

Teleos and changes to VAT in the Republic of Ireland, January 2010

As you may be aware, the Goods rate of VAT in the Republic of Ireland is reverting from 21.5% back to 21% as of the 1st of January 2010. The relevant statement by the Dept. of Finance is available at: <http://www.budget.gov.ie/Budgets/2010/Summary.aspx#VAT>

The Services rate is unchanged at 13.5%. You will need to complete ONE small change to get Teleos to work with the new rate, and this needs to be done **at close of business on the 31st of December 2009, or before start of business on the 1st of January 2010:**

In **Setup -> Settings -> VAT rates**, VAT rate "G", Rate description "Goods" needs to have its percentage changed back to **21** instead of **21.5**.

That's it! Unless you enter work retrospectively, or have synchronising laptops, or also operate in the North, that's the main thing you have to do, and you only need to make the change on any one of your workstations at the appropriate time, as the setting is stored centrally on the terminal server (or your local server, if appropriate). You don't need to do anything about changing individual procedures or stock items. Changing the VAT rates setting does this globally.

Frequently asked questions

What about doing the Cash VAT report?

The Cash VAT settings don't actually need to be changed until you run the Cash VAT Report, and should be left until after you have done the report for December 2009. Go into **Setup -> Settings -> Cash VAT settings "VAT rate 2"** and change this setting from **21.5** to **21** before doing any Cash VAT reports for 1st January 2010 and later. These are centrally held settings and only need to be changed on one workstation (unless you are based both in Northern Ireland and the Republic of Ireland; if this is the case, please see the special instructions below). The Cash VAT report will operate as normal, and the effect of changing this setting relates only to the caption for the second VAT rate, and not the actual calculations that are made.

What about work entered retrospectively?

Inevitably, there may be work entered retrospectively after the changeover date, especially in practices with significant large animal work, that is, work entered on or after the 1st of January 2010 which is dated prior to that date. There is no facility in Teleos to allow individual workstations to operate with different VAT rates, and in any case, if this facility were to be permitted, it would not prevent work being added for the wrong rate. For retrospective work for December 2009 entered during January 2010, this should be entered as normal, even though the VAT will be worked out incorrectly. And then ...

The transactions concerned can be corrected afterwards using a utility we have created to set the VAT amount, the gross amount and the VAT percentage to the correct figures. The utility will be called **Fix10ROIVAT.exe** and will be available for download from our website at <http://www.teleosvet.co.uk> some time during December. 2009. The utility should be

downloaded to your server machine along with its two required sister programs **F10RVOption1.exe** and **F10RVOption2.exe** and run after any retrospective work has been added after the VAT changeover date. This will find any work which is dated for prior to the 1st of January 2010 which has wrongly been charged at the new rate of 21% and change it to be at the old rate of 21.5%. **To prevent work which is paid for at the time being charged at the wrong rate, it is therefore important that the changes to the settings outlined above are carried out prior to ANY work for the 1st of January 2010 and later being entered.**

What if I don't remember to do the changes at the right time?

If work dated on or after the 1st of January 2010 is entered before the parameter change above is done, the utility mentioned above will also, when run, recalculate the VAT for the relevant transactions and mark it as 21% if it was erroneously marked as being at 21.5%.

What if I have synchronising laptops?

If you have laptops which are taken away and operate independently of the main server and then synchronise work with it, then change the VAT rate on the main system, and synchronise it with the laptop afterwards. If you can't manage to do this first, make sure you do the change on the laptop. But it won't matter if you do it both on the laptop and on the main computer.

For the purposes of running cash VAT reports you will need to make the change which was outlined above to **Setup -> Settings -> Cash VAT settings** on the laptop itself even if you have done so on the main server and synchronised it with the laptop.

What if I am based both in Northern Ireland and in the Republic of Ireland?

On the same day, the higher rate of VAT in the United Kingdom will be INCREASED from 15% to 17.5%, but the basic idea is the same. Change the centrally held VAT rate settings to alter the UK one referred to in the settings as "**Standard**" and coded as "**S**" from 15% to 17.5% and the Irish one for "**Goods**" and coded as "**G**" from 21.5% to 21%. Similarly change your Cash VAT settings, which should be set up to operate on a per workstation basis rather than one set of settings for the whole practice. On the workstations which are based in the Republic, change VAT Rate 2 from 21.5% to 21%. If you are registered for Cash VAT in Northern Ireland, you'll also have to change the Cash VAT settings on the individual workstations there to swap round the old and new UK rates.

What about producing invoices for December 2009 after the changeover?

For the avoidance of doubt, invoices produced for work which was dated and entered for a date prior to the change should be dated with an "**Invoice date**" at the top of the invoice no later than the 31st of December 2009, irrespective of the date when the invoice is actually produced and sent out. For this reason the "**Choose date on invoice**" setting in **Setup -> Settings -> Billing parameters** should be ticked on the workstation(s) doing the billing run for December, and the date 31st December 2009 chosen when the bills are run.

Further information

Probably all you need to know is here, but if you do want to know anything else, feel free to contact the support desk on 01 442 9867 or 0044 121 286 9990 or by emailing support@teleosvet.co.uk