Country Solution South Korea

IFSCLOUD24R2

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Note:

The capabilities listed below have been moved to generic functionality. These capabilities are no longer parameterized by Localization Control Center, they are general for any country.
The capabilities moved to generic functionality are:

- Special Consumption Tax

1 Company Set-up

1.1 Overview

To utilize the South Korean functionality, the company must be set up as using the **South Korean** localization. This is defined in the *General* tab on the *Company* page.

1.2 Define Localization

- Open the *Company* page.
- Search for the company.
- Select **South Korea** in the drop-down list in the **Localization** field and save. Note that this cannot be changed once transactions are created for the company.
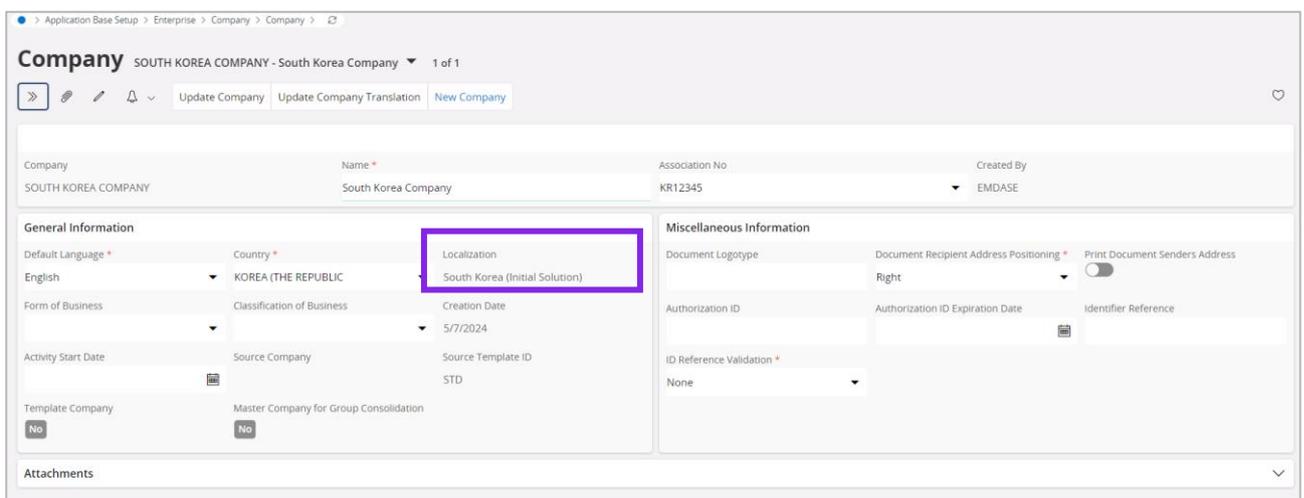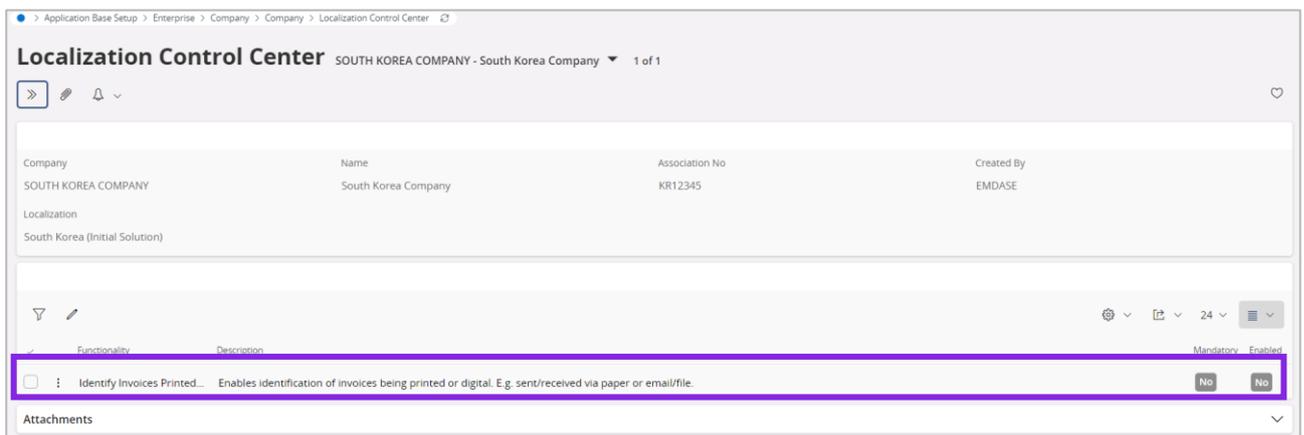

1.3 Select Localization functionality.

Specify which functionality to use.
- Open the *Localization Control Center* tab.
- The localization selected in the previous step is displayed in the **Localization** field and cannot be changed.
- All functionality available for South Korea is presented in the list. Enable/Disable the functionality based on the requirements of the company by selecting the Enable check box. Note that some functionality is mandatory and cannot be disabled.

2 Identify Invoices Printed or Digital

2.1 Overview Legal Requirement

When reporting tax in South Korea, the tax information must indicate if an invoice is printed or digital. Paper invoices refer to invoices printed on paper. Digital invoices are invoices sent/received to/from customers electronically. For this, services from a third-party company are involved (e.g., Smart Bill).

2.2 Process Overview

2.3 Solution Overview

Customer and supplier invoices are categorized as either digital invoices or not. It's defined on the customer and supplier level whether the customer or supplier is sending digital invoices or not. The value is fetched when creating customer or supplier invoices and the information is transferred to tax transactions.

2.4 Prerequisites

The company must be set up to use South Korean localization, see the Company Set-up chapter.

2.5 Enable Localization Control Center Parameter

To enable this new functionality, navigate to the **Company/Localization Control Center** and enable the functionality, **Identify Invoices Printed or Digital**.
Please note that this is an optional localization parameter, and the user needs to enable it manually.
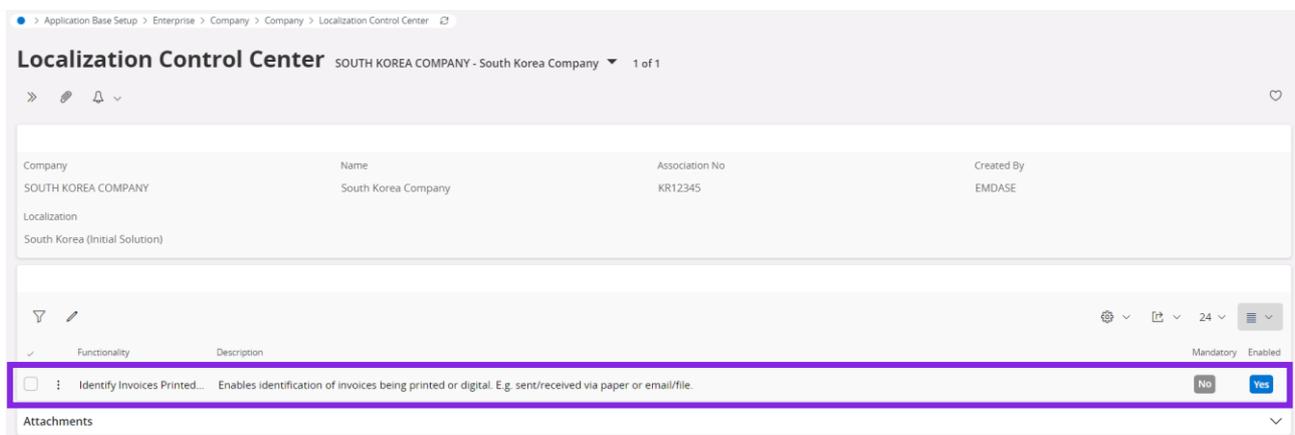
2.6 Set up Supplier to identify if Digital Invoices are used.

A new toggle, **Digital Invoice**, is added to the ***Supplier/Invoice/General*** tab.
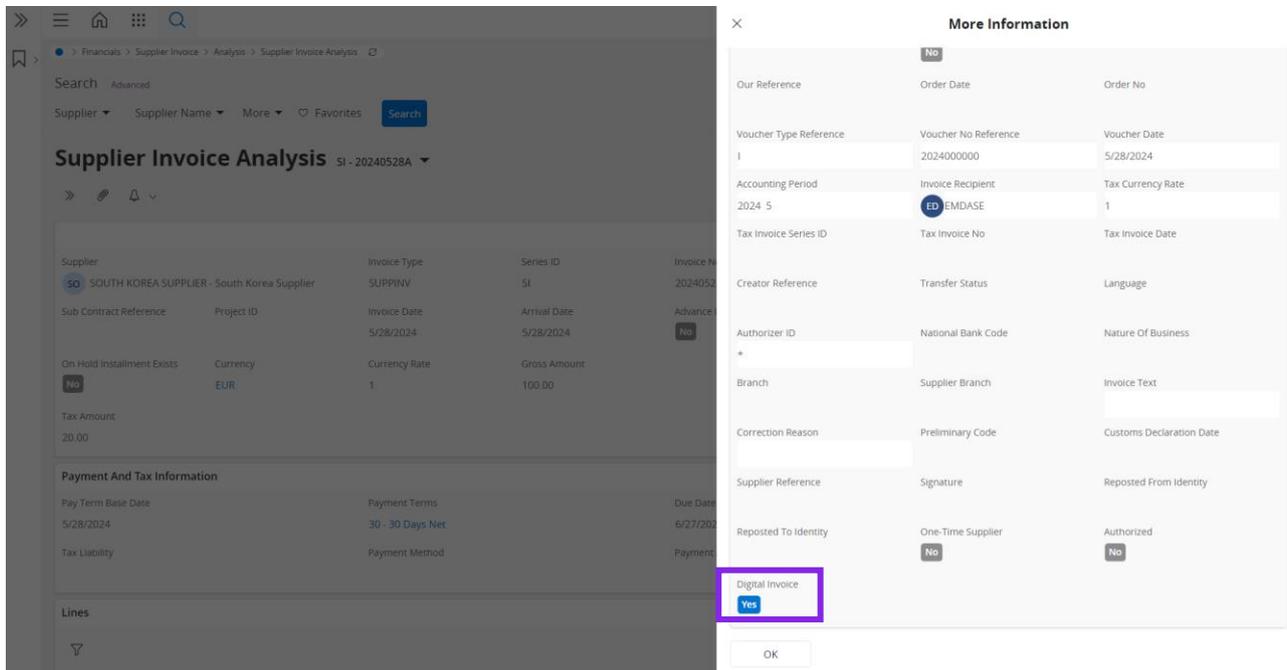

Enable the toggle if the supplier is sending digital invoices. The value will be fetched when creating supplier invoices and will be later referred to in ***Tax Transactions***.

2.7 Set up Customer to identify if Digital Invoices are used

A new toggle, **Digital Invoice**, is added to the ***Customer/Invoice/General*** tab.

Enable the toggle if the customer is sending digital invoices. The value will be fetched when creating customer invoices and will be later referred to in ***Tax Transactions***.

2.8 View Supplier Invoice Analysis page

An indicator, **Digital Invoice**, is added to the *Supplier Invoice Analysis* page. It displays the value from the supplier at the time the invoice was created and cannot be edited.

2.9 View Customer Invoice Analysis page

An indicator, **Digital Invoice**, is added to the *Customer Invoice Analysis* page. It displays the value from the customer at the time the invoice was created and cannot be edited.

2.10 Tax Transactions

An indicator, **Digital Invoice**, is added to the *Tax Transactions* page. It displays the value from the supplier invoice/customer invoice and cannot be edited. The Digital Invoice column is updated when *Update GL Vouchers* and *Fetch Tax Ledger Information* has been run.

2.11 Delimitations

None.