



Change of VAT Rate to take effect from 4th January 2011

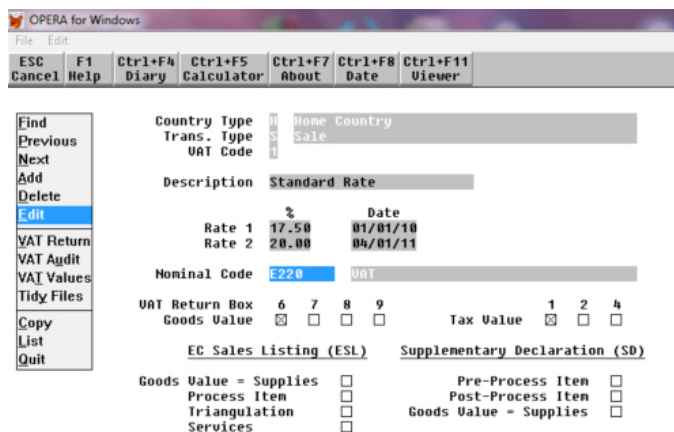
Pegasus Opera for Dos/Windows

From 4th January 2011, the UK standard rate of VAT will increase from 17.5% to 20%. This factsheet explains how this change affects Pegasus Opera for Dos/Windows and what you need to do.

Opera will allow you to change the VAT rate yourself– you need to go to System, Maintenance and into VAT Processing.

In order to do this, please follow these instructions:

- Find your first code that needs changing and click edit
- Change the rate 1 field to 17.50 and the date to 01/01/10
- Change the rate 2 field to 20.00 with a date of 04/01/11 – press F9 to accept. (see screen shot below)



- Repeat this process for any other VAT codes that need to be amended.

The system will automatically apply the new rate for a new invoice/credit note when the TAX POINT DATE on a transaction is set as 04/01/2011 onwards.

NOTE: This is the TAX POINT DATE and NOT the invoice/credit note date or your system date that controls this, so please to check the dates on the screen when the new rate comes into play.

Existing orders will have the old VAT rate of 17.5%. Please be careful when progressing to the delivery/invoice stage and when asked if wish to edit the document (to force the system to take your Opera II date and apply the new VAT rate if applicable) please answer yes. You must be very careful at this time to ensure your Opera II date is correct for the transactions you are posting.

NOTE: It is possible to raise an invoice with a date after January 4th with a VAT rate of 17.50% for examples of how this may apply please check the advice from the HMRC website.

For a straightforward, easy changeover we strongly suggest that you process all transactions with a VAT rate of 17.50% within December up to 4th Jan and all transactions with a VAT rate of 20.00% after 4th Jan.

If your system has any bespoke work on it then we suggest you do some testing to ensure any changes are successful.

For further detailed information and HMRC guidance about the change, please visit the HMRC Website.

Visit www.tsg.com/vatchange2011 for more details

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