

How to prepare the Kentucky sales tax report from the PROMPT business System, Order processing Sales Tax Report

1. Print the PROMPT sales tax report using menu option **OP 2, 7**. Enter the begin date as the first day of the month and the end date as the last day of the month.
2. Fill in the Kentucky sales and use tax worksheet 51A102 (05/20010) using the PROMPT Sales tax report as follows.

A. Item 1 Total Receipts

This amount comes from the Grand Totals of the report.

Add these amounts found on the Grand Total line.

Total Gross Sales

Add on One Amount (Freight)

Add on Two Amount

Tax Billed

B. Deductions, Items 2 – 19.

These will correspond to the tax codes you have set up in the PROMPT System. Each tax code is subtotaled. Enter the subtotal that corresponds to the report codes 020 – 190.

Item 10 Service and Installation is a special case on the PROMPT Report. This is the difference between “Total Gross Sales” for your Taxable sales tax code, and “Merchandise Taxable”.

Item 13 Freight is a special case on the PROMPT Report. This amount will come from the grand total of the report column “Add On One” (Freight). Usually “Add On Two” will be added to this too, but it depends upon how your company uses “Add on Two” in the PROMPT Sales Order processing System.

- C. Add all deductions to get report line 20.
- D. Subtract all deductions from Net Receipts to get report line 21.
- E. Divide report line 21 by 1.06 to get line 22.
- F. Multiply report line 22 by .06 to get line 24.

Here is where you can tell if you have made errors in preparing the report. The sales tax calculated must be the same as the “Tax Billed” Grand Total on the PROMPT Sales Tax Report. If it is all okay, otherwise check to find your errors.