

Split payment configuration

The possibility of applying the mechanism of split payment according to Polish law results from the act from 15 December 2017 amending the Goods and Services Tax Act. A payment for purchased goods or services with the use of the split payment mechanism is made in a total amount. Next, a relevant VAT amount is transferred by a bank to a separate account. As a result, the payment is divided into:

- sales subtotal amount which is transferred into vendor's or service provider's bank account
- tax amount which is transferred into vendor's or service provider's VAT account

The split payment mechanism may be used only in reference to transactions paid on account of other taxpayers. It can be used only for payments made by bank transfers in PLN.

The split payment mechanism is only available in the system if the parameter *Split payment under Polish law* has been selected from the level of *Configuration* → *Company Structure* → *Rights Structure* in the definition of a center of the *Company type*. The parameter is unchecked by default and it can be activated at any moment.

Type: Local Parent Company

Active

Name
Firma

Currency PLN **VAT Rate Group** PL

Created On 22/12/2020

Company Name Comarch S.A.

TIN 677-00-65-406 **EIN**

Legal Form **CID**

SIC Industry

Address Kraków, al. Jana Pawła II 39A

Phone **E-mail**

URL

Registering Authority

Registry Name

Number in Registry **Registration Date** 22/12/2020

Share Capital 0.00 PLN **Paid-in Capital** 0.00 PLN

Shop Area

Trade
 Sell below stock levels
 Monitor SENT transport

Accounting
 Split payment under Polish law
 Register compensations

Fixed Assets
 360 days in a year for straight-line method
 Round-off amount added last month

Intercompany Transactions None

Addresses Documents Operator

ID	Address Ty...	Code
BC	=	BC
3	Main	

[Active] = 'Checked'

Contacts Description

ID	Type
BC	=

Split payment under Polish law parameter in the definition of a center of Company type

Note

The parameter *Split payment under Polish law* is only visible if a company has PLN assigned as the system currency.

The system makes it possible to specify that by default payments with a given customer/vendor should be made in the split payment mode. A parameter enabling such configuration can be found on the <<customer group>> and the <<customer form>>.

It can be checked only if the following requirements are met:

- Customer status set as *Entity*
- Customer type set as *Active taxpayer*
- Payment currency set as PLN

The image shows a screenshot of the SAP Customer/Vendor form for 'COMARCH'. The form is divided into several sections. On the left, there are fields for ID (2), Code (COMARCH), Name (Comarch S.A.), TIN (677-00-65-406), EIN, NIN, Type (Domestic), Status (Entity), and various checkboxes for Customer, Vendor, Associated unit, In liquidation, Active taxpayer, and Reverse charge. The address is 'Kraków, al. Jana Pawła II 39A', and the phone number is '(012) 646 1000'. On the right, there are tabs for 'Addresses', 'Groups', 'Trade', 'Credit Limits', 'Discounts', and 'Co'. The 'Trade' tab is active, showing 'Default Commercial Terms'. Under 'Payment', the method is 'Gotówka', and 'Split payment' is checked and highlighted with a red box. Other options include 'EOM' and '0 days'. The 'Currency' is 'PLN' and 'Terms' is empty. The 'Delivery Method' is also empty. Under 'Applications', 'B2B Warehouse' is set to 'All'.

Split payment parameter on the customer form

Note

The parameter Split payment is only visible on the customer form if the *Split payment under Polish law* parameter has been activated in the definition of a relevant center of the *Company* type.

Split payment in bank transactions

In the system, it is possible to define a bank account that would keep record of transactions made only on a special VAT account associated with a current account. To do so, it is necessary to select the parameter *VAT account for split payment* on the form of a Bank account.

The screenshot shows a software interface for defining a bank account. The 'General' tab is active. The 'Code' field is 'PKO BP', 'Name' is 'PKO BP', and 'Type' is 'Bank'. The 'Report Period' is 'Month'. There are three checkboxes: 'Active' (checked), 'Dedicated for parent company' (checked), and 'VAT account for split payment' (unchecked, highlighted with a red box). The 'Type' dropdown is set to 'Local'. Below this, the 'Accounting' section shows 'Accounting Period' as 'A current accounting period is missing.' and 'Ledger' as a dropdown. The 'Bank Account Number' section has 'Bank' as a dropdown, 'Number' as a text field, and 'Type' as 'Other'. The 'Currency' section shows 'Currency' as 'PLN'.

VAT account for split payment parameter on the form of a bank account

Note

The parameter *VAT account for split payment* is only visible if the *Split payment under Polish law* parameter has been activated in the definition of a relevant center of the Company type.

To make the parameter VAT account for split payment available for selection, the following requirements need to be met:

- Account currency – PLN
- Account type set as *Bank*
- Account sort set as *Local*

If the user selects the parameter, the system will block the possibility to change the account's currency and types.

The list of cash/bank accounts contains *VAT Account* column (hidden by default) which indicates whether on the definition of a given register the parameter *VAT account for split payment* is checked.

Note

An account with checked parameter *VAT account for split payment* cannot be selected on a payment and on the header as well as on an item of SR0. Also, it cannot be assigned to a payment form.

Each split payment transaction consists of two entries:

- main operation for the entire total amount
- additional operation which posts a VAT amount between a current account and a VAT account

On the side panel of a bank transaction, there is a Split Payment control which, depending on the type of transaction, may assume one of the following values:

- **No** – it specifies that the split payment mechanism will not be used to pay for a given receivable/payable
- **Payment** – it specifies that the split payment mechanism will be used to pay for a given receivable/payable
- **VAT Transaction** – it tags marks the technical transaction of posting into a VAT account

Note

The Split Payment control on the form of a bank transaction is

only visible in the case of transactions entered to a bank account in PLN.

The screenshot displays a 'Deposit Details' form with the following fields and values:

- Type: Revenue
- KP / 2021 / PKO BP / AUTO
- Value: 1,000.00 PLN
- To Be Paid: 1,000.00 PLN
- Paid: 0.00 PLN
- Reference Number: (empty)
- Bank Account: (empty)
- Document Date: 05/01/2021
- Date of Transaction: 05/01/2021
- Account: PKO BP
- Payment Form: Bank Transfer
- Report: 00001/RKB/PKO BP-2021
- Record No.: AUTO
- Payment Status: Is not subject
- Balance: Affects
- Entity: (empty) Customer
- Account: (empty) Create account
- For: (empty)
- Owner: Firma

The 'Split Payment' dropdown menu is highlighted with a red box, showing the following options:

- No
- No Payment
- VAT Transaction (selected)

Split Payment control on the form of a bank transaction

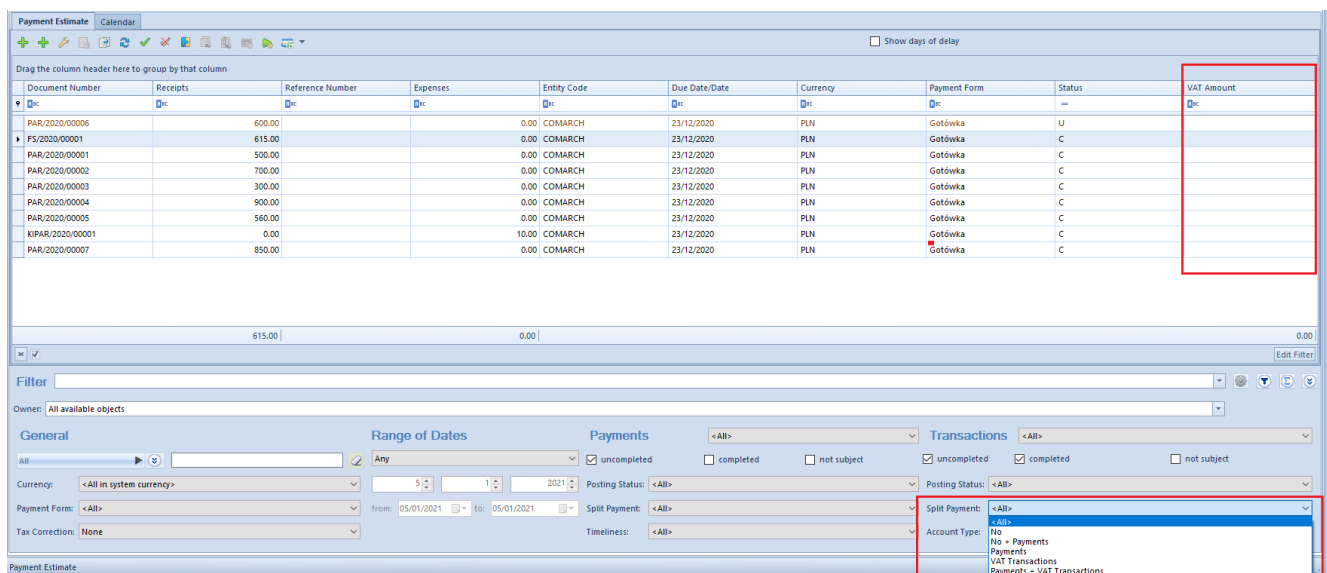
In a transaction added to an account tagged as *VAT account for split payment*, the parameter is set automatically as *Split payment: VAT Transaction* without a possibility to change it and the value *Is Not Subject* is set in the column *Payment* with a possibility to change it.

On the lists *Payment Estimate* and *Customer/Vendor Payments*, the user may filter bank transactions related to split payment. For that purpose, the filter *Split payment* with the

following values is available:

- <All>
- No
- No + Payments
- Payments
- VAT Transactions
- Payments + VAT Transactions

It is also possible to display the column *VAT Amount* (hidden by default) which presents VAT amount for bank transaction tagged as *Split payment: VAT Transaction*.



Split payment filter and column VAT Amount on payment estimate

Handling split payment on payments

A payment for purchased goods or services with the use of the split payment mechanism is made in a total amount. Next, a relevant VAT amount is transferred by a bank to a separate

account. As a result, the payment is divided into:

- a subtotal amount on an account selected by the vendor
- a VAT amount on the dedicated VAT account

In the side panel of a [payment](#), *Split payment* parameter is available. Selecting it displays additional fields:

- VAT Amount
- Vendor's/Customer's TIN

The values of these fields are completed automatically on the basis of the source document.

Type:	Payable	To Be Paid:	2,460.00 PLN
Value:	2,460.00 PLN	Paid:	0.00 PLN
Number	1/2021	Currencies	manual
Reference Number		Any Date	08/01/2021
Document Date	08/01/2021		1.0000 PLN
Payment	Cash	Due Date	08/01/2021
Days of Delay	0	Expected Due Date	08/01/2021
Account	PKO BP	Completion	Is not subject
Payer	Comarch S.A.	Bank Account	
	Vendor	Bank	
		<input checked="" type="checkbox"/> Split payment	
		VAT Amount:	460,00 PLN
		Vendor's/Customer's TIN:	677-00-65-406
		Owner	Company

Split payment parameter on the payment's side panel

Note

The parameter *Split payment* is only visible if the *Split payment under Polish law* parameter has been activated in the definition of a relevant center of the *Company* type.

The *Split payment* parameter is active in a payment window only if the payment is in the PLN currency. If a payment has the *Split payment* parameter selected, and the user wants to change the PLN currency, the system will display the message: "The payment is tagged to be made in the form of Split Payment. By changing the currency, the Split payment option will be

blocked. Payments will be fixed as regular payments. Would you like to change the currency? Yes/No". Selecting option *Yes* will change the currency into a different one, deactivate the *Split payment* parameter. Selecting the option *No* does not make any changes in the payment document.

The parameter *Split payment* is checked by default on a payment, if on its source document a payment form of *Bank* type is selected and on the form of the customer/vendor indicated on the source document, the parameter *Split payment* is checked. In addition, checking the parameter *Split payment* in an invoice header automatically checks the parameter *Split payment* in all payments of the document, if:

- Payment currency = PLN
- Payment form is of the *Bank* type
- The payment is not included in a SRO
- The payment is not completed

This rule regards payments of the documents:

- PI, PIQC, PIVC
- SI, SIQC, SIVC
- R, RQC, RVC
- API, APIVC, ASI, ASIVC
- VSI, VSIC, VPI, VPIC
- SO, PO
- SQ, PQ

In the case of payments for AN and OB documents, the parameter is always deactivated by default, with a possibility to activate it by the user.

In case of splitting payment marked as *Split payment*, the parameter *Split payment* will be automatically checked on newly created payments, with a possibility to change it. The system completes customer's/vendor's TIN number and VAT amount on new payments (proportionally to the payment amount) and updates VAT amount on the split payment.

Example

A payment of the split payment type for the amount of 1230 PLN associated with a PI document (subtotal 1000 PLN, VAT 230 PLN, total 1230 PLN) has been divided into two payments:

- Payment 1: 700 PLN
- VAT Amount = $700 / 1230 * 230 = 130.89$ PLN

The system automatically completes the VAT amount in the payment as 130,89 PLN

- Payment 2: 530,00 PLN
- VAT Amount = $530 / 1230 * 230 = 99.11$ PLN

The system automatically completes the VAT amount in the payment as 99,11 PLN

If the user changes the VAT amount on a split payment into an amount lower than the VAT amount resulting from the source document and, then, [divides the payment](#), the VAT amount on newly created payments will be completed automatically, whereas, it will not be updated on the split payment.

Example

In a payment of the split payment type for the amount of 1230 PLN associated with a PI document (subtotal 1000 PLN, VAT 230 PLN, total 1230 PLN), the user has changed the VAT amount into 23 PLN Then the payment has been divided.

- Divided payment:
 - Value = 730 PLN
 - VAT Amount = 23 PLN
- New payment:
 - Value = 500 PLN
 - VAT Amount = $500 / 1230 * 230 = 93.50$ PLN

The user may change a VAT amount in a split payment. The threshold value is the difference between the VAT amount of the entire document and the sum of the VAT amounts of all other split payments in that document.

Example

A payment of the split payment type for the amount of 1230 PLN associated with a PI document (subtotal 1000 PLN, VAT 230 PLN, total 1230 PLN) has been divided into three payments of the split payment type and with the amount of 410 PLN each. The system automatically completes the VAT amount in those payments:

- VAT amount in the first payment 76,67 PLN
- VAT amount in the second payment 76,67 PLN
- VAT amount in the third payment: 76,66 PLN

The user may change the VAT amount's value within the range: 0,00 PLN – 76,66 PLN

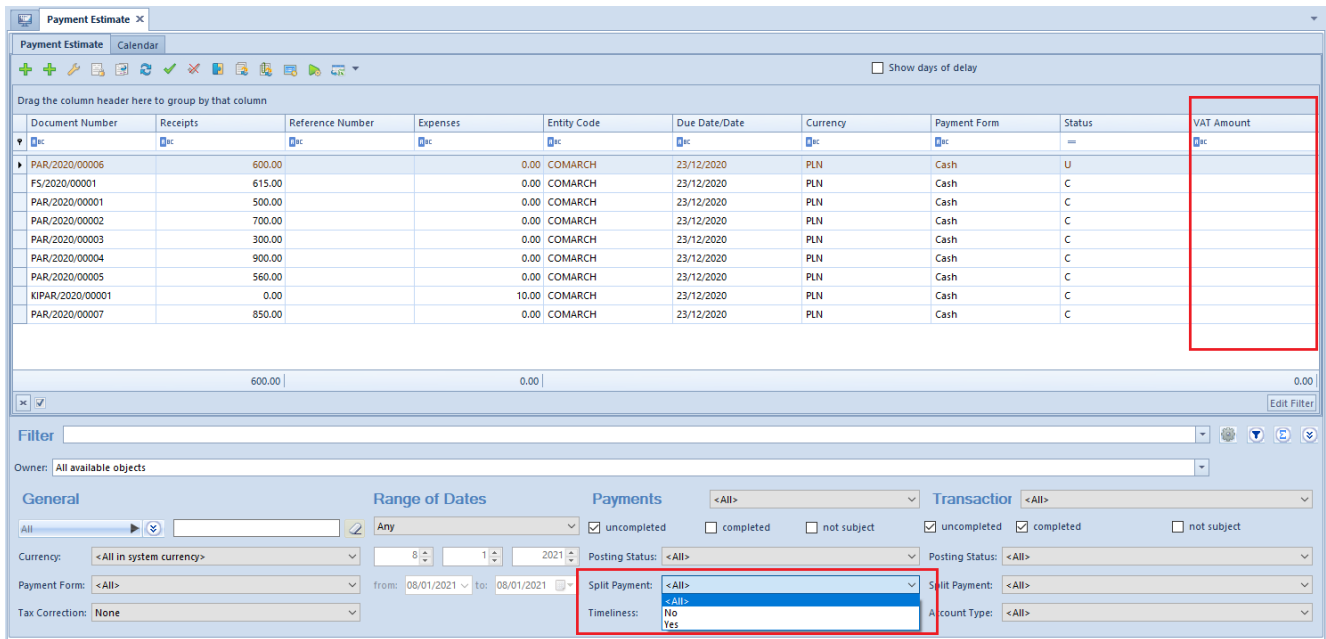
Example

A payment of the split payment type for the amount of 1230 PLN associated with a PI document (subtotal 1000 PLN, VAT 230 PLN, total 1230 PLN) has been divided into three payments:

- The first payment with the amount of 410 PLN has been tagged as split payment. The system automatically completes its VAT amount as 76,67 PLN
- The second payment with the amount of 410 PLN has not been tagged as split payment.
- The third payment with the amount of 410 PLN has been tagged as split payment.

The system automatically completes its VAT amount as 76,67 PLN. The user may change the VAT amount's value within the range: 0,00 PLN – 153,33 PLN.

On the lists <<*Payment Estimate*>> and <<*Customer/Vendor Payments*>>, the user may filter payments of the split payment type and display columns presenting VAT amounts in such payments.



Split payment filter and VAT Amount column in the payment estimate

Split payment mechanism in the export of statements of remittance orders and import of bank statements

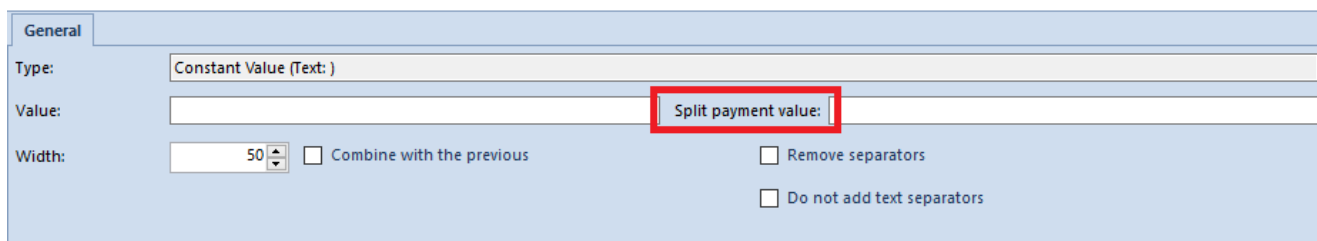
Split payment mechanism in the export of statements of remittance orders and import of bank statements Split payment

In the system, it is possible to export statements of remittance orders containing payments marked as *Split payment* and import bank transactions relating to split payment mechanism – payment transaction or transactions of posting VAT amounts.

Exporting statements of remittance orders

Payments of split payment type may be exported with the use of the same format as the other payment or with the use of a separately defined transfer format.

To properly handle a split payment transaction code, the user needs to modify a variable responsible for that transaction. For that purpose, it is possible to use the field Constant Value. Upon selecting this field in the format definition, it is necessary to edit it and fill in the field *Split payment value* with a relevant string of characters according to the requirements of a given bank.



The screenshot shows a 'General' tab in a software interface. The 'Type' field is set to 'Constant Value (Text:)'. The 'Value' field contains the text 'Split payment value:'. The 'Width' field is set to '50'. There are three checkboxes: 'Combine with the previous', 'Remove separators', and 'Do not add text separators', all of which are currently unchecked.

Split payment value field on the form of the Constant Value variable in a defined transfer format

The user may handle bank transfers connected with the split payment mechanism in one of the two ways:

- With the use of fields dedicated to split payment available in the transfer format definition
- With the use of the parameter *Support split payment* available for the field *For*

Handling transfers by means of dedicated fields

Fields contained in the transfer format definition which can be used to handle the split payment mechanism include:

- **Split Payment – VAT Amount** – a VAT amount to be sent from a payment
- **Split Payment – TIN** – a subject's TIN transferred from a payment without hyphens and prefixes
- **Split payment – document number** – reference number from a payment

The screenshot shows a configuration window for a transfer format. The 'Name' field is 'Format 1'. The 'Type' is 'Definable'. The 'Sort' is 'Import'. The 'Date Format' is 'yyyy/MM/dd'. The 'Coding' is 'Central European (Windows)'. The 'Component' is empty. The 'Active' checkbox is checked. The 'Field Types' list includes: Our Bank Reference Number, Our Bank SWIFT Code, Payment Description, Reconciliation Code, Reference Number, Source Document Number, Split Payment - Document Number, Split Payment - TIN, Split Payment - VAT Amount, SQL query, Transaction Date, and Transaction ID. The 'Split Payment - Document Number', 'Split Payment - TIN', and 'Split Payment - VAT Amount' items are highlighted with a red box. The 'Field Types' list is connected to a large empty text area on the right by a double arrow button '>>'. Other buttons include '<<', 'Up', 'Down', and 'Edit'.

Fields for the handling of split payment included in the transfer format definition

Parameter *Support split payment*

Another method of handling bank transfers related to the split payment mechanism uses the *Support split payment* parameter available in the transfer format definition for export in the case of the following fields:

- **For**
- **For – Document Numbers**
- **For – Document Numbers and Amounts**
- **For – System Numbers and Amounts of Documents**
- **For – Document Numbers and Amounts**

After selecting an appropriate field in the format definition, it is necessary to edit it and activate the parameter *Support*

split payment. As a result, the system will automatically add the following string of characters before a transfer title in payments marked as split payments: /VAT/VAT Amount /IDC/Customer TIN /INV/Document number /TXT/Payment description

In a <<statement of remittance orders>>, in the *Elements* and *Payments* tabs, besides the standard columns, there are two columns available: *Split Payment* and *VAT Amount*. They inform whether a given payment is of the split payment type and present the value of a VAT amount to be sent for a given payment. The value of the column *Split Payment* is retrieved in accordance with the setting of the parameter *Split payment* in a given payment. The value of the column *VAT Amount* of a given SR0 document is transferred from the payment. In case of changing of the transfer amount in an SR0 document, the amount is updated automatically (proportionally to the transfer amount).

Example

The user has added a transfer for a payment of the split payment type associated with a PI document (subtotal 1000 PLN, VAT 230 PLN, total 1230 PLN). The amount to be sent equals 1230 PLN. The amount of the transfer has been changed to 500 PLN.

$$\text{VAT Amount} = 500 / 1230 * 230 = 93.50 \text{ PLN}$$

General Description Attributes Attachments

Number → ZPP - 00001 / 21 Document Status: Zainicjowany

Reference Number: Date of Issue: 08/01/2021

For: Date of Transfer: Current

Group transfer orders by entity accounts

Account: Value: 0.00 PLN

File Format: File: ZPP-00001-21.txt

Owner: Firma

Items Payments

Drag the column header here to group by that column

Date of Transfer	Entity Code	Entity Name	Amount	Currency	From Bank Acco...	To Bank Account	Split Payment	VAT Amount
08/01/2021	COMARCH	Comarch S.A.	0.00	PLN			<input type="checkbox"/>	

Edit Filter

Split Payment and VAT Amount columns on SRO form

To enable the export of a payment of the split payment type, the following information must be provided in it:

- VAT Amount
- Customer's/venord's TIN
- Document number

Note

In the case of payments of the split payment type, it is not possible to group transfers. Each payment constitutes a separate order in the export to a bank.

Importing bank statements

When importing a bank statement, the user will receive two entries for transactions of the split payment type:

- entry relating to the main operation for the entire total amount
- entry regarding split payment operation which posts a VAT amount between a current account and a VAT account

While importing most bank statements with the use of the MT940 format and importing flat files, the column *for* will display the same content for both the main transaction and the technical posting of VAT between accounts. After a bank statement import, the system will automatically select the following parameters in the transactions:

- **Split Payment: Payment** – in main transactions
- **Split Payment: VAT Transaction** – in technical (VAT) posting transactions.

In transactions recognized as *Split payment: VAT Transaction* will be automatically assigned with the parameter *Payment: Is not subject* with a possibility to change it by the user.