Reconcile Sales/Use Tax on a Transaction

1. Click the Reconcile Statement link (See Setup Hint on page 3) in the BFS Navigation Menu to open a transaction search page.

2. Select Reconciler from the drop-down Role Name menu.

3. Search for your transaction(s) by any valid field or combination of fields on this page. Minimize the number of transactions in your search results for best performance. For more information on search fields, see the Job Aid “Search for One or More Transactions.”

4. The Card Issuer field correctly defaults to US Bank.

5. Click the Search button.

   - A list of all transactions that fit your search criteria is now displayed.

6. Click the checkbox at the beginning of a transaction line to select or unselect a transaction. You can only reconcile Sales/Use Tax for one transaction line at a time.

7. Once you have a transaction selected, click on the Sales/Use Tax link in the lower right side of the Reconciliation Statement screen.

   - The Sales/Use Tax Calculation page appears.

8. If your purchase was used in Alameda County and your documentation shows that the correct Sales Tax was paid to the merchant at the time of purchase, skip to Step 11.

   Otherwise, continue with Step 9.

9. The *Ship To: field in the upper right side of the screen defaults to the UC Berkeley Procurement Office destination code, 1924000209.

   - If your purchase was used in Alameda County, this code will also become the default Sales/Use Tax Destination and apply a Sales Tax Percent of 9.7500 to the calculation. Skip to Step 11.

   - If your purchase was not used in Alameda County, you must enter the destination code of the location where the purchase was used in the Sales/Use Tax Destination field, so the correct Sales Tax Percent will be applied to the calculation. Enter the code, if known, and skip to Step 11; otherwise proceed with Step 10 to search for the code.
10. Search for the code by clicking on the icon at the right side of the **Sales/Use Tax Destination** field. Select the “contains” operator and enter the street number and street name of the location in the **Description** field (e.g. 2440 Bancroft). Click the **Look Up** button for a list of results. Click on a location from the list and you will be returned to the calculation page.

Press the [Tab] key to move to the **Non Taxable Amount** field.

11. In the **Non Taxable Amount** field, enter any non-taxable amount included in your transaction total, including handling, shipping, etc.

**Note:** An amount entered in this field will cause a second transaction line to be produced with just the non-taxable amount of the transaction. Confirm any amount entered before saving your calculation, as the split cannot be undone. The exempt transaction line does not need its own Sales/Use Tax calculation, but the distribution may still need to be reconciled.

Press the [Tab] key to move to the **Sales Tax Paid** field.

12. In the **Sales Tax Paid** field, enter the actual total Sales Tax amount paid to the merchant at the time of purchase, including tax on shipping, freight, etc. This field may or may not already have an amount listed; it depends on the detail level provided by each merchant.

13. Click the **Calculate Use Tax** button.

The **Use Tax** calculation is made and the results show on the screen. The results include **Taxable** and **Non Taxable Amounts**, **Sales Tax Amount** and **Percentage Paid**, **Estimated Use Tax Amount** and **Percentage**, and **Total Cost**. You can correct any fields and recalculate, if necessary.

14. Click the **OK** button.

15. A page stating, “Some fields have changed. Do you want to proceed with the changes made?” appears. Click on the **OK** button.

Your **Sales/Use Tax Calculation** is saved and you are returned to the **Reconcile Statement** page.

If you had a non-taxable amount within your transaction, you will now see 2 separate line items for the single transaction total: taxable and non-taxable amounts. The **Details/Tax** tab on the **Account Distribution** page now displays the correct amounts in the **Sales Tax** and **Use Tax** fields. This information will also appear on the **Pro-Card Transaction Report** in BAIRS.

16. Click the **Save** button (or Alt+1) in the lower left side of the screen.

Your updates have been saved for all transactions listed in the results. If reconciling more than 1 transaction in the search results, the Save button need only be clicked once after you have completed all your reconciliations.

**Reminder:** The process to reconcile a procurement card transaction is documented in the job aid, “Reconcile a Pro-Card Transaction.”
About Use Tax

Use Tax applies to the use, storage, or other consumption of tangible merchandise, including vehicles, in California. Use Tax generally applies when a California consumer or retailer purchases from out-of-state (and/or Internet) vendors who do not collect California tax on their sales, unless the purchase is otherwise subject to an exemption or exclusion (non-taxable).

Use Tax is based on an item’s purchase price and has the same rate as the local sales tax; in Alameda County, this rate is 9.75%.

All Reconcilers must complete the Sales/Use Tax Calculation process as part of their reconciliation. Several steps in the process can be skipped if the correct Sales Tax was paid to the merchant at the time of purchase.

A Use Tax is due if the full Sales Tax was not paid at the time of purchase and the item is non-exempt. The process you use to calculate Use Tax is the same whether partial Sales Tax was paid or none at all.

Shipping, handling, freight and any other miscellaneous charges that may have Sales Tax applied to them by the Merchant as required by state law. For the pro-card reconciliation process, it can be assumed that any such tax was applied correctly by the Merchant (unless egregious). Therefore, the only necessity for reconciliation is to determine the total Sales Tax and Non-Taxable (if any) amounts in the transaction total and enter those amounts into the correct calculator fields.

Note, this is a calculation, and no change will be made to the total dollar amount you paid to the merchant in your transaction. However, any Use Tax expense calculated will be posted to your department’s account, determined by the distribution of the transaction.

First-time Setup

Add the Reconcile Statement page to your “My Favorites” list.

In the BFS Navigation Menu, click the Purchasing link.

Click the Procurement Cards link.

Click the Reconcile link.

Click the Reconcile Statement link to open a transaction search page.

Click the My Favorites link at the top of the BFS Navigation Menu. Click Add to Favorites. Click the Cancel button in the pop-up box to continue. Click the OK button to add the page to your favorites list as Reconcile Statement. Use this link each time to jump directly to the search page.