SAP Financial Localization for United Arab Emirates

Ahmed Khalifa
Localization Product Manager | MENA
## UAE - Country information

<table>
<thead>
<tr>
<th><strong>Currency</strong></th>
<th>UAE Dirham (AED) the legal reporting in this currency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exchange Rate</strong></td>
<td>Fixed exchange rate against USD (3.67)</td>
</tr>
<tr>
<td><strong>Accounting principles/financial statements</strong></td>
<td>IAS/IFRS. Financial statements must be prepared annually.</td>
</tr>
<tr>
<td><strong>Bank Master Data</strong></td>
<td>IBAN &amp; Account number are mandatory for all payment methods</td>
</tr>
<tr>
<td><strong>Calendar / Fiscal Year</strong></td>
<td>Gregorian calendar - commonly Jan. to Dec. (Gov. is the same)</td>
</tr>
<tr>
<td><strong>Government Report</strong></td>
<td>Arabic (AR) however it can be submitted in English (EN)</td>
</tr>
<tr>
<td><strong>Date Format</strong></td>
<td>DD.MM.YYYY</td>
</tr>
<tr>
<td><strong>Decimal Format</strong></td>
<td>1,234,567.89</td>
</tr>
</tbody>
</table>

### Localization Functions

<table>
<thead>
<tr>
<th>Function #1</th>
<th>Postdated Checks “PDC”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Function #2</td>
<td>UAE Fund Transfer System “UAEFTS”</td>
</tr>
<tr>
<td>Function #3</td>
<td>Vendor Certificates new</td>
</tr>
<tr>
<td>Component</td>
<td>XX-CSC-AE-FI</td>
</tr>
</tbody>
</table>

**UAE Country Page**
UAE - Finance Localization Solution - Private Sector

Postdated checks (further PDC)
- Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment in UAE.

UAE Bank Transfer
- As per directive from UAE Central Bank, all inter bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE’s Central Bank system.

Vendor Certificates
- In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically.

VAT solutions
- VAT is applied on UAE from January 2018, SAP localization delivered the below components for VAT requirements
  - Master Data:
    - TRN for company code, Vendor & Customer master, Business Partner
    - Business Place is required to report the VAT return per Emirate wise
  - Computation:
    - Baseline package for ECC customer (EhP5 and onward) and S/4 HANA OP customer (all releases)
    - Tax service (use cases)
  - Reporting:
    - S/4HANA-ACR for S/4 HANA Cloud customer (planned release 1805)
UAE - Finance Localization Solution - Private Sector

Postdated checks (further PDC)

Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment in UAE.

UAE Bank Transfer

As per directive from UAE Central Bank, all inter bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE’s Central Bank system.

Vendor Certificates

In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically.

VAT solutions

VAT is applied on UAE from January 2018, SAP localization delivered the below components for VAT requirements:

- **Master Data:**
  - TRN for company code, Vendor & Customer master, Business Partner
  - Business Place is required to report the VAT return per Emirate wise

- **Computation:**
  - Baseline package for ECC customer (EhP5 and onward) and S/4 HANA OP customer (all releases)
  - Tax service (use cases)

- **Reporting**
  - S/4HANA-ACR for ECC customer (EhP 6 and onward), S/4 HANA customer (release 1610) and non S/4 HANA
  - S/4HANA-ACR for S/4 HANA OP customer (release 1810 and onward)
  - S/4HANA-ACR for S/4 HANA Cloud customer (planned release 1805)
Function #1: Postdated Checks “PDC”

Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment both in the Kingdom Saudi Arabia (KSA), United Arab Emirates (UAE) and Qatar, but also in other countries in the MENA region, especially in Egypt.

Configurations

- Special G/L Indicators
- Defining Payment Method
- Number Range
- Define Portfolios
- Collection interim account
- The bank subaccount for collection interim account

Transactions process

- Entering Incoming Check
- Presenting a Check to a Bank
- Clearing a Check Presented to a Bank
- Bounced Check at a Bank
- Bounced and Cleared
- Removing a Check from a Portfolio
- Adding a Check to a Portfolio
Postdated checks (further PDC)

• Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment in UAE.

UAE Bank Transfer

• As per directive from UAE Central Bank, all inter bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE's Central Bank system.

Vendor Certificates

• In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically.

VAT solutions

• VAT is applied on UAE from January 2018, SAP localization delivered the below components for VAT requirements:
  - Master Data:
    - TRN for company code, Vendor & Customer master, Business Partner
    - Business Place is required to report the VAT return per Emirate wise
  - Computation:
    - Baseline package for ECC customer (EhP 5 and onward) and S/4 HANA OP customer (all releases)
  - Tax service (use cases)
  - Reporting:
    - SLH-ACR for ECC customer (EhP 6 and onward), S/4 HANA customer (release lower 1610) and non S/4 HANA,
    - S/HANA-ACR for S/4 HANA OP customer (release 1810 and onward)
    - S/HANA-ACR for S/4 HANA Cloud customer (planned release 1805)
Function #2: UAE Fund Transfer System

- As per directive from UAE Central Bank, all inter-bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE’s Central Bank system.

- All customers using UAEFTS are required to provide in the file with payment orders a valid Transaction Type Code and Conditional Formatting text to allow banks to accept and process payment instructions.

- UAE Central Bank has mandated usage of following set of “TRANSACTION TYPE”, one of which needs to be selected along with the related “REF” depending on the nature of your transfer if the remittance is originating from Business accounts:

<table>
<thead>
<tr>
<th>CODE</th>
<th>DESCRIPTION</th>
<th>REF required</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIS</td>
<td>Miscellaneous</td>
<td>/INVOICE NO (INV) OR REF OF ORDERING CUSTOMER (ROC) OR REF OF BENEFICIARY (ROB)/</td>
</tr>
<tr>
<td>SAL</td>
<td>Salary</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>ALW</td>
<td>Allowance</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>BON</td>
<td>Bonus</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>COM</td>
<td>Commission</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>COP</td>
<td>Compensation</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>OVT</td>
<td>Overtime</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>TKT</td>
<td>Tickets</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>CRP</td>
<td>Credit Card Payment</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>EOS</td>
<td>End Of Service / Final Settlement</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>REM</td>
<td>Remittance</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>POS</td>
<td>POS Merchant Settlement</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>CHC</td>
<td>Charitable Contributions</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>LAS</td>
<td>Leave Salary</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>ACM</td>
<td>Agency Commission</td>
<td>/Any REF related to the transfer/</td>
</tr>
<tr>
<td>CCP</td>
<td>Corporate Card Payment</td>
<td>/Any REF related to the transfer/</td>
</tr>
</tbody>
</table>

SAP Notes 1732666, 1724916.

Solution Help
Postdated checks (further PDC)

- Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment in UAE.

UAE Bank Transfer

- As per directive from UAE Central Bank, all inter bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE's Central Bank system.

Vendor Certificates

- In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically.

VAT solutions

- VAT is applied on UAE from January 2018, SAP localization delivered the below components for VAT requirements:
  - Master Data:
    - TRN for company code, Vendor & Customer master, Business Partner
    - Business Place is required to report the VAT return per Emirate wise
  - Computation:
    - Baseline package for ECC customer (EhP5 and onward) and S/4 HANA OP customer (all releases)
    - Tax service (use cases)
  - Reporting:
    - S/4HANA-ACR for ECC customer (EhP6 and onward), S/4 HANA customer (release 1610 and non S/4 HANA)
    - S/4HANA-ACR for S/4 HANA OP customer (release 1810 and onward)
    - S/4HANA-ACR for S/4 HANA Cloud customer (planned release 1805)
### Function #3: Vendor Certificates

In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically. This solution is using to capture the various certificate validity periods of your vendors. Vendors with expired certificates can be blocked from being involved in business activities within the system and then be unblocked when they have submitted a valid certificate.

SAP Note [1865641](#)

### Configurations

<table>
<thead>
<tr>
<th>Transaction Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define Certificate ID</td>
</tr>
<tr>
<td>Assign certificate</td>
</tr>
<tr>
<td>Specify Block Reason for expired certificates (at country level)</td>
</tr>
<tr>
<td>Defining vendor block in case of expired certificates</td>
</tr>
</tbody>
</table>

Maintain the certificates in the Vendor Master Record

Run the Vendor Certificate Validity Check report
Postdated checks (further PDC)

- Postdated checks (further PDC) are checks which have been written by the maker for a date in the future. They are a commonly used way of payment in UAE.

UAE Bank Transfer

- As per directive from UAE Central Bank, all inter bank local transfers denominated in AED will be routed through UAEFTS post 14th April 2012. UAEFTS (United Arab Emirates Fund Transfer System) is a funds transfer mechanism in the UAE wherein transfer of money takes place from one Bank to another through the UAE’s Central Bank system.

Vendor Certificates

- In MENA countries, merchants are required to maintain several certificates that are prerequisites for doing business in the country. These certificates are only valid for a limited time and must be renewed periodically.

VAT solutions

- VAT is applied on UAE from January 2018, SAP localization delivered the below components for VAT requirements:
  - Master Data:
    - TRN for company code, Vendor & Customer master, Business Partner
    - Business Place is required to report VAT return per Emirate wise
  - Computation:
    - Baseline package for ECC customer (EhP5 and onward) and S/4 HANA OP customer (all releases)
    - Tax service (use cases)
  - Reporting:
    - SLH-ACR for ECC customer (EhP 6 and onward), S/4 HANA customer (release lower 1610) and non S/4 HANA
    - S/4HANA-ACR for S/4 HANA OP customer (release 1810 and onward)
    - S/4HANA-ACR for S/4 HANA Cloud customer (planned release 1805)
Tax system compliance – points of failure

- Application of the right tax rates
- Auditing that the rates have been applied correctly and the calculation works
- Submitting compliantly to the authorities
SAP Products Offerings for VAT Legal Requirements

- Master Data
- Tax Computation
- Tax Compliance
- Tax Legal Reporting

SAP Cloud Platform

- SAP Add-on Package
- Partner Add-on Package

SAP Tax Compliance

- Master Data
- Baseline Package
- VAT Special Scenarios

Country Roadmap on VAT implementation:
- KSA: Jan. 2018
- Bahrain: 2018 – 2019
- Qatar: Jan. 2019
- Oman: Jan. 2019
- Kuwait: 2018 – 2019

SLH-ACR
TaaS
SLH Advanced Compliance Reporting

SAP Cloud Platform

© 2018 SAP SE or an SAP affiliate company. All rights reserved. | Customer
End-to-End VAT solution by SAP
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Master Data

VAT Registration number

VAT Registration numbers for company codes, vendors and customers of countries marked as GCC Country.

- GCC indicator at country level
- VAT registration number for company code
- VAT registration number for vendors and customers

SAP Notes

2571675 - VAT registration number for GCC countries
2576647 - VAT registration number for customer/vendor in GCC countries
End-to-End VAT solution by SAP: Master Data

VAT Reporting for Supplies of Goods and Services Emirates wise

- As per VAT executive regulations, the Taxable Person who provides a Taxable Supply of Goods or Services must list in the transaction records the Emirate where the supply is originated.
- Our solution is based on SAP Business Place for representing the Emirates & enabling emirate-wise reporting of VAT-able sales invoices.
- List of Emirates codes to represent the business place of supply (for only sales transactions).

<table>
<thead>
<tr>
<th>Code</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>AJM</td>
<td>Ajman</td>
</tr>
<tr>
<td>AUH</td>
<td>Abu Dhabi</td>
</tr>
<tr>
<td>DXB</td>
<td>Dubai</td>
</tr>
<tr>
<td>FUJ</td>
<td>Fujairah</td>
</tr>
<tr>
<td>RAK</td>
<td>Ras Al Khaimah</td>
</tr>
<tr>
<td>SHJ</td>
<td>Sharjah</td>
</tr>
<tr>
<td>UAQ</td>
<td>Umm Al Quwain</td>
</tr>
</tbody>
</table>

Note: The business place must be correctly filled in all VAT-able sales invoices being generated for UAE (from FI and SD) to ensure these are reported correctly in the UAE VAT return.
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Tax Computation

SAP Customers
- VAT configuration delivered for Free
- SAP Notes 2456119 UAE Baseline Package

SAP/Non-SAP Customers
- Support 120 countries (single source of truth)
- Enable all your invoicing systems to VAT
- Integrated with SAP ERP via Partner Add-on Package
End-to-End VAT solution by SAP: Tax Computation

SAP Customers

<table>
<thead>
<tr>
<th>Output Tax Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>S0</td>
</tr>
<tr>
<td>S1</td>
</tr>
<tr>
<td>S2</td>
</tr>
<tr>
<td>S3</td>
</tr>
<tr>
<td>S4</td>
</tr>
<tr>
<td>S5</td>
</tr>
<tr>
<td>S6</td>
</tr>
</tbody>
</table>

VAT Baseline Package

SAP/Non-SAP Customers

<table>
<thead>
<tr>
<th>Input Tax Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>V0</td>
</tr>
<tr>
<td>V1</td>
</tr>
<tr>
<td>V2</td>
</tr>
<tr>
<td>V3</td>
</tr>
<tr>
<td>V4</td>
</tr>
<tr>
<td>VX</td>
</tr>
<tr>
<td>VY</td>
</tr>
</tbody>
</table>

3 Key Scenarios / Use cases

- Customer planning a global rollout of an in-house innovation or a webshop
- Multi-national companies planning to streamline localization and centralize tax computation for their system landscape as a single source of truth
- customers using an ERP or Omni-channel (like S/4 HANA or Hybris) looking for a tax provider
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Tax Invoice Number

Official Document Number (ODN)

- Each VAT invoice should be identified uniquely with a sequential number
- Only Sales taxable invoices are applicable
- Numbering is at Company code level
  - Outbound invoices (VF01/FB70)
  - Credit memo (VF01/FB75)
  - Debit memo (VF01/FB70)

SAP Notes

2582106 - Tax Invoice Numbering functionality for UAE and KSA
2583614 - VAT KSA and UAE: Data Dictionary Activities for ODN BAdI
2583028 - VAT KSA and UAE: Master Data Activities
2583569 - VAT KSA and UAE: BAdI for ODN functionality
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Imported Goods

VAT Calculation for Imported Goods

- Importing goods outside GCC countries attract VAT
- VAT is applicable on customs duty and assessable value
- Some goods are exempted and attract VAT only on assessable value
- Customs Invoice creation via MIRO
- Customs Invoice in case of exempted material: MIRO/FB60

SAP Notes

2583028 - VAT: Master Data Activities for KSA and UAE
2581369 - VAT KSA and UAE: Imports Process
2583751 - VAT KSA and UAE: Tax calculation in MIRO during Imports
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Tax Reporting

SAP ERP / Non-SAP Customers

- SAP Localization HUB Advanced Compliance Reporting (SLH ACR) Service
  - pure cloud reporting solution
  - **Metric:** Number of transactions
  - No additional license required for SCP or ADS

SAP S4HANA Customers

- **S/4 HANA Advanced Compliance Reporting (S/4 ACR)**
  - On-Premise Module
    - Available for releases 1610 and above
    - **Metric:** Revenue
  - Cloud Module
    - Planned release 1805
    - Out-of-the-Box
End-to-End VAT solution by SAP: Tax Reporting

SAP ERP / Non-SAP Customers

- SLH, Advanced Compliance Reporting Service
- SAP Cloud Platform

**Deployment Options**

- Provides out-of-the-box reporting for MENA region
- Connectivity to any backend ERP system – SAP ECC, non-SAP
- Flexibility to choose data as real-time or replication
- State of the art features / value added features to bring efficiency
- Harmonized User experience

SAP S4HANA Customers

- Global coverage with 100+ legal reports in built legal reports
- Powerful Design time environment to define legal reports
- Embedded in S/4 digital core
- S/4 acts as single source of truth with no data replication
- State of the art features / value added features to bring efficiency
- Harmonized User experience
End-to-End VAT solution by **SAP**: Tax Reporting

**Products Features:**

- Cloud based Solution
- Supports heterogeneous landscapes
- Single framework for all statutory reports
- Unified Fiori Ux
- Reporting dashboard to monitor the reporting status
- Multiple legal formats – XML, JSON, XLS, PDF forms
- Electronic submission to Government via HCI
- Correction run
- Data preview
- Scheduling
- Self Service Configurations
- Group Reporting
- Easier adoption of Legal changes
- Ad-hoc Reporting
- End-to-end reporting process through reporting activity concept

- Multiple legal formats – XML, XBRL, TXT, PDF forms
- Audit Trail and Embedded Analytics
- Business Partner Correspondences
- Manual Adjustments of reporting data before submission
- Incorporating Business Rules
- Workflow
- ACR design time tool
- Better Visualization

---

© 2018 SAP SE or an SAP affiliate company. All rights reserved. | Customer
End-to-End VAT solution by SAP: Tax Reporting

S/4 ACR and SLH ACR Main Features:

1. Single framework
2. Unified Fiori Ux
3. Reporting dashboard
4. End-to-end reporting process
5. Self Service Configurations
6. Multiple legal formats
7. Data preview
8. Scheduling
9. Ad-hoc Reporting
10. Group Reporting
11. Electronic submission via HCI
12. Easier adoption of Legal changes
End-to-End VAT solution by SAP: Tax Reporting

Advanced Compliance Reporting Service Benefits

User Friendly
- Fiori Design
- Harmonized User Experience

Cost Savings
- Reduced TCO
- Simplified implementation with pre-packaged content

Auto Compliant
- Constant adoption of legal changes

Innovation
- Harnessing cloud platform potential for Next Generation Legal Reporting
End-to-End VAT solution by SAP: Tax Reporting

Tax Box Determination

Each Tax Box represents either the Tax Base amount or Tax amount for respective column in Legal Report.
End-to-End VAT solution by SAP: Tax Reporting

UAE Legal Reports

**VAT Return**

**Federal tax Auditing File (FAF)**

We provide one more tax box for the supplies of goods and services which have been posted without business place (emirate).

* This is not yet released
End-to-End VAT solution by SAP

- Master data
- Tax Computation
- Tax Calculation on Imported Goods
- Tax Invoice Number
- Tax Reporting
- Tax Compliance
End-to-End VAT solution by SAP: Tax Compliance

Tax Compliance Product

1. Connect data sources
   - Legacy
   - SAP
   - Oracle
   - Non Transaction
   - People Soft

2. Manage / Optimize Checks
   - Examples:
     - Master data related checks
     - Transaction data related checks
     - Special checks like Chain transactions

3. Receive / validate exceptions
   - Check Source System
   - Routing
   - CFO, IA, BU, IT

4. Take corrective actions
   - Workflow
     - Manage Tasks
     - Status
     - Collaborate
     - Notifications
     - Routing
     - integrated dashboard
Source System Prerequisites (ABAP Adapter)

Prerequisite notes -
1. 2232584 - Release of SAP extractors for ODP replication (ODP SAPI)
2. 2562281 - Pre-requisite SAP BW DataSources for MENA VAT reporting with SLH, ACR.
3. 2203709 - New subscriber type SAP HANA Smart Data Integration

List of Data sources (RSA6) -
1. 0COMP_CODE_ADDRESS (Path: SAP=> SAP R/3=>FI=>FI-GL)
2. 0COMP_CODE_VAT (Path: SAP=> SAP R/3=>FI=>FI-GL)
3. 0FI_VAT_TAXBOP (Path: SAP=> SAP R/3=>FI=>FI-GL)
4. 0COMP_CODE_ATTR (Path: SAP=> SAP R/3=>FI=>FI-IO)
5. 0VENDOR_ATTR (Path: SAP=> SAP R/3=>MM=>MM-IO)
6. 0FI_TX_4 (Path: SAP=> SAP R/3=>FI=>FI-GL)

Data sources must be active and should be exposed for ODP (Transaction RSA6).
Basic configurations for VAT calculation and posting in FI, SD and MM; reference Baseline notes:
- 2477105 - VAT Baseline Package for Saudi Arabia
- 2456119 - VAT Baseline Package for United Arab Emirates

Master Data
- 2571675 - VAT registration number for GCC countries: To add GCC countries indicator to Countries & enable VAT registration number at company code level
- 2552954 - GCC countries: VAT Registration numbers to enable of VAT registration number in Business Partner transaction (BP).
- 2576647 - VAT registration number for customer/vendor in GCC countries to enable of VAT registration number in vendor / customer master.

Sequential Numbering
- One sequential numbering for VAT invoices for document types:
  - Outbound invoices (VF01/FB70).
  - Credit memo (VF01/FB75).
  - Debit memo (VF01/FB70).
- Solution approach: Use of Tax Invoicenumber solution.
- SAP notes:
  - 2582106 - Tax Invoicenumbering functionality for UAE and KSA
  - 2583614 - VAT KSA and UAE: Data Dictionary Activities for ODN BAdI
  - 2583028 - VAT KSA and UAE: Master Data Activities
  - 2583569 - VAT KSA and UAE: BAdI for ODN functionality

Imports Scenarios
- SAP notes:
  - 2583028 - VAT: Master Data Activities for KSA and UAE
  - 2581369 : VAT KSA and UAE : Imports Process
  - 2583751: VAT KSA and UAE : Tax calculation in MIRO during Imports
Key Messages

- VAT is not one time event, SAP offers end-to-end solution for VAT legally compliant

  Master Data:
  - TRN for company code, Vendor & Customer master, Business Partner
  - Business Place is required to report the VAT return per Emirate wise

  Computation:
  - Baseline package for ECC customer (EhP5 and onward) and S/4 HANA OP customer (all releases)
  - Tax service (use cases)

  Reporting
  - SLH-ACR for ECC customer (EhP 6 and onward), S/4 HANA customer (release lower 1610) and non S/4 HANA
  - S/4HANA-ACR for S/4 HANA OP customer (release 1610 and onward)
  - S/4HANA-ACR for S/4 HANA Cloud customer (planned release 1805)

  Compliance: Tax Compliance Product
Thank you.

Ahmed Khalifa
Sr. Localization Product Manager | MENA
Globalization Service
+971 56 656 2575