Venezuela

Release 4.6C
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# Icons

<table>
<thead>
<tr>
<th>Icon</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>⚠️</td>
<td>Caution</td>
</tr>
<tr>
<td>📄✍️</td>
<td>Example</td>
</tr>
<tr>
<td>📄</td>
<td>Note</td>
</tr>
<tr>
<td>🌡️</td>
<td>Recommendation</td>
</tr>
<tr>
<td>🔄🛠️</td>
<td>Syntax</td>
</tr>
<tr>
<td>💡</td>
<td>Tip</td>
</tr>
</tbody>
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Venezuela
Cross-Application Components
Financials
Currency

Definition
See Currencies [Ext.].

Use
When you create a company code using the template for Venezuela, the system sets the bolivar as the local currency. The currency's ISO code is VEB.

We recommend that you do not use any decimal places with this currency. Although it officially has two decimal places, they are not used in practice due to the low value of the currency. Leaving them out allows you to work with larger amounts in the system.

The system also activates a hard currency (US dollars) and a group currency (euros) (see Parallel Currencies [Ext.]).
Taxes
Tax Number

Definition
A number assigned by the tax authorities to every person and corporation.

In Venezuela there are two types of tax numbers, registro identificación fiscal (RIF) and número identificación tributaria (NIT). The NIT is gradually being superceded by the RIF, but both are still in use. As a result, each business has an RIF, but may also have an NIT.

Use
The tax numbers are used for reporting to the tax authorities.

You maintain your customers’ and vendors’ tax numbers in their master records, on the Control data tab (customers) or on the Control data screen (vendors). You enter the RIF in Tax code 1, and the NIT in Tax code 2 (see Creating a Customer Master Record Centrally [Ext.] and Creating a Vendor Master Record Centrally [Ext.]). You maintain your own tax numbers in Customizing for Financial Accounting, under Financial Accounting Global Settings → Company Code → Enter Global Parameters.

Structure
The tax numbers are structured as follows:

- **NIT**
  
  A 10-digit number, for example, 1234567890.

- **RIF**
  
  In total, 12 characters long. The first character is E, I, J, or V, followed by a hyphen (-), followed by eight digits, followed by a hyphen, followed by another digit, for example, V-12345678-0.
Taxes on Sales/Purchases

Definition
See Taxes on Sales/Purchases, Sales Taxes and Additional Taxes [Ext.].

Use
In Venezuela, value-added tax (VAT) is known as impuesto al valor agregado (IVA).
**Tax Code**

**Definition**

See [Tax Codes [Ext.]](Ext).  

**Use**

When you create a company code using the template for Venezuela, the system sets up sample tax codes for the most important taxes as follows:

**Input VAT**

<table>
<thead>
<tr>
<th>Tax code</th>
<th>Tax rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>V0</td>
<td>0</td>
</tr>
<tr>
<td>V4</td>
<td>8</td>
</tr>
<tr>
<td>V5</td>
<td>15</td>
</tr>
</tbody>
</table>

**Output VAT**

<table>
<thead>
<tr>
<th>Tax code</th>
<th>Tax rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A0</td>
<td>0</td>
</tr>
<tr>
<td>A4</td>
<td>8</td>
</tr>
<tr>
<td>A5</td>
<td>15</td>
</tr>
</tbody>
</table>
Calculation Procedure

Definition
See Calculation Procedure [Ext.].

Use
In Venezuela, you use calculation procedure TAXVE. When you create a company code using the template for Venezuela, the system sets this procedure automatically.
Tax on Sales/Purchases Indicator

Definition
A checkbox in the customer and vendor master records that determines whether or not a customer or vendor is liable for value-added tax (VAT) (see Taxes on Sales/Purchases [Page 12]).

Use
If a customer or vendor is liable for VAT, you select this checkbox in their master record.

Integration
See Sales Ledger [Page 16] and Purchase Ledger [Page 17].
Sales Ledger

Use
You use this report to prepare a report on the sales that your business has made (*libro de venta*).

In Venezuela, you are required to submit this report to the authorities each month, in accordance with the Law on Wholesale and Luxury Items Tax (*Ley de Impuesto al Consumo Suntuario y a las Ventas al Mayor*).

Prerequisites
You have defined your customers as being liable for value-added tax (VAT) (see Tax on Sales/Purchases Indicator [Page 32]).

Activities
To access the report, from the SAP Easy Access screen, choose Accounting → Financial Accounting → General Ledger → Reporting → Tax Reports → Venezuela → Sales Ledger.
Purchase Ledger

Use
You use this report to prepare a report on the purchases that your business has made (*libro de compras*).

In Venezuela, you are required to submit this report to the authorities each month, in accordance with the Law on Wholesale and Luxury Items Tax (*Ley de Impuesto al Consumo Suntuario y a las Ventas al Mayor*).

Prerequisites
You have defined your vendors as being subject to value-added tax (VAT) (see Tax on Sales/Purchases Indicator [Page 32]).

Activities
To access the report, from the SAP Easy Access screen, choose Accounting → Financial Accounting → General Ledger → Reporting → Tax Reports → Venezuela → Purchase Ledger.
Withholding Tax

**Definition**
See [Withholding Tax](Ext.).

**Use**
In Venezuela, you are required to collect tax on a variety of expenditures. The standard business practice is to withhold tax when you make a payment.

For Venezuela, you use the extended withholding tax functions.

*See also:*
[Extended Withholding Tax (Release 4.0)](Ext.)
Withholding Tax Type

Definition
A category of withholding tax.

Use
In Venezuela, the law distinguishes between several categories of expenditures, for example, professional services and real estate rental. You define separate withholding tax types for each of these categories.

When you create a company code using the template for Venezuela, the system creates sample withholding tax types.

Integration
You use withholding tax types in conjunction with withholding tax codes [Page 20].
Withholding Tax Code

Definition
See Withholding Tax Codes [Ext.].

Use
Whereas you use withholding tax types [Page 19] to define the different sorts of withholding tax – on professional services or real estate rental, for example – you use the tax codes to specify exactly what the tax rates are and any exemptions that apply.

In Venezuela, the amount of tax levied on each type of withholding tax type depends on the status of your business. The different statuses are as follows:

- Corporations resident in Venezuela
- Corporations resident abroad
- Persons resident in Venezuela
- Persons resident abroad

When you create a company code using the template for Venezuela, the system creates sample withholding tax codes. You can add other tax codes as required.
Recipient Type

Definition
See Extended Withholding Tax: Customer/Vendor Master Data [Ext.].

Use
When you create a company code using the template for Venezuela, the system creates the following recipient types:

- Corporations resident in Venezuela
- Corporations resident abroad
- Persons resident in Venezuela
- Persons resident abroad

You assign your vendors a recipient type in the vendor master record.
Customizing Withholding Tax

Follow the instructions as described in Extended Withholding Tax: Customizing [Ext.], using the following information:

**Withholding Tax Type**

When you define the withholding tax types [Page 19], use the activity Define Withholding Tax Type for Payment Posting: withholding tax in Venezuela is levied when you make a payment and not when the invoice is issued.

**Withholding Tax Codes**

See Withholding Tax Code [Page 20].
Generic Withholding Tax Reporting

Use
You use this report to prepare the annual withholding tax returns for the tax authorities and certificates for your vendors (see Generic Withholding Tax Reporting [Ext.]).

Features
The country version for Venezuela includes the following Smart Forms:

<table>
<thead>
<tr>
<th>Smart Form</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDWTCERT_VE_01</td>
<td>Annual withholding tax return showing tax incurred per period</td>
</tr>
<tr>
<td>IDWTCERT_VE_02</td>
<td>Annual withholding tax return with all documents itemized</td>
</tr>
</tbody>
</table>

Activities
To access the report, from the SAP Easy Access screen, choose Accounting → Financial Accounting → Accounts Payable → Withholding Tax → General → Withholding Tax Reporting (Generic).
Chart of Accounts

Definition
See Chart of accounts [Ext].

Use
In Venezuela, you use chart of accounts INT, as supplied with the R/3 System.
Accounts Payable and Accounts Receivable
Customer Master Records
**Tax Number**

**Definition**

A number assigned by the tax authorities to every person and corporation.

In Venezuela there are two types of tax numbers, *registro identificación fiscal* (RIF) and *número identificación tributaria* (NIT). The NIT is gradually being superseded by the RIF, but both are still in use. As a result, each business has an RIF, but may also have an NIT.

**Use**

The tax numbers are used for reporting to the tax authorities.

You maintain your customers’ and vendors’ tax numbers in their master records, on the *Control data* tab (customers) or on the *Control data* screen (vendors). You enter the RIF in *Tax code 1*, and the NIT in *Tax code 2* (see Creating a Customer Master Record Centrally [Ext.] and Creating a Vendor Master Record Centrally [Ext.]). You maintain your own tax numbers in Customizing for Financial Accounting, under Financial Accounting Global Settings → Company Code → Enter Global Parameters.

**Structure**

The tax numbers are structured as follows:

- **NIT**
  
  A 10-digit number, for example, 1234567890.

- **RIF**
  
  In total, 12 characters long. The first character is E, I, J, or V, followed by a hyphen (-), followed by eight digits, followed by a hyphen, followed by another digit, for example, V-12345678-0.
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Definition
A checkbox in the customer and vendor master records that determines whether or not a customer or vendor is liable for value-added tax (VAT) (see Taxes on Sales/Purchases [Page 12]).

Use
If a customer or vendor is liable for VAT, you select this checkbox in their master record.

Integration
See Sales Ledger [Page 16] and Purchase Ledger [Page 17].
Vendor Master Records
Tax Number

Definition

A number assigned by the tax authorities to every person and corporation.

In Venezuela there are two types of tax numbers, registro identificación fiscal (RIF) and número identificación tributaria (NIT). The NIT is gradually being superceded by the RIF, but both are still in use. As a result, each business has an RIF, but may also have an NIT.

Use

The tax numbers are used for reporting to the tax authorities.

You maintain your customers’ and vendors’ tax numbers in their master records, on the Control data tab (customers) or on the Control data screen (vendors). You enter the RIF in Tax code 1, and the NIT in Tax code 2 (see Creating a Customer Master Record Centrally [Ext.] and Creating a Vendor Master Record Centrally [Ext.]). You maintain your own tax numbers in Customizing for Financial Accounting, under Financial Accounting Global Settings → Company Code → Enter Global Parameters.

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A checkbox in the customer and vendor master records that determines whether or not a customer or vendor is liable for value-added tax (VAT) (see Taxes on Sales/Purchases [Page 12]).

Use
If a customer or vendor is liable for VAT, you select this checkbox in their master record.

Integration
See Sales Ledger [Page 16] and Purchase Ledger [Page 17].
Recipient Type

Definition
See Extended Withholding Tax: Customer/Vendor Master Data [Ext.].

Use
When you create a company code using the template for Venezuela, the system creates the following recipient types:

- Corporations resident in Venezuela
- Corporations resident abroad
- Persons resident in Venezuela
- Persons resident abroad

You assign your vendors a recipient type in the vendor master record.
Reporting
Generic Withholding Tax Reporting

Use
You use this report to prepare the annual withholding tax returns for the tax authorities and certificates for your vendors (see Generic Withholding Tax Reporting [Ext.]).

Features
The country version for Venezuela includes the following Smart Forms:

<table>
<thead>
<tr>
<th>Smart Form</th>
<th>Description</th>
</tr>
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<tbody>
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</tr>
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<td>IDWTCERT_VE_02</td>
<td>Annual withholding tax return with all documents itemized</td>
</tr>
</tbody>
</table>

Activities
To access the report, from the SAP Easy Access screen, choose Accounting → Financial Accounting → Accounts Payable → Withholding Tax → General → Withholding Tax Reporting (Generic).
Asset Accounting
Chart of Depreciation

Definition

See Chart of Depreciation [Ext.].

Use

When you create a company code using the template for Venezuela, the system assigns it chart of depreciation 1VE, which follows Venezuelan accounting requirements.

Structure

Chart of Depreciation

<table>
<thead>
<tr>
<th>Depreciation area</th>
<th>Use</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Book depreciation (unadjusted)</td>
<td>Local</td>
</tr>
<tr>
<td>03</td>
<td>Inflation adjustments</td>
<td>Local</td>
</tr>
<tr>
<td>04</td>
<td>Book depreciation (adjusted)</td>
<td>Local</td>
</tr>
<tr>
<td>15</td>
<td>Tax depreciation</td>
<td>Local</td>
</tr>
<tr>
<td>30</td>
<td>Consolidated book depreciation</td>
<td>Local</td>
</tr>
<tr>
<td>31</td>
<td>Consolidated book depreciation</td>
<td>Group</td>
</tr>
<tr>
<td>32</td>
<td>Book depreciation</td>
<td>Group</td>
</tr>
<tr>
<td>33</td>
<td>Book depreciation</td>
<td>Hard</td>
</tr>
<tr>
<td>34</td>
<td>Inflation adjustments</td>
<td>Group</td>
</tr>
<tr>
<td>35</td>
<td>Inflation adjustments</td>
<td>Hard</td>
</tr>
</tbody>
</table>

These depreciation areas cover different inflation and currency requirements, as follows:

- Book depreciation before and after adjustment for inflation

  Depreciation area 01 is used for recording depreciation before inflation adjustment. Area 04 is used for adjusted depreciation. Area 03 is used for the inflation adjustments only, that is, the difference between the unadjusted and adjusted values.

You buy a machine for VEB 1,000,000. In the first year it depreciates by VEB 100,000, giving a net book value of VEB 900,000. Inflation is running at 20%. The entries are as follows:

<table>
<thead>
<tr>
<th>Area</th>
<th>Acquisition cost (VEB)</th>
<th>Depreciation (VEB)</th>
<th>Net book value (VEB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>1,000,000</td>
<td>100,000</td>
<td>900,000</td>
</tr>
<tr>
<td>03</td>
<td>200,000</td>
<td>20,000</td>
<td>180,000</td>
</tr>
<tr>
<td>04</td>
<td>1,200,000</td>
<td>120,000</td>
<td>1,080,000</td>
</tr>
</tbody>
</table>

- Book depreciation in different currencies
Chart of Depreciation

The information in depreciation area 01 is duplicated in depreciation areas 32 and 33, with the difference that these areas are kept in your hard currency and group currency respectively. Whenever you post any changes in depreciation area 01, the system automatically updates areas 32 and 33.

- Inflation adjustments in different currencies
  Similarly, the system automatically maintains two copies of the depreciation area that you use to post inflation adjustments in your local currency (02): area 34 shows the adjustments in your group currency; area 35 in your hard currency. However, all adjustments in these areas will be zero, as inflation only affects the local currency.

See also:

Currency [Page 9]
Human Resources