

Microsoft Dynamics® AX 2009 and
Microsoft Dynamics AX 2009 SP1

Country-specific update for Italy

White Paper

This white paper describes a country-specific update released for Italy in January 2011, for Microsoft Dynamics AX 2009 and Microsoft Dynamics AX 2009 SP1. See Microsoft Knowledge Base article [2309385](#) for hotfix download information.

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Introduction

This white paper describes a Microsoft Dynamics® AX feature that is specific to users in Italy.

Report of taxable transactions with companies in countries that have privileged taxation ("Black listed" countries)

In accordance with Italian regulations, companies must report all taxable sales and purchase transactions with other companies in countries that offer privileged tax structures. These countries are referred to as "Black listed" countries by the Italian government. These countries present a high risk from a tax standpoint. For more information about the countries identified as "Black listed" by the Italian government, see the [Agenzia delle Entrate](#) website.

Companies in Italy must report these transactions on a monthly or quarterly basis to the government. You can submit the report electronically as an ASCII file that contains the following sections:

- Header
- Company information
- Customer or vendor information
- Footer and summary

Setting up the "Italian black list" report

Complete the following procedures before you generate the report of taxable transactions that are conducted with companies in countries that have privileged taxation:

- Set up an employee who is responsible for submitting the "Italian black list" report in the **Employee** form. For more information, see the "Employee (form)" topic in the Applications and Business Processes Help. If you do not set up an employee, you must type the employee information manually when you generate the report.
- [Set up a country/region as a "Black listed" country](#)
- [Set up the legal nature of a company](#)
- [Set up the country/region of residence for a foreign customer or vendor](#)
- [Set up a number sequence for the "Italian black list" report](#)
- [Set up the VAT type for a sales tax code](#)

Set up a country/region as a "Black listed" country

Use the **Country/region** form to identify a country as "Black listed." For more information, see the "Country/region (form)" topic in the Applications and Business Processes Help.

1. Click **Basic > Setup > Addresses > Country/region** to open the **Country/region** form.
2. Create or select a country/region.
3. Click the **General** tab.
4. In the **IT three-digit code** field, set the numeric country code as mentioned in the report instructions from the Italian government. For example, the IT three-digit code for Switzerland is 071.
5. Select the **Black listed country** check box.
6. Close the form to save your changes.

Set up the legal nature of a company

Use the **Company information** form to specify the legal nature of your company. This is the legal structure that is registered with the government, such as **Limited share partnerships, Limited liability companies (SRL)**, or **Public limited companies (SPA)**. The legal nature of the company is required in the "Italian black list" report. For more information, see the "Company information (form)" topic in the Applications and Business Processes Help.

You can find the legal nature codes and related information on the Italian government website.

1. Click **Basic > Setup > Company information** to open the **Company information** form.
2. Create or select a company account.
3. Click the **Contact information** tab.
4. In the **Legal nature** field, select the legal structure of your company.
5. Close the form to save your changes.

Set up the country/region of residence for a foreign customer or vendor

Use the **Customers** form or the **Vendors** form to set up the country/region of residence for a company in a foreign country/region. You can specify the company's location by selecting the country/region in the **Residence foreign country/region** field.

Only the invoice transactions with companies in countries that have privileged tax structures ("Black listed" countries) are included in the "Italian black list" report. For more information, see "Customers (form)" and "Vendors (form)" topics in the Applications and Business Processes Help.

1. Click **Accounts receivable > Common Forms > Customer Details** to open the **Customers** form.

-or-

Click **Accounts payable > Common Forms > Vendor Details** to open the **Vendors** form.

2. Create or select a customer or vendor account.
3. Click the **General** tab.
4. In the **Customer account** field, specify the customer account number if the vendor is also a customer to consolidate both the sales and purchase transactions in the report.

-or-

In the **Vendor account** field, specify the vendor account number if the customer is also a vendor to consolidate both the sales and purchase transactions in the report.

Note: If a customer is also a vendor or if a vendor is also a customer, the transactions in the "Italian black list" report are summarized as one record.

5. Click the **Contact information** tab.
6. In the **Residence foreign country/region** field, select the country/region where the customer or vendor is based for tax purposes.
7. Close the form to save your changes.

Set up a number sequence for the "Italian black list" report

Use the **General ledger parameters** form to specify a number sequence that is used for the "Italian black list" report. For more information, see "General ledger parameters (form)" topic in the Applications and Business Processes Help.

1. Click **General ledger > Setup > Parameters** to open the **General ledger parameters** form.
2. Click the **Number sequences** tab.

3. In the **Number sequence code** field, select a number sequence for the **Black list report id** reference.
4. Close the form to save your changes.

Set up the VAT type for a sales tax code

Use the **Sales tax codes** form to set up the type of tax to be calculated for the “Italian black list” report, such as **Standard**, **Zero**, **Exempt**, or **Not subject to VAT**. The VAT type that is specified determines the category where the net and VAT amounts for the invoices are printed on the report and are in the file. For more information, see the “Sales tax codes (form)” topic in the Applications and Business Processes Help.

Note: If the total net or VAT amount that is invoiced in a period is negative for a specific VAT type, it appears as credits for the prior period (or prior year, if the period starts in January).

1. Click **General ledger > Setup > Sales tax > Sales tax codes** to open the **Sales tax codes** form.
 2. Create or select a sales tax code.
 3. Click the **Calculation** tab.
 4. In the **VAT type** field, select the VAT type that is used to categorize the transactions in the “Italian black list” report from the following options:
 - **Standard** – The transaction includes a standard VAT amount.
 - **Zero** – The transaction does not include any VAT amount.
 - **Exempt** – The transaction is exempted from VAT.
 - **Not subject to VAT** – The transaction is not subjected to VAT.
- Note:** Similarly, you can set up the VAT type for other sales tax codes by selecting the sales tax code on the **General** tab.
5. Close the form to save your changes.

Generating the “Italian black list” report for taxable transactions

Use the “Italian black list” report to submit a list of your taxable transactions with companies in countries that have privileged taxation. You can generate a monthly or quarterly report as an ASCII file, and then submit the report electronically. You can also view and update the transactions before you generate the report.

For instructions on how to complete and file the “Italian black list” report, see the [Agenzia delle Entrate](#) website.

1. Click **General ledger > Reports > External > Italian black list report** to open the **Italian black list report** form.
2. Press CTRL+N to create a new report. A number sequence is assigned to the report based on the number sequence that you set up for the **Black list report id** reference on the **Number sequences** tab in the **General ledger parameters** form.
3. In the **From date** and **To date** fields, select the start and end dates of the reporting period.
4. In the **Reporting period** field, select the reporting period as **Month** or **Quarter**.
5. In the **Declaration type** field, select the type of declaration from the following options:
 - **Integrative** – The report to be generated is a new report.
 - **Corrective** – The report to be generated is a correction to a previous report.

6. Click the **Company information** tab, and then select the **Change of frequency** check box to indicate that the reporting frequency is changed from monthly to quarterly or from quarterly to monthly.
7. In the **Writer**, **First name**, and **Last name** fields, select the identification code and specify the first and last names of the employee who is responsible for filing the report.
8. In the **Gender** field, select the gender of the employee.
9. In the **Writer fiscal code** and **Writer role** fields, specify the fiscal code of the employee and select the employee's role, such as **Legal representative**, **Fiscal representative**, or **Public representative**.
10. In the **Birth date**, **Province of birth**, and **Place of birth** fields, select the date of birth and province of birth, and then specify the place of birth of the employee.
11. In the **Town or country of residence**, **Residence county**, **Postal code**, and **Address** fields, specify the town or country of residence, select the residence county, and then specify the postal code and residence address of the employee.
12. Click the **Transactions** tab, and then click **Transfer** to transfer the sales and purchase invoice transactions based on the criteria specified on the **Company information** tab. Only transactions that are associated with a sales tax code are displayed in the report. Verify the transactions and make any changes, if required.
13. Click **Report** to open the **Italian black list report** form, and then select the **Generate file** check box to generate and export the report as an ASCII file.
Note: You can clear this check box and click **OK** to verify the report before you generate and export it.
14. In the **File name** field, specify the path and file name for the report, and then click **OK** to generate the report as an ASCII file.
15. Close the form to save your changes.

Form

This section contains information about the new form that is used to generate and export the "Italian black list" report as an ASCII file.

Form name and locator	Description
Italian black list report (form) General ledger > Reports > External > Italian black list report > Report	Use this form to generate and export the "Italian black list" report as an ASCII file. Generate file field Select this check box to generate the report as an ASCII file. File name field Specify the path and file name for the "Italian black list" report.

Modified forms

This section contains information about the modified forms that are used to generate the "Italian black list" report.

Form name and locator	Description
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<p>Country/region (form) Basic > Setup > Addresses > Country/region</p>	<p>General tab Black listed country field Select this check box to indicate that the country/region is designated as "Black listed" by the Italian government. IT three-digit code field Specify the numeric country code as mentioned in the report instructions from the Italian government. For example, the IT three-digit code for Switzerland is 071.</p>
<p>Company information (form) Basic > Setup > Company information</p>	<p>Contact information tab Legal nature field Select the legal structure of your company that is registered with the government, such as Limited share partnerships, Limited liability companies (SRL), or Public limited companies (SPA).</p>
<p>Customers (form) Accounts receivable > Common Forms > Customer Details</p>	<p>Contact information tab Residence foreign country/region field Select the country/region if the customer's company is in a foreign country/region.</p>
<p>Vendors (form) Accounts payable > Common Forms > Vendor Details</p>	<p>Contact information tab Residence foreign country/region field Select the country/region if the vendor's company is in a foreign country/region.</p>
<p>General ledger parameters (form) General Ledger > Setup > Parameters</p>	<p>Number sequences tab Black list report id field The number sequence reference for the "Italian black list" report.</p>
<p>Sales tax codes (form) General Ledger > Setup > Sales tax > Sales tax codes</p>	<p>Calculation tab VAT type field Select the VAT type that is used to categorize the transactions in the "Italian black list" report from the following options:</p> <ul style="list-style-type: none"> • Standard – The transaction includes a standard VAT amount. • Zero – The transaction does not include any VAT amount. • Exempt – The transaction is exempted from VAT. • Not subject to VAT – The transaction is not subjected to VAT.

Report

This section contains information about the new report that is used to generate the "Italian black list" report.

Report name and locator	Description
<p>Italian black list report (report) General ledger > Reports > External > Italian black list report</p>	<p>Use this report to generate the "Italian black list" report that provides a list of taxable transactions conducted with the companies in countries that have privileged tax structures ("Black listed" countries). You can also view and update the details of taxable transactions with companies in countries that have privileged taxation before you generate the report.</p> <p>Overview tab Black list report id field The identification number of the report. From date field Select the start date of the reporting period. To date field</p>

Select the end date of the reporting period.

Reporting period field

Select the reporting period as **Month** or **Quarter**.

Declaration type field

Select the type of declaration from the following options:

- **Integrative** – The report to be generated is a new report.
- **Corrective** – The report to be generated is a correction to a previous report.

Exported date field

The date when the latest version of the report was exported.

Exported field

Select this check box to indicate whether the report has been exported.

Company information tab

Company name field

Enter or view the name of your company.

Tax exempt number field

Enter or view the tax exempt number of your company that is used in transfers that are related to the European Union (EU) and relevant external reports.

Fiscal code field

Enter or view the fiscal code of your company.

Legal nature field

Select or view the legal structure of your company that is registered with the Italian government, such as **Limited share partnerships**, **Limited liability companies (SRL)**, or **Public limited companies (SPA)**.

E-mail field

Enter or view the email address of your company.

Fax field

Enter or view the fax number of your company.

Telephone field

Enter or view the telephone number of your company.

Change of frequency field

Select this check box to indicate that the reporting frequency is modified.

Writer field

Select the identification code of the employee who is responsible for filing the report.

First name field

Specify the first name of the employee.

Last name field

Specify the last name of the employee.

Gender field

Select the gender of the employee.

Writer fiscal code field

Specify the fiscal code of the employee.

Writer role field

Select the employee's role as **Legal representative**, **Fiscal representative**, or **Public representative**.

Birth date field

Select the date of birth of the employee.

Province of birth field

Select the province of birth of the employee.

Place of birth field

Specify the place of birth of the employee.

Town or country of residence field

Specify the town or country of residence of the employee.

Residence county field

Select the residence county of the employee.

Postal code field

Specify the residence postal code of the employee.

Address field

Specify the residence address of the employee.

Transactions tab

Excluded field

Select this check box to exclude a line from the report or file.

Module field

The module is displayed as **Customer** or **Vendor**.

ID field

The identification number of the customer or vendor account.

Name field

The name of the customer or vendor.

Invoice date field

The date when the invoice was generated.

Invoice field

The identification number of the invoice.

Item type field

The type of item is displayed as **Item** or **Service**.

Net amount field

The transaction amount in company currency, excluding the sales tax.

VAT type field

The VAT type that is used to categorize the transaction.

VAT amount field

The total VAT amount on the transaction.

Credit note transaction field

Select this check box to specify that the transaction is a credit note transaction.

Invoice period credited field

Specifies whether the invoice credited is from the current reporting period, a prior reporting period in the current year, or from prior years.

Transfer button

Transfer the sales and purchase invoice transactions based on the criteria specified on the **Company information** tab.

Report button

Open the **Italian black list report** to generate and export the "Italian black list" report as an ASCII file.

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