Localization Costa Rica

1. Purpose of the document

The purpose of this document is to provide a general description of the features, functionalities, and considerations of the **COSTA RICA** localization solution for Dynamics 365 Business Central.

The information contained herein does not constitute a commercial offer, contractual commitment, guarantee of regulatory, tax, or legal compliance, or maintenance obligation, and is subject to change without notice. The functionalities described may vary depending on the product version, country, applicable regulations, and the specific context of each implementation and each customer, with the latter being responsible for understanding their own business, processes, requirements, and applicable regulations.

Implementation of the solution requires the active participation of the customer, including, among other aspects, the need to understand and map their processes, business needs, and requirements, as well as to evaluate the suitability of the features described herein for their operation.

This document does not replace the functional, technical, legal, and/or tax analysis that must be performed as part of a formal implementation project.

2. General scope of LATAM for Dynamics 365 BC

Each of the LATAM localizations developed by AlfaPeople for the countries described on the AlfaPeople website is designed to incorporate additional functionality into Microsoft Dynamics 365 Business Central in order to support the management of accounting, tax, and operational processes that are typically required in the various countries in the region.

These solutions are built on the international version (W1) of Dynamics 365 Business Central and can be implemented independently by country or integrated into a multi-country environment, depending on the technological and operational strategy of each organization and the specific contract signed by the customer.

The localizations complement the standard functionality of the product without modifying its core functionality, maintaining an architecture aligned with Microsoft best practices.

3. Important considerations

- The features described are a general reference and may require additional configuration depending on the applicable scenario.

- The effective use of localization depends on the parameterization and proper use of the system, as well as the correct definition of the processes adopted by the customer, compatible with their operation.

- Any functionality, element, or requirement not explicitly described in the scope of each localization is not included.

- The validation of regulatory, accounting, legal, and tax compliance is the responsibility of the customer, as is the verification of any other requirements and functionalities necessary for its operation.

- Any calculation performed automatically by the Localization is based on the information entered by the customer. Therefore, the customer is responsible for the accuracy and veracity of the information, as well as for the verification and validation of the results.

- The content of this document may be modified, updated, or replaced at any time, without prior notice, as a result of changes to the product, applicable regulations, or the solution strategy.

- We emphasize that, despite the provisions and functionalities described in this document, the customer is and remains solely responsible for the decisions made in their business and for the compliance of their actions.

4. Architecture and implementation approach

LATAM localizations are designed to operate on a standardized, flexible, and scalable architecture. Multiple countries can coexist within the same instance of Dynamics 365 Business Central, facilitating centralized management, financial consolidation, and standardization of regional processes.

The implementation of one or more localizations must be evaluated considering the operating model, tax complexity, and regulatory requirements of each country and each customer.

5. Location description – COSTA RICA

The **COSTA RICA** localization for Microsoft Dynamics 365 Business Central is designed to incorporate functionalities that support the management of tax, accounting, and operational requirements commonly associated with current regulations in that country.

The solution covers processes related to accounting, taxes, invoicing, and report generation, which can be used to support the management of obligations before national or local tax authorities and regulatory bodies, as

provided for in this document, such as: the General Directorate of Taxation and the Ministry of Finance, among other local bodies that may be applicable depending on the operational context of each country.

6. Included Features

The functions available in the current version of COSTA RICA Localization are listed below:

PROCESS	FUNCTIONALITY	DESCRIPTION
Location configuration	Document types	Configuration of the different types of electronic receipts required by Costa Rican tax regulations, including sales invoices, credit notes, and debit notes, in accordance with the guidelines established by the General Tax Directorate (DGT).
Location configuration	Verification digits	System configuration for the automatic generation of the verification digit of the tax identification number, calculated based on the customer's or supplier's registered RUC, in accordance with the rules established by the General Tax Directorate.
Location Configuration	Tax Type	Parameterization of the tax type applicable to each sales and purchase document, in accordance with current regulations in Costa Rica and the guidelines established by the General Taxation Directorate. This configuration includes:
Location Configuration	Department	Parameterization of departments in the system in accordance with the official geographical division of Costa Rica, in order to ensure the correct classification of customers, suppliers, and locations for tax and administrative purposes.
Location Configuration	Establishment	Configuration that allows for the control and segregation of records by commercial establishment, when required by the customer's operation, ensuring proper administrative and tax management by branch or point of operation.
Location Configuration	City Code	Definition and assignment of official city codes, in line with local regulations, for correct use in records and electronic documents within the system.
Location Configuration	Third Party TIN	Definition and assignment of official city codes, aligned with local regulations, for correct use in electronic records and documents within the system.
Location Configuration	Point of Sale	Configuration of points of sale within the system, where applicable, to manage commercial operations and facilitate the issuance of electronic receipts by location.
Location Configuration	Document Numbering	Establishment of a document numbering system that complies with current tax regulations, ensuring the correct sequence and validity of electronic receipts within the system.
Location Configuration	Document Stamping	Functionality that includes the mandatory stamping of purchase and sale documents as required by the regulatory body, applying the corresponding validations to guarantee their fiscal validity.

PROCESS	FUNCTIONALITY	DESCRIPTION
Configuration Location	Payment Terms	Allows the identification and management of the different payment methods commonly used in transactions, facilitating their registration and control within the system.
Configuration Location	Expiration control	Generation of automatic alerts related to the expiry dates established by the regulatory body, to ensure timely compliance with the document stamping process.
Configuration Location	Location report selection	Configuration to obtain reports based on the geographic location of operations.
Location Configuration	Standard VAT configuration	VAT configuration in accordance with the parameters and regulations in force in Costa Rica, applying the standard configuration to ensure the correct calculation of taxes on all transactions.
Accounting / Taxes	Tax Codes	Tax code configuration that allows independent control of each type of tax required by the company, ensuring its correct application in transactions.
Accounting / Taxes	Configurable Withholdings	Allows the configuration of withholdings according to the type of calculation required, whether on payments or collections, ensuring their correct application in accordance with current regulations.
Accounting / Taxes	Tax Movement Analysis	Generation of detailed reports that allow you to analyze tax movements, facilitating fiscal control and accounting decision-making within the system.
Accounting / Taxes	VAT Movement Analysis	Generation of specific reports that allow for the analysis of VAT-related transactions, facilitating control and tax reconciliation within the system.
Accounting / Taxes	Tax Movements Purchases to Excel	Export tax movements associated with purchases to Excel, facilitating practical and detailed tax analysis and control, and allowing the company to easily identify trends, discrepancies, or necessary adjustments in its accounting records.
Accounting / Taxes	Sales Tax Movements to Excel	Export tax movements associated with sales to Excel, facilitating fiscal analysis and control, as well as the identification of trends and possible adjustments in the company's accounting.
Accounting / Taxes	Bases for calculating withholding	Allows the configuration of predetermined bases according to the applicable withholding, ensuring accurate and consistent calculations in payment and collection processes.

PROCESS	FUNCTIONALITY	DESCRIPTION
Electronic invoicing	Transmission of purchase and sales invoices.	Management and transmission of purchase and sales invoices electronically, ensuring compliance with tax regulations and the correct delivery of receipts to the regulatory body, through the **technology provider GTI**.
Electronic invoicing	Issuance of invoices with multiple electronic advance payments	Issuance of electronic invoices that allow multiple advance payments to be linked, ensuring the correct application of payments and accurate accounting of transactions.
Electronic invoicing	Consideration of version 4.4	Issuance of electronic invoices under version 4.4, complying with the new requirements and adjustments established by current tax regulations for this update.
Electronic invoicing	Electronic credit note for electronic advance payments	Issuance of credit notes applicable to invoices with multiple advances, ensuring the correct adjustment of amounts and the proper accounting of transactions.
Report	Journal	Generation of the journal, which chronologically records all accounting transactions for the period, facilitating control, auditing, and compliance with accounting and tax regulations.
Report	General Ledger	Generation of the general ledger, which consolidates and organizes all accounting accounts, facilitating detailed monitoring of balances, movements, and the preparation of accurate financial reports.
Report	Inventory and Balance Sheet	Generation of the inventory and balance sheet book, which allows for the recording and control of the company's assets, liabilities, and equity, facilitating the preparation of reliable financial statements and compliance with accounting regulations.
Report	D - 151	Report to the Tax Administration on transactions with third parties that exceed the amounts established by current regulations. Includes payments, purchases, sales, or other types of transactions carried out during the fiscal period, in order to facilitate the control and verification of tax information among taxpayers.
Report	VAT Book Purchases	Detailed record of all VAT-taxable purchases made by the company, allowing tax credits to be calculated and obligations to the Ministry of Finance to be met.
Report	VAT sales ledger	Record of all VAT-taxed sales, facilitating the determination of the tax to be transferred and compliance with the tax return to the Tax Administration.

7. Exclusions and scope notes

- Requirements not explicitly described in this document are not part of the scope of localization.

- Integrations with third parties, electronic invoicing providers, or other external systems may require additional components and contracts.

- Regulatory changes that occur after the preparation of this document may not be covered by the functionalities described herein, which will require additional analysis and adjustments.

8. Additional information

For more information about AlfaPeople's LATAM localization solutions, we recommend contacting your sales representative or our team through the channels available on our website. We are here to help!

AlfaPeople

More information

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