

Reckon Accounts tax terminology

Use this list for quick reference when setting up tax in Reckon Accounts.

Term	How it relates to tax setup
tax agency	The government office that determines the requirements for tax collection and payment. You may need to pay your collected tax to one or more tax agencies, depending on the requirements for the locations where you do business. Tax agencies are set up as suppliers, because you make payments to them.
tax code	The identifier that Reckon Accounts uses to track the status of both the products and services you sell, and the customers to whom you sell these items. You would not charge tax for anything you sell to this particular customer. You can see all of your tax codes in the Tax Codes List.
tax item	A Reckon Accounts item that is used to calculate the appropriate tax for a sale. A tax item includes a tax rate and a tax agency. When you sell taxable items, you charge the appropriate tax rate by assigning a tax item to each sale.
tax rate	The percentage charged for tax by the tax agency.
tax group item	A Reckon Accounts item that groups multiple tax items so you can charge only one rate on your sales. A sale tax group item also allows you to track the separate tax rates on your reports so that you can pay the appropriate amounts to the appropriate tax agencies.

See also

- [Setting up tax](#)