

WMS: Did You Know?

From Professor Merlot

HST – What, When, and How to do the change?



#17

Whether you like it or not, the HST will likely be introduced to British Columbia on July 1st, 2010.

There are 2 periods you need to be aware:

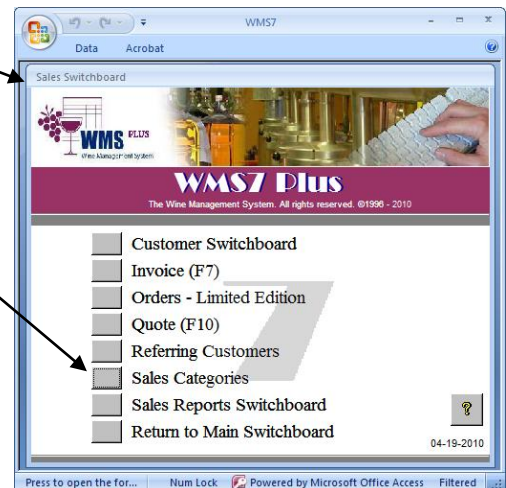
- May 1 to June 30 – products not bottled in this period require a On-Premise fee adjustment
- July 1 onward – HST will be applied to all current products with Pst, Gst or both Pst & Gst.

How this impacts your business using **WMS Plus** or **WMS7** is explained, here's what you need to do and when you need to do it:

BEFORE May 1st, 2010:

- **Create** a new “Sales Category” called “Tax”. Here's how:

- From the **Main Switchboard**, select the **Sales Switchboard**.
- Press the **Sales Categories** button to open the form.

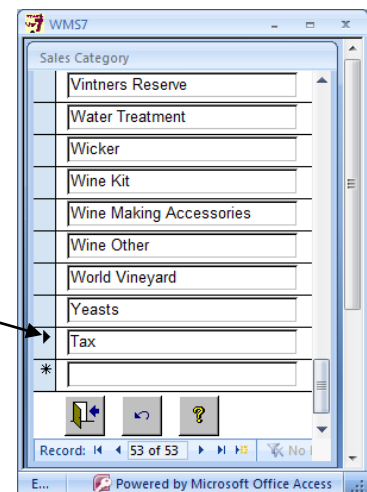
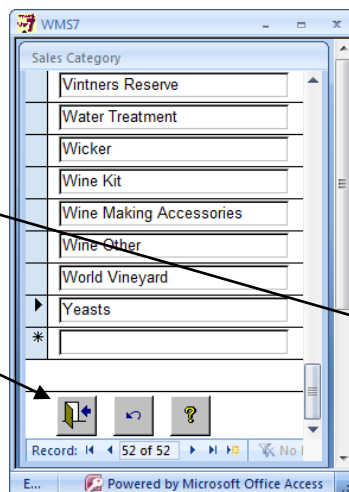


- Press the **Add New** arrow (>*) at the bottom of the form to move to add a new entry.

- Type “**Tax**” on the line.

- Press the **Door** to close.

- You have added a new sales category called **Tax** to the WMS.



- Press **Return to Main Switchboard** button to return to the **Main Switchboard**.



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- Create a new Product called “HST-Carry Over”. Here’s how:
 - From the **Main Switchboard**, select **Purchasing**.
 - On the **Purchasing Switchboard**, press the **Products** button to open this form.
 - Press the **Add New** arrow button (>*) button to open a blank **Products** entry.

- **Type in** the following entries:
 - i. **Product Name: HST – Carry Over**
 - ii. **Supplier: Your Store Name or In-House**
 - iii. **Product Number: IH-HST-CO**

- iv. **Unit Price:**
 1. The current GST rate of 5% (0.05) on your service fee:
\$40 x 0.05 = \$2.00
 2. The HST rate on your current On-Premise Service Fee is calculated:
\$40 x 0.12 (12%) = \$4.80
 3. Your **HST-Carry Over** tax will be the difference of **\$4.80 - \$2.00 = \$2.80**
 4. Enter **\$2.80** as the **Unit Price** and **Cost Price** for this product.

For EACH on Premise Service Fee of \$40 you enter on an Invoice you must add a HST-Carry Over entry of \$2.80.



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FROM May 1st to June 30, 2010:

- For any Invoice created between May 1st and June 30, you must:
 - Check the expected **Bottle Date**
 - **If the Bottle Date is after June 30th**
 - Add the **HST Carry Over** item to the Invoice

| Qty | Item Product | Sale | Bottle Date | Appointment | Disc% | Disc\$ | Price | PST | GST | Total |
|-----|--------------------------|------|-------------|-------------|-------|--------|----------|--------|--------|----------|
| 1 | Sel Argentine Malbec | | 07-08-2010 | | 0% | \$0.00 | \$110.95 | \$0.00 | \$0.00 | \$110.95 |
| 1 | 6wk Equip Charge/Service | | | | 0% | \$0.00 | \$40.00 | \$0.00 | \$2.00 | \$42.00 |
| 1 | HST-Carry Over | | | | 0% | \$0.00 | \$2.80 | \$0.00 | \$0.00 | \$2.80 |

- For each Service Fee added to each Invoice for any wine not bottled before June 30th; you must add a corresponding **HST Carry Over** item.

AFTER June 30, 2010:

- You do not need to add the **HST Carry Over** item after June, 2010. The correct taxes will be applied on each product starting July 1, 2010.
- On the Products form, find the **HST Carry Over** product.
- Mark it **Discontinued** by filling the checkbox.
- Do Not Delete the HST-Carry-Off, as you need it for your government reports.



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ON June 30, 2010:

- **Backup** your WMSDATA file and save it off site for future reporting statistics.
- Run your typical reports for taxes and month end statistics as normal for the period ending June 30, 2010.
- **Any reports you do for this first part of the year, should be done using the month end June 30th data.**

ON July 1, 2010:

- **Any reports you do for this 2nd last half of this year, should be done separately with the data backups from this point on.**
- Download the updater programs, HST-WMS or HST-WMS7, from our web site (available in late May, 2010).
- This updater will convert your PST and GST tax entries to HST and change your product entries to HST only.
- **OR**
- Manually change the Tax1 Name from PST to HST in the Taxes tab of Preference form.
- Manually change the Tax1 Percent from 7% to 12%.
- Manually change those products with PST or GST checkboxes to simply HST (remove all GST checks for these products).

AFTER July 1, 2010:

- All of your products will have the correct HST applied to the WMS system products.

