Collecting Sales Tax on Taxable Items in Petly Plans with Cornerstone

With the current integration of Cornerstone and Petly Plans, all plan items (WP codes) are automatically discounted 100% upon invoicing.

But practices that include taxable items in their plans must generate the taxes and include them on the invoice. The key steps include:

- Adding the plan item to the invoice, as usual.
- Adding an equivalent nonplan (full-price) item to the invoice, to generate the appropriate tax.
- Adding a credit to the invoice to delete the price of the nonplan item, leaving just the tax, which will be charged to the client.

Here's how to accomplish the tasks above:

1. Create a **new invoice item** that will be used to generate a credit:
   - Give the item an easy-to-remember ID, like WPTAX.
   - For the description, enter **WP taxable item credit**.
   - Set **Allow change** to **Require change**, so that staff are required to adjust the item to the appropriate negative dollar value for the applicable invoice item(s).
   - On the **Tax/Disc** tab, make sure all tax and discount selections are cleared.

2. If needed, open the invoice item (WP code), and update the client description so that it is different from the description on the equivalent nonplan item. This way the same invoice description won't appear twice to the pet owner on the invoice.

3. Since the equivalent **nonplan** item will deplete inventory correctly, do **not** link it to the plan item (WP code), to avoid duplicate reduction in quantity on hand.

4. When invoicing, include the **plan item(s)** (WP code[s]), the **nonplan item(s)**, and a single **WP taxable item credit code**.

5. For the WP taxable item credit code, enter the **negative dollar value** of the sum of the equivalent nonplan taxable item(s), which will leave only the tax to be charged to the customer for this item(s).

	Item ID	Item Description	Quantity	Amount	Staff	Center	Disc	Tax	Date	
1	WP7010	WP Trifexis 20-40#	1.00	$18.00 22	H		🐾	No	04/27/2017	
2	TRIF20	Trifexis 20-40lb PER DOSE	1.00	$18.00 22	H		No	Yes	04/27/2017	✅
3	WPTAX	WP Taxable Item Credit	1.00	($18.00) 22	H		No	No	04/27/2017	
4							No	No	00/00/0000	

Enter matching negative dollar value.

How the three items work together on the invoice

- The WP code prices are automatically discounted from the customer invoice total, as usual. The pawprint icon appears on the invoice to the left of each description.
- The nonplan invoice code(s), price(s), and tax appear on the invoice.
- The WP taxable item credit code appears as a negative value to counter the nonplan item(s).
  The pawprint icon does not appear for this code because the line is manually discounted and the Petly 100% discount does not apply in this case.

The pet owner's invoice looks like this:

Bill Allen	Client ID: 25859
8021 Main Street	Invoice #: 3859
Eau Claire, WI 54703	Date: 4/27/2017
	Open Invoice

Patient ID: 72377	Species: Canine	Weight: 6.00 pounds
Patient Name: Peet	Breed: Dachshund, Miniature	Birthday: 11/23/2016 Sex: Male

	Description	**Staff Name**	**Quantity**	**Total**
4/27/2017	🐾 WP Trifexis 20-40#	John Kingley, DVM	1.00	$18.00
	Trifexis 20-40lb		1.00	$18.00 T
	WP Taxable Item Credit		1.00	($18.00)
		Patient Subtotal:		**$18.00**

Instructions
Heartworm preventitive is strongly recommended for pets in our area. Please use medication for the entire mosquito season as directed. A heartworm test is recommended every twelve months.

	Invoice Total:	**$18.00**
🐾	Petly Plans 100% Discount :	($18.00)
	Internal Sales (Usage) Tax :	$0.90
	Sales Tax :	$0.90
	Total:	$1.80
	Balance Due:	$1.80
	Previous Balance:	$0.00
	Balance Due:	**$1.80**

Note: The paw print icon appears next to the Petly Plans discounted WP item(s), but does not appear next to the WP Taxable Item Credit code or next to any non-plan item(s).

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