refresh the sales tax amount after each transaction update.
  - The default setting is unmarked.
  - By checking the box, the order entry functions in AccountMate will update the sales tax amount after a line item is entered or when the line item total is changed (i.e., when the order quantity, unit of measurement, unit price, or discount is changed). This will significantly increase AccountMate's access to the Avalara tax calculation API, which may lead to higher costs for Avalara services.
  - When the box is unmarked, AccountMate will update the sales tax only when the order or invoice is saved. You have the option to click the **Refresh Sales Tax** button at any time to display the up-to-date sales tax amount for the order or invoice.

To access your sandbox or production account from the AvaTax Admin Console, click the link provided on the screen.

## Tax Code(s)

A tax code is a unique label used to group products, services, or charges. Avalara provides tax codes to determine the taxability of the goods and services you sell. These tax codes typically identify categories of like items and are used to identify which tax rules and rates to apply to a specific charge.

The grid displays all the product tax codes. You will see the same list in the Inventory Maintenance or Inventory Type functions when you choose a **Tax Code** for an inventory item or inventory type. When you select a Tax Code in the grid, a short description appears on the notepad below the grid.

Avalara continues to expand support for additional, less common tax codes over time. When there are changes to product-level tax rules in any of the tax jurisdictions you transact with, click the **Refresh** button from the **Avalara Setup** window to import the updated list of product tax codes from Avalara. New Tax Codes are being added almost every month. As good practice, it is recommended that you refresh the list monthly.

## Nexus State(s)

You are required to set up the **Nexus** states in the AvaTax Admin Console using your Avalara account. You can select from the list of states where you are registered to collect and remit sales taxes or where you have cross-border sales. The Nexus states that you set up will be displayed on this screen. When changes are made to the list of Nexus states in the Avalara portal (e.g., new Nexus state is added, existing Nexus State is removed, etc.), click the **Refresh** button on this screen to import the Nexus state information into AccountMate.

When Nexus states are correctly set up on the Avalara portal and refreshed in AccountMate, it will help eliminate unnecessary calls to the Avalara sales tax calculation API, thus minimizing the cost of using Avalara services.

## Transaction Synchronization

This tab allows you to set up when and how often transactions should be uploaded to Avalara for sales tax reporting and filing. Check the next page for a screenshot of this tab.

**Avalara Setup**

Settings | Tax Code(s) | Nexus State(s) | **Transaction Synchronization**

**Sales Tax Reporting**

Start Date: 08/01/23      Sync Now

End Date: / /

Include transactions up to 7 day(s) ago

**Sync Schedule**

Frequency: Weekly

Next Sync Date: 08/01/23

Last Sync Date: / /

Recurs every 1 week(s) on: ☐ Sun ☐ Mon ☒ Tue ☒ Wed ☒ Thu ☒ Fri ☒ Sat

Time (hh:mm): 02:00

Repeat every:

**Summary**

Transaction synchronization every week on Tuesday, Wednesday, Thursday, Friday, Saturday, at 02:00.

Last Successful Sync (UTC): 08/02/23 09:20:51 AM

View Sync Activities      View Unposted Trs

OK      Cancel

Figure 1. Avalara Setup – Transaction /Synchronization

## Sales Tax Reporting

**Start Date** – Indicate the first date of sales tax reporting and filing using Avalara. AccountMate will upload invoice transactions to Avalara starting this date.

- You may have started using Sales Tax Integration for sales tax calculation in the middle of the month, but you want to use Avalara for sales tax reporting and filing for the entire month. In this case, set the first of the month as the Start Date. AccountMate will upload all transactions to Avalara starting this date.

**End Date** – Indicate the last date of sales tax reporting and filing using Avalara.

- Leave the field blank to continue uploading future transactions to Avalara.
- When you want to stop using Avalara for sales tax reporting and filing, enter in this field the date of the last transactions that should be uploaded to Avalara.

**Include transactions up to x day(s) ago** - Indicate in this field if the transaction synchronization process should include only transactions up to x days ago.

**Sync Now** – Click this button to perform the synchronization immediately.

- This gives you more flexibility to amend invoices from the last few days. If there are transactions that should be included in the upcoming tax filing, and these transactions have not been synced, then you have the option to perform the synchronization on demand.

## Sync Schedule

Set up the schedule for transaction synchronization.

**Frequency** – Choose the sync frequency (Daily, Weekly, or Monthly) and the day(s) each sync should be performed.

**Next Sync Date** – Enter the next transaction synchronization date.

**Last Sync Date** – Leave the field empty so the synchronization process will continue based on the schedule. Enter a date if you want to terminate the synchronization process.

**Recurs every** – Choose the number of days each sync should be performed.

**Time (hh:mm)** – Choose a time of the day (in 24-hour clock format) when the synchronization process should be performed.

**Repeat every** – Choose the time each sync should be performed.

Once the sync schedule is set, it may take a minute for the system to create the scheduled job to perform transaction synchronization.

**Summary** – Review in this read-only area the transaction synchronization schedule.

**Last Successful Sync (UTC)**: This field provides a reference for the date and time of the last successful sync.

## Sync Log

**View Sync Activities** – Click this button to view transactions that were successfully synced to Avalara.

**View Unposted Trs** – Click this button to view the list of transactions that have not been synced since the last successful synchronization process. This helps you decide if a sync is required before filing any sales tax returns.

### Notes:

- *When the setup is complete, restart the AccountMate application for the program to recognize the changes. All other workstations must also restart the AccountMate application to begin using Sales Tax Integration.*
- *Once SO/AR Module Setup is saved, you can no longer change the sales tax software provider.*

## Sales Tax Code

One special Sales Tax code needs to be set up in AccountMate to be used with Sales Tax Integration.

### Setting up "AVALARA" Sales Tax Code

A special sales tax code will be used to identify transactions that used Avalara for sales tax calculation.

### Setting Up Sales Tax Entity

1. Access the **Sales Tax Entity Maintenance** function under the **Maintenance** menu in the **Accounts Receivable** or **Sales Order** module.
2. Create a new Sales **Tax Entity** "AVALARA".
3. Enter "Avalara" as the **Description**.
4. Leave the **Status** as Active.
5. Verify the GL accounts and overwrite them as needed. The default GL accounts come from AR/SO Module Setup.
6. Leave the **Tax Rate** at 0.0000%.
7. Accept the default settings for the remaining fields on the screen.

- Click **Update** to save the Sales Tax Entity record.

Figure 2. Tax Entity Maintenance

### Setting Up Sales Tax Code

- Access the **Sales Tax Code Maintenance** function under the **Maintenance** menu in the **Accounts Receivable** or **Sales Order** module.
- Create a new **Sales Tax Code** "AVALARA".
- Enter "Avalara" as the **Description**.
- Enter "AVALARA" in the **Tax Entity Code 1** field. This is the sales tax entity you created earlier. The settings of the sales tax entity will be displayed on the screen.
- Click **Update** to save the Sales Tax Code record.

Figure 3. Sales Tax Code Maintenance



## Product Taxability

Certain products you sell are exempt from sales tax or taxed at reduced rates in some tax jurisdictions. Access each inventory item or inventory type and choose an appropriate **Tax Code**. Likewise, freight charges may be taxable in some tax jurisdictions. If you are unsure which **Tax Code** should be used for your products or freight, consult a tax professional for guidance.

1. Access the **Inventory Maintenance**, **Inventory Type Maintenance**, or **Freight Code Maintenance** function under the **Maintenance** menu in any modules that use inventory items, inventory types, or freight codes.
2. Enter the **Item #**, **Inventory Type**, or **Freight Code**, or choose from the Search window by clicking the Lookup button.
3. Choose the **Tax Code** from a predefined list by clicking the Lookup button. If you leave the field empty for an inventory item or inventory type, Avalara will assign P0000000 (Tangible Personal Property) for the line item when used in a transaction.
4. Click **Update** to save the change.
5. Repeat the above steps for other Inventory items, Inventory Types, or Freight Codes.

**Note:** Assigning tax codes to freight codes is available starting in AccountMate 13.2 for SQL and Express Service Pack 1.

## Customer Taxability

AccountMate provides the flexibility to indicate a customer or customer address **Tax Exemption** type. The selected tax exemption does not warrant that the inventory item will be exempted or taxed at all times; the Avalara sales tax calculation API will be called at times to determine the product's or transaction's taxability based on the selected tax exemption type and other factors that affect the taxation liability.

## Address Validation

Sales Tax Integration provides rooftop-level tax calculation, so the customer's addresses and warehouse addresses must be entered correctly. AccountMate provides the option to automatically validate every address, whether the address is entered through **Warehouse Maintenance**, **Customer Maintenance**, **Customer Address Maintenance**, or any order entry transaction functions.

1. Access the **AR Module Setup** or **SO Module Setup** function under the **Housekeeping** menu of the AR or SO module.
2. Go to the **Integration** tab if in **AR Module Setup** or the **General (2)** tab if in **SO Module Setup**; then mark the **Enable Address Validation** checkbox.
3. Choose one of the supported providers that offer the address validation routine. Some providers may provide this service for a fee. If you are using Avalara as your Sales Tax Integration provider, then select Avalara for Address Validation.
4. Enter the required credential to access the selected provider's address validation routine.

A stable internet connection is required for AccountMate to call the third-party address validation routine.

## Company Address

Accurate addresses are essential for Avalara to determine the correct sales tax rates. Both your customers' shipping addresses and your company's shipping origin addresses must be precise to ensure compliance.

1. Access the **Company Setup** function in the AccountMate Administrator program and review the accuracy of the address.
2. This updated version of AccountMate continues to allow a blank value in the **Country** field. In this case, you must choose "United States" or "Canada" as the unassigned country in the **Company Setup** function in the AccountMate Administrator program. AccountMate will interpret each address with a blank country value as a US or Canadian address depending on the **Unassigned Country As** value in **Company Setup**.
3. If the **Inventory Control** module is activated, access the **Warehouse Maintenance** function, and review the address in each warehouse record as it may be used as the shipping origin address. For any warehouse in the United States or Canada, be sure the **State** and **Country** fields are properly selected. AccountMate will not validate existing addresses before the Address Validation feature is enabled.

## Customer Address

As each customer address is entered, AccountMate will indicate if the address is valid. When the system finds a standardized address, you have the option to choose the recommended address or keep the inputted address. Whichever you choose, this address will be used by Avalara to determine the tax rates.

AccountMate provides complete flexibility for sales tax calculation. For each customer shipping address, you can choose whether to let Avalara determine the tax rate by using the Avalara sales tax code (set up as instructed in this guide), or a user-defined sales tax code for the address and let AccountMate calculate sales taxes based on the setup in the sales tax code record.

## Tax Exemption

**Entity Use Code** – Indicates if the customer is **exempted** from sales tax. In AccountMate, this exempt code is selected in the **Tax Exemption** field of the **Customer Maintenance**, **Customer Address Maintenance**, or order entry/invoice transaction functions.

- The field is enabled when the sales tax integration feature is activated and the sales tax code provided is "AVALARA".
- The default value is "Taxable (Non-Exempt Taxable Customer)" if the assigned sales tax code is "AVALARA". If no Tax Exemption is selected, then Avalara will treat it as a taxable customer.
- The default Tax Exemption in transaction functions comes from the **Ship To** record if provided in the customer record; otherwise, the value will come from the Tax Exemption indicated in the customer record.
- You can choose a specific tax exemption for each line item in the **Line Item Details** tab of any applicable order or invoice transaction functions. *This feature is available starting in AccountMate 13.3 for SQL and Express.*
- If a Tax Exemption is provided, then Avalara will exempt the transaction if the code is valid for the customer and the state where the transaction takes place. Consult your tax advisor if unsure which tax exemption type to choose.

## Order/Invoice Entry Transaction

As each transaction is entered, sales tax will be calculated based on several factors such as the company or warehouse address, the customer's shipping address, the customer's tax exemption code, and the line item's tax code. When Avalara is used for sales tax calculation, assign "AVALARA" as the sales tax code for the transaction. The default sales

tax code comes from the **Ship To** address record provided in the customer record; otherwise, the value comes from the customer record.

- If the **Refresh Sales Tax During Transaction Details Update** option is marked in the Module Setup, then sales tax will be updated as each line item is entered or updated.
- In transaction functions affected by Sales Tax Integration (e.g., Create Sales Order/Quote, Create Invoice, RMA Transaction), you no longer have the option to overwrite the sales tax amount.
- A **Refresh Sales Tax** button will be available next to the sales tax amount field. When you need to see an updated sales tax amount anytime during the order entry process, clicking the button will request Avalara to recalculate sales tax.
- To create a transaction with freight, add it as a line item (i.e., an inventory record must be set up to represent freight with an assigned tax code specific to it).  
***Note:** Starting in AccountMate 13.2 for SQL and Express Service Pack 1, you can enter freight charges in the **Line Items ► Freight** field of any applicable order or invoice transaction functions.*
- When the order or invoice is saved, Sales Tax Integration will calculate sales tax to determine the total amount.

You are allowed to change the sales tax code from "AVALARA" to a non-AVALARA code or vice versa. If you change the sales tax code from "AVALARA" to a non-AVALARA code, then AccountMate will calculate the sales tax amount based on the tax entity setup attached to the selected sales tax code.

## Transaction Upload

Transaction upload is an unattended process that is being run in the **Windows Task Scheduler** based on the transaction sync schedule set up in AccountMate. All the transactions uploaded to Avalara will be tracked in the transaction sync log, which can be viewed from the **Transaction Synchronization** tab of the **Avalara Setup** window.

If any transactions expected to be uploaded are missing from the transaction sync log, then verify the Transaction Synchronization settings through the Module Setup function. If all the settings are correct, review the **Integration Event Log**, which you can find in the **Utilities** menu for any errors during the Transaction Synchronization process.

## Amending Invoice

AccountMate provides flexibility to amend invoice transactions anytime if the posting period has not been closed. If updates are made after invoices are uploaded through the Transaction Synchronization process, the updated data will be uploaded to Avalara and the changes will be reflected in AccountMate and the Avalara portal. If sales taxes have been paid for the invoice, adjustments will not be made to the sales tax filings. You will need to manually account for the sales tax differences.

It is recommended that you do not amend the invoices after they are uploaded. Instead, create a new invoice for additional sales or a credit invoice for items invoiced by mistake.

## Voiding Invoice

AccountMate provides flexibility to void an invoice at any time if the posting period has not been closed. Voided invoices will be posted to Avalara, but it may or may not affect tax

reporting and filing. If sales taxes have been paid, the sales taxes from voided invoices will not be reversed.

It is recommended that you do not void the invoices in AccountMate after the transactions are uploaded to Avalara based on the transaction synchronization schedule. A better practice is to create a credit invoice to return all the line items. Use the **Create Sales Return with Invoice #** function to save you time to process the return.

## Sales Tax Reporting

Invoice transactions can be viewed on the [Avalara portal](#). You can view on the portal the details of the tax amount due to the state, county, city, and other tax jurisdiction for each transaction.

It is common to find a discrepancy between the expected and the actual tax amount reported on a transaction. This is usually caused by assigning an incorrect sales tax code or tax rate when you choose to have AccountMate calculate the sales tax instead of letting the Sales Tax Compliance Software determine the tax.

## Sales Tax Filing

Avalara makes sales tax filing simple. It breaks down sales taxes by state, county, city, and other special tax jurisdictions. Sales tax forms are prepared for you to make payments. Avalara also sends you email reminders about sales tax return due dates. It also has different automated sales tax return plans that fit any businesses with small, moderate, or complex filing scenarios. Avalara automatically files the state taxes for you, along with remittance, when they are due. You will never miss a due date.

## Limitations

The current Sales Tax Integration supports sales tax automation for the U.S. only. Sales tax calculations for Canada and other countries are supported in AccountMate, but you must define the tax settings and maintain the tax rates.

If sales tax integration is enabled and the assigned sales tax code is "AVALARA", the following features in AccountMate are not supported:

- The Freight field and the Overwrite Freight button in all applicable functions
- Calculating freight charge by weight

**Note:** *The above limitations no longer apply starting in AccountMate 13.2 for SQL and Express Service Pack 1.*

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