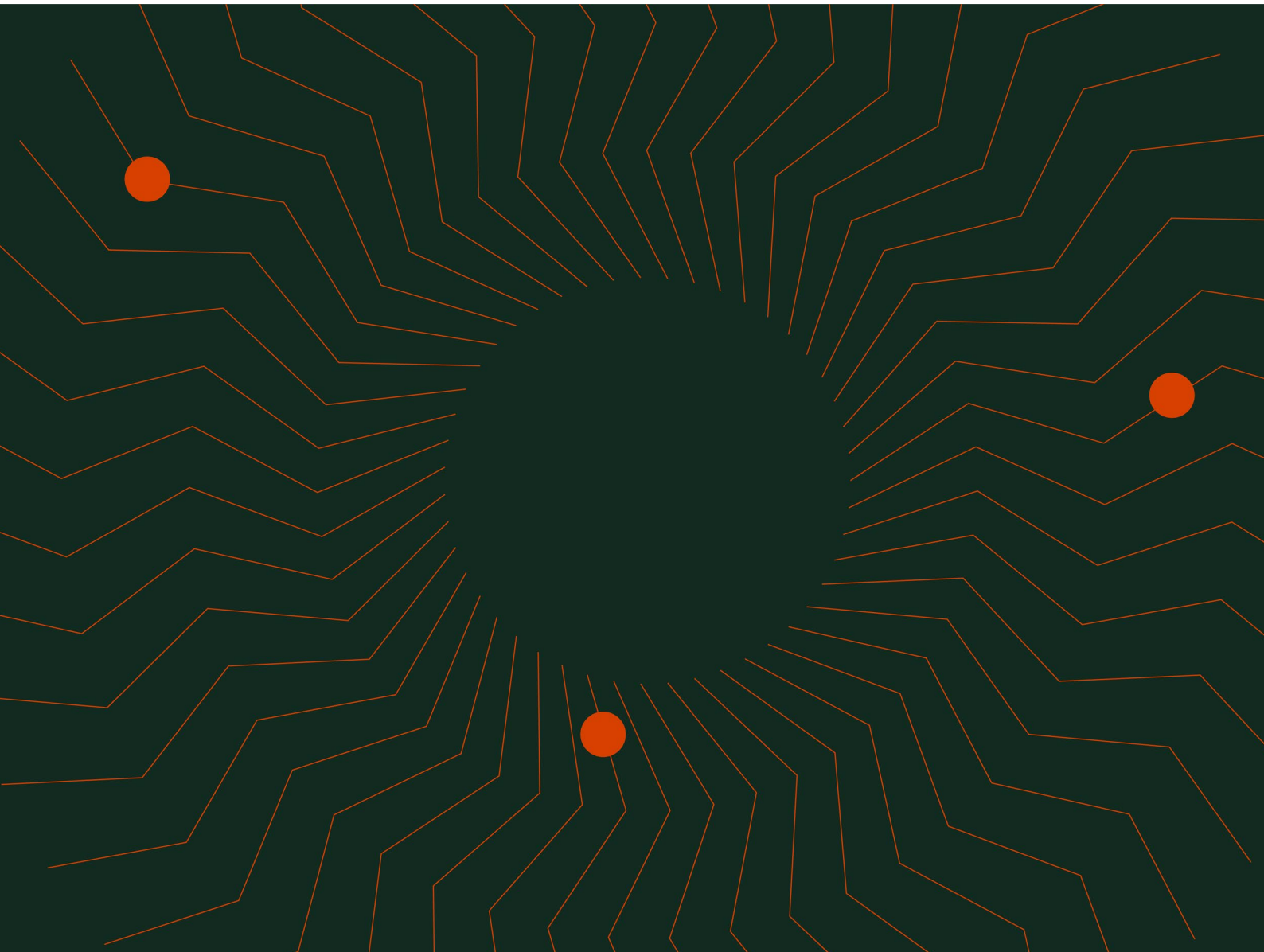


KBA for Brazil Tax Law Determination-SAP Global Next

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Introduction

Brazilian Tax Law Determination for Sales and Purchasing Processes using Global Next Code Mappings - Compatibility for ONESOURCE Global Next 6.7.2 and 6.9.1

Product: ONESOURCE Indirect Tax Integration for SAP - Global Next

Versions:

- 6.7.2.0 (SD & MM)
- 6.9.1.0 (SD & MM)

Symptom

Customers implementing Brazilian Tax Reform or upgrading to ONESOURCE Indirect Tax Integration Global Next 6.7.2.0 or 6.9.1.0 may require a standardized and configurable solution for determining Brazilian Tax Laws during:

- Sales Order creation (SD)
- Purchase Invoice posting (MM)
- Brazilian NF creation

Without a structured model, tax law determination may fail or return incorrect results for the following taxes:

- ICMS
- IPI
- ISS
- COFINS
- PIS
- CBS / IBS (Brazil Tax Reform)

Customers may also observe inconsistent mapping behavior or missing tax law combinations when the tax determination relies on SAP fields that are not fully harmonized.

Root cause

Brazilian tax determination in SAP requires combining multiple legal and business parameters.

However, SAP standard logic alone does not provide a unified or flexible structure to determine the correct tax law across all scenarios.

The main root causes addressed by this solution are:

- Lack of consistent rules for SD vs. MM vs. NF processes
- Inability to handle complex Brazilian tax combinations using standard SAP condition techniques
- No centralized control for user-defined parameters affecting tax law decisions
- Mapping limitations when SAP fields do not align directly with ONESOURCE requirements

To resolve these issues, a Global Next ERP Code Mappings based determination layer was developed.

Resolution

Thomson Reuters has released a fully integrated and customizable Tax Law Determination Solution leveraging ONESOURCE IDT - Global Next ERP Code Mappings, enabling customers to configure a complete decision structure for Brazilian tax legislation.

Key capabilities included in the solution

- A rule driven mapping engine built on Global Next ERP Code Mappings
- Centralized logic for determining tax laws across:
 - Sales Orders (SD)
 - Purchase Invoices (MM) - NF
- Support for all major Brazilian taxes:
 - ICMS, IPI, ISS, COFINS, PIS, CBS/IBS
- Ability to create multilayered combinations of SAP and user-defined parameters, such as:
 - Material attributes
 - Buyer/seller tax IDs
 - Tax authorities, rate, base, CSTs
 - State based rules (origin/destination)
 - Process type (sales, purchase, return, remittance, etc.)

Compatibility

The solution is officially validated for:

- Global Next 6.7.2.0
- Global Next 6.9.1.0
- SAP S/4HANA SD & MM processes

Required Action

To enable the **Brazilian Tax Law Determination Solution**, customers must follow the configuration and implementation steps described in the *ONESOURCE Indirect Tax Integration for SAP Global Next – Brazil Tax Reform User Guide, Version 1.0.0.2 (March 2026)*. The sections below summarize the required actions.

Apply Required Transport Requests (TRs)

Different transport packages are available depending on:

- SAP module (SD or MM)
- Installed **Global Next** version

It is essential that customers import the **correct package** for their environment.

After importing the transport, a small number of **manual enhancements** must be performed to activate the complete solution.

Detailed instructions for these manual steps can be found in the *Global Next Brazil Tax Reform Guide*.

Transport Request Packages

The following table lists all available packages:

| Module | Global Next Version | Package Name |
|----------------|---------------------|--|
| SD | 6.7.2.0 | Thomson Reuters – Global Next IDT – Brazil Taxation_SD_6.7.2.0 |
| SD | 6.9.1.0 | 901671_SD_6.9.1.0 |
| MM | 6.7.2.0 | Thomson Reuters – Global Next IDT – Brazil Taxation_MM_6.7.2.0 |
| MM | 6.9.1.0 | 900491_MM_6.9.1.0 |
| SD/MM Combined | 6.9.1.0 | 900496_SD_MM_6.9.1.0 |

Perform Solution Configuration

To activate the Tax Law Determination Solution, customers must complete the following configuration tasks:

1. Create mappings for 2 new ERP fields

These fields are used to capture and store the **Tax Laws returned from IDT**, enabling correct determination during SD, MM, and NF processes.

2. Ensure SAP Tax Laws are maintained

Before activating the solution, customers must define tax laws for all supported tax types:

- **ICMS**
- **IPI**
- **ISS**
- **COFINS**
- **PIS**
- **CBS/IBS**

NOTE:

The tax law values determined by IDT must match the tax laws maintained in SAP. If the SAP repository does not contain a matching law, tax determination will fail.

3. Follow configuration steps in the Brazil Tax Reform Guide

All required mapping groups, parameter combinations, and setup activities are documented in detail in the *Global Next Brazil Tax Reform Guide (v1.0.0.2)*. Customers must complete those steps to finalize the activation of the solution.

4. Perform activation tests

After completing configuration and transport import, customers must validate the solution in all relevant business processes:

- SD: Sales Order creation
- MM: Purchase Invoice posting (NF)
- NF: Item-level tax law determination

The determination must return consistent and correct tax law combinations across all processes.

5. Additional Notes

- The solution determination structure is fully extensible and supports any number of custom parameters.
- Customers may adjust or expand mapping rules without requiring code changes.
- The solution is designed to support the Brazil Tax Reform model (CBS/IBS) and future regulatory updates.