Setting Up Taxes

05/20/2025 10:46 am CDT

Overview

Setting up sales tax in service**minder** can be accomplished in four simple steps! Review the process on this page so you can seamlessly apply taxes to your proposals and invoices.

Please confirm with a CPA or your local tax office regarding the sales tax requirements for your city and state.

This article will review:

- Setting Up Your Tax Rates
- Tax Finder
- FAQs

Setting Up Your Tax Rates

1. If you are integrating with QuickBooks, make sure your taxes are set up there first.

In order for the QuickBooks tax rate table to load from QuickBooks to service**minder**, an invoice has to sync over first to indicate to QuickBooks to share information with our system. This can be a dummy \$1 invoice or a real invoice. Once that first invoice has synced, you will see your QuickBooks tax rates display beneath your service**minder** tax rates.

Named Tax R	ates				I	Rates Mapping		
Your Tax Rates								
Add	Name		Active	Rate	Provider Rate	ltem Name	Agency Name	
Edit	Example State Tax		Yes	4%				
Edit	Tax Exempt		Yes	0%				
QuickBooks Online Tax	Rates							
Name	Rate	Components						
TX-Plano-3057994	8.25%	6.25% - Texas State - Texas State Cc 1% - Texas, Plano City - Texas State I 1% - Texas, Dallas Mta District - Texa	omptroller Comptroller as State Comptroller					
TX-Frisco	8.25%	6.25% - Texas State - Texas State Co 2% - Texas, Frisco City - Texas State	omptroller Comptroller					
TX SPECIAL	9.25%	6.25% - Texas State - Texas State Cc 1% - Texas, Plano City - Texas State I 1% - Texas, Dallas Mta District - Texa 1% - Texas, Dallas City - Texas State	omptroller Comptroller as State Comptroller Comptroller					
TX-Dallas-3057994	8.25%	6.25% - Texas State - Texas State Cc 1% - Texas, Dallas Mta District - Texa 1% - Texas, Dallas City - Texas State	omptroller as State Comptroller Comptroller					

2. Create your tax rates in the service minder system.

Navigate to Control Panel >Invoice > Manage Tax Rates. Then click Add.

If using QuickBooks, remember to use the dropdown menu to connect the QuickBooks tax rate to the serviceminder tax rate you are creating. This step is important for invoices to sync successfully moving forward! It is also helpful to name the rate the same or something similar to the matching QuickBooks rate so you know which ones go together.

Provide the combined tax rate percentage that represents all state and local taxes combined. If using QuickBooks, make sure this percentage matches the rate you'll be linking it to.

Create Tax Rate		
Name*	Plano	
Active?		
Tax Rate*	8.25 %	
QuickBooks Tax Rate Name	✓ Select one	
	TX-Plano-3057994	aquivalent rate in QuickBooks Opling. If left upmanned, invoices with this tax rate may not ever preparty to QuickBooks
	TX-Frisco	
Item Name	TX SPECIAL	
A man av Nama	TX-Dallas-3057994	
Agency Name	TX SPECIAL	

3. Map your tax rates and assign them to your contacts.

Once you're new tax rates are created, click the **Mapping** button at the top right corner.

Tax Rates :: Mapping		Rates Mapping
Postal Codes		
Postal Code	Tax Rate	
57064	Select one	
57106	Select one	
57108	Select one	
Cities		
City	Tax Rate	
SD - Sioux Falls	Select one	
SD - Tea	Select one	
Counties		
County	Tax Rate	
Lincoln County	Select one V	C
States		Save & Update All Contacts Save & Apply to Unmapped Contacts Save

This is where you will map tax rates to the territories that your state requires (state, county, city, or postal code). Use the dropdown menus to assign a tax rate to the applicable zones.

Once that is complete, you can click **Save and Update All Contacts** or **Save and Apply to Unmapped Contacts**. This will assign tax rates to your contacts automatically based on their address on file.

4. Check the Taxable box for Services and/or Parts/Add-Ons that need to charge tax.

First, navigate to **Control Panel > Services.** Here you can edit services individually and make them taxable by scrolling down to the **Duration and Pricing** section, then checking the Taxable box and saving your changes.

Override Quantity From	None
Quantity Override Formula	
	Use a formula to calculate quantity
Taxable	
Base Price*	0.00
Override Base Price From	None V
	Override the base price with the value from the selected custom field.

Services are the master "on/off switch" for proposals and invoices that determines whether or not the rest of the line items can be taxed. If the Service can not or should not be taxed, give it a value of \$0 then create an identical Part that holds the dollar value.

Then, head over to **Control Panel > Parts/Add-Ons** and edit your relevant parts to make them default as taxable on proposals and invoices.

Edit an Existing Part or Add-On							
Name*	Example Part 1						
Active							
Description*	This part is used as an example.						
Color	V						
Category	Select one V						
Self Service							
Internal							
Taxable							
Asset Tracking	None 🔻						

You can also update parts in bulk to be taxable directly from the Parts grid. Filter the grid so it is displaying only the parts you want to update, then click **Actions > Update**.

Parts and Add-ons Page 1 of 2 (30 Rems)				Al Active Search Upload Parts 🔺 Active Parts Contegories Templates Solutions Vendors					
									Poge size: 25 +
Add_	Category -	9 Subcategory 1	9 Subcotegory 2	9 Name 9	Description 9	Unit Price 9 Max Price	9 Units	9 Unit Cost 9 D	Duration
Edit	Moterials			Tile Flooring	tile flooring f	24.00	55		0 min
Edit	Labor/Service			Lobor	Labor	250.00			0 min
Edit	Labor/Service			Remove Counters & Trim	Demo Doy S	0.00			0 min
Edit	Labor/Service			Remove Appliances	Demo Doy S	0.00			0 min
Edit	Labor/Service			Teor Out Cobinets	Demo-day st	0.00			0 min
Edit	Labor/Service			Deck., Upper Level	Upper level	100.00	SF	\$25.00	0 min
Edit	Labor/Service			Deck - Ground Level	Wood deck	80.00	SF	\$20.00	0 min
Edit	Fadures			Cobinet Handles	4" Brushed S	15.00	Each		0 min
Edit	Fadures			Cobinet Hinges	Hidden, soft	9.50	Each		20 mir
Edit	Fodures			Cobinet Doors - Shoker	Wood door	80.00	each		0 min
Edit				Cobinet Framing	Cabinet Fra	15.00			0 min
Edit				Elizges	Cabinet Hin	3.00			0 min
Edit				Cobinet.Door	Cabinet Door	25.00			0 min
Edit				Double Cobinet - Wall Mounted	Cabinet Base	150.00			0 min
Edit				Credit Cord Fee	Credit Card	0.00			0 min
Edit				Example Part	Example par	50.00			0 min
Edit				St0. Discount	\$10 Off of yo	-10.00			0 min
Edit				Gift Certificate	Gift Certificate	0.00			0 min

For any previously created proposals or invoices you will need to edit them and manually check the taxable box on the service line and any parts that need to be taxed.

-

	Option	ltem	Description	Quantity Ra
	Select a template V	Bathroom Install	Bathroom Install - sink/vanity, tub/	shower, floors, 1
⊗	-option-	Example Part	Example part description	
	a hav is immedia	tolywiowable. To d	ack the box on a part dial the	noncil first than mark the
e service iir	ie box is immedia	tely viewable. To c	ieck the box on a part, dick the	pencil first, then mark the
able box in	the window that	opens at the top of	the page.	
/Add-on Line [Details			
Desc	ription Example part descript	ion		
Interna	Notes			
Ur	it Cost			
Un'	t Price 50			
Dı	uration			
Τα	xable?			
Int	ernal?			
Exch	ange?			
s	ervice Default V			
				Apply C

Tax Finder

Do you live in an area that uses incredibly complex tax codes? Does your state map taxes by the individual address? Then you will likely need to use **Tax Finder** feature. Tax Finder can be found in the **Marketplace**. It will automatically map your tax rates for you and can look up tax rates for each individual contact.

With Tax Finder, you get 100 lookups per month. It will look up your contact when they are imported into the system and automatically update their tax rates if their address is changed in the system as long as you use the search bar when entering the contact's address. The tax rates are automatically named and mapped for you.

This feature is an additional charge. To learn more about Tax Finder and add it to your account, please visit our Marketplace.

FAQs

Why isn't tax applying on my proposal/invoice?

If the tax is not applying correctly, please review these three questions. If the answer is No to any of those questions, please review the steps above on this help page to make the necessary adjustments.

- Are my taxes set up in Control Panel >Invoice > Manage Tax Rates?
- Is the correct tax rate mapped to this contact?
- Is the Taxable box checked for the Service and relevant Parts on my individual invoice?

Why aren't my tax rates from QuickBooks showing up?

Ensure the following to make sure your QuickBooks tax rates sync over properly:

- Make sure your QuickBooks integration is Active in Control Panel > Integrations > Accounting
- Review your tax rates in QuickBooks. The need to be Active and have a valid percentage in order to populate in serviceminder.

• Sync at least one invoice (it can be a "dummy" \$1 invoice that is then voided) from serviceminder over to QuickBooks.

When mapping my tax rates, do I need to select a rate for all items within each of the categories (i.e., postal codes, cities, counties, and states?

This depends on how your taxes are set in your area. If you only have state tax, you can set that and be done. If you have tax rates set up by county, you'll map your rates to their corresponding counties. If your taxes rates vary by more than one category or even by individual address, Tax Finder might be the right fit for you.

Do Service settings override Part settings in regards to taxes?

Services are the main On/Off switch for Taxes. If Parts are On but Services are Off, taxes will not be collected on that invoice.

If you are a franchisee, your brand's deploy account, the Services will all default to having the taxable box unchecked. Each location will need to check it on depending on their local tax laws. This way, it doesn't default to on and owners don't charge taxes if they don't need to.

How can I charge tax without taxing the service line?

The service line **must** be marked as taxable. It is the master on/off switch for the entire proposal/invoice. If the service line cannot be taxed, assign a value of \$0 to the service and create a part (line item) that is identical to the service to hold the value. This part can be marked as internal so it doesn't appear for the customer and cause confusion.

	Option	Irem	Description	Quantity	Kate	Amount
	Select a template	Example Service	This service line item cannot be taxed. ■ Taxable	1	0	\$0.00
≣ ⊗	-option-	Example Service	This part will hold the value of the service that cannot be taxed.	1	100	\$100.00
			0			
	-option-	Example Part 1	Example Part 1	1	100	\$100.00
			Ø			
	-option-	-part-	Search			
				Subtotal		\$200.00
				Tax	Example State Tax V	\$8.63
				Total		\$208.63

Are taxes included in my royalties reporting (End of Week/End of Month)?

Within the End of Week/End of Month report, you may see a column which tells you the taxes charged per that reporting period but these are **NOT** included in the royalties that are due. The system automatically doesn't apply royalties to taxes.