

Invoicing procedure for **EU to EU shipments**.

When you are invoicing a PO, you must account for VAT, even if the shipment is VAT-Exempt. This applies for both MATERIAL and SERVICE Purchase Orders.

On each line of the invoice, you must list the VAT Exempt Status as shown below:

The screenshot displays the Ariba invoice system interface. At the top, there are input fields for 'Supplier VAT/Tax ID' (IE3429008MH) and 'Customer VAT/Tax ID' (042695240). Below these are fields for 'Supplier Commercial Identifier' and 'Supplier Commercial Credentials'. A 'Tax Exchange Rate' section shows an 'Exchange Rate from US Dollar to Costa Rican Colon' of 619.64. An 'Add to Header' button is present. The 'Line Items' section indicates '1 Line Items, 1 Included, 0 Previously Fully Invoiced'. Under 'Insert Line Item Options', there are checkboxes for 'Tax Category', 'Shipping Documents', 'Special Handling', and 'Discount'. A table lists one line item: No. 1, Include checked, Type MATERIAL, Part # Not Available, Description '2 Matlab licenses to be used by Brandom Figueroa and Luis Quiros Fonseca in Costa Rica', Quantity 2, Unit EA, Unit Price \$940.00 USD, and Subtotal \$1,880.00 USD. A red box highlights the tick box in the 'Include' column. Below the table, a 'Line Item Actions' button is highlighted with a red box and a hand icon. The detailed view for this line item shows: Category: VAT, Location: (empty), Description: Exempt, Regime: (empty), Taxable Amount: \$1,880.00 USD, Rate(%): 0, Tax Amount: \$0.00 USD, Exempt Detail: Exempt, Date Of Pre-Payment: (empty), Date Of Supply: 5 Nov 2018, and a 'Triangular Transaction' checkbox.

1. Select the line by clicking the tick box to the left.
2. Click "Line Item Actions" button. New blank fields will appear.
  - a. The screenshot above shows you what the line will look like AFTER you click the button.
3. You should complete the fields as shown above.
4. Click the UPDATE button at the bottom of the screen to save your changes.
5. REPEAT steps 1 through 4 for each line of your invoice.
6. If none of the fields have a red error message, continue with your invoice.