

Tax Conversion

Module Guide: Tax Conversion

Module Location

Settings > Tax > Tax Conversion

Module Purpose

The **Tax Conversion** (or Tax Modifier) module is used to manage the specific foreign currency exchange rates used for tax calculation purposes (Tax Exchange Rate). The system uses this rate table to convert transaction values in a foreign currency into the local currency (Rupiah) to determine the tax base value (DPP), in accordance with the exchange rate valid for a specific period, which is typically set by the tax authority (Directorate General of Taxes).

1. Main View (List of Tax Conversion Groups)

This page displays the history of every batch or group of tax rates that has been entered, sorted by their effective period.

View Explanation

• Conversion Group Table:

- **Tax Modifier Group ID:** A unique ID for each batch of rates entered.
- **Start Date:** The date the rates in the batch become effective.

- **End Date:** The date the rates' validity period ends.
 - **Last Change:** A timestamp of when the data was last modified.
- **Action Buttons:**
 - **New Tax Conversion:** A button to open the input page and add a new batch of tax rates for a new period.

2. Add Tax Modifier Page

This is the page where the user inputs the exchange rates for all foreign currencies against the local currency for a specified period.

[View Explanation](#)

- **Effective Period:**
 - **Period Start:** The effective start date for the rates being entered.
 - **Period End:** The effective end date for the rates.
- **Exchange Rate Table:**
 - **Currency 1:** The foreign currency (e.g., AUD, USD, EUR).
 - **Currency 2:** The local currency (IDR).
 - **Rate 1->2:** The exchange rate from the foreign currency to the local currency (e.g., 1 USD = 16,577 IDR).

- **Rate 2->1:** The exchange rate from the local currency to the foreign currency.
- **Action Buttons:**
 - **Apply:** To save the newly entered batch of rates.
 - **Cancel:** To cancel the process.

3. Steps to Add a New Tax Rate

- From the main page, click the **New Tax Conversion** button.
- Set the **Period Start** and **Period End** according to the tax rate period released by the government (e.g., a one-week period).
- Fill in the **Rate 1->2** column for each foreign currency according to the official effective rate. The **Rate 2->1** column will usually populate automatically.
- After all exchange rates are correctly entered, click **Apply**.

4. Integrated Workflow & Business Process

- When a user creates a transaction involving a foreign currency (e.g., a Purchase Invoice from an overseas supplier), the system will automatically refer to this table.
- Based on the transaction date, the system will find the rate effective for that period and use it to calculate the Tax Base Value (DPP) in Rupiah.

- **Example:** If there is an invoice for \$100 on October 20, 2025, and the applicable tax exchange rate at that time is IDR 16,577, then the DPP used to calculate VAT will be $\$100 \times 16,577 = \text{IDR } 1,657,700$.

5. Tips & Important Notes

- The rates entered in this module must be identical to the official tax rates released by the Ministry of Finance.
- It is crucial to update these rates regularly according to the official release schedule (usually weekly) to ensure tax calculations are always accurate and compliant with regulations.
- Errors in inputting the exchange rates will directly lead to incorrect calculations of Input VAT and Output VAT, which can cause problems during tax reporting.

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