

COSTA RICA LOCALIZATION

For Microsoft Dynamics 365 Business Central



Tax Compliance
+ Integrated Operations



Available on
Microsoft AppSource

Costa Rica Localization

Tax and Operational Challenges in Costa Rica

Businesses face constant challenges in complying with tax regulations, impacting daily operations and creating unnecessary risks.

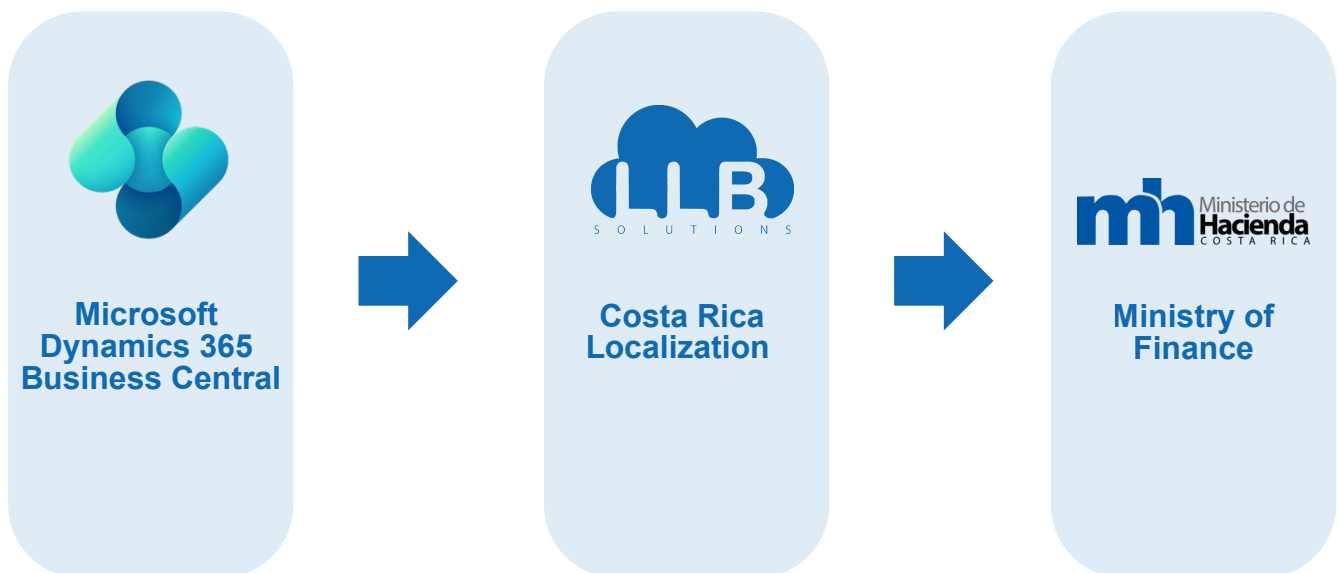


- ✓ **Constant Changes in Tax Regulations:** Frequent updates create uncertainty and increase the risk of non-compliance.
- ✓ **Rejections by Tax Authorities:** Errors in electronic documents or CABYS validations lead to rejections and operational delays.
- ✓ **Manual Processes and Rework:** Repetitive tasks consume valuable time and increase operational costs.
- ✓ **Lack of System Integration:** Disconnected information makes efficient management and business control more difficult.
- ✓ **Compliance Risks and Penalties:** Fines and penalties directly impact the company's financial performance.

The Solution:

What Is the Costa Rica Localization?

LLB Solutions has developed an extension for Microsoft Dynamics 365 Business Central that adapts the solution to Costa Rica's tax, accounting, and regulatory requirements, enabling full compliance without modifying the standard system.



- ✓ **Extension Built on the Standard Business Central Platform:** Seamlessly integrates without modifying the core system.
- ✓ **Adapted to Local Tax Regulations:** Complies with current Costa Rican tax requirements and regulatory updates.
- ✓ **Electronic Invoicing Integration:** Direct connection with authorized providers for electronic invoice issuance and validation.
- ✓ **Guaranteed Tax Compliance:** Reduces the risk of errors, rejections, and penalties.

Designed for Regional Operations

LLB's Latin America Localization is designed for companies operating across multiple countries, enabling them to manage their operations in a single environment while ensuring country-specific tax compliance.

- ✓ **Multi-Country**
Manage operations across multiple countries in Latin America from a single platform, supported by more than 17 proprietary tax localizations for the region.
- ✓ **Multi-Company**
Manage multiple legal entities within the same Business Central environment.
- ✓ **Multi-Currency**
Operate in multiple currencies with automatic exchange rate difference calculations.
- ✓ **Financial Consolidation**
Gain a unified view of your business with consolidated financial information across the region.
- ✓ **Country-Specific Activation**
Enable only the tax functionalities required for each country.
- ✓ **Single Production Environment**
Centralize operations, reduce costs, and simplify system administration.

Key Features

LLB's Costa Rica Localization includes a comprehensive set of features designed to support key tax and operational processes, fully integrated with Microsoft Dynamics 365 Business Central.



Tax Configuration and Master Data

Taxpayer types, tax identification, geographic information, document numbering, and Ministry of Finance parameters.



Electronic Invoicing (v4.4)

Issue, validate, and manage electronic invoices in compliance with the Ministry of Finance.



Taxes and Duties

VAT, Excise Tax (ISC), withholding taxes, tax exemptions, and cross-border digital services.



Treasury and Banking

Payments, collections, payment methods, advance payments, and financial documents fully integrated into the financial workflow.



Business Operations

Purchasing, sales, projects, inventory management, and delivery notes with built-in tax compliance support.



Reporting and Compliance

D-151, D-152, VAT ledgers, withholding tax reports, and electronic accounting.

Standard Business Central Functionalities

Native Business Central capabilities that power LLB Solutions' 17 fiscal localizations in Latin America.

Finance and Accounting

- Configurable chart of accounts and account groups
- General Ledger: real-time review of transactions and balances
- Journal: journals and posting templates
- Accounting dimensions: cost centers, departments, and segments
- Account and dimension-level budgets
- Native financial reports: Balance Sheet, Income Statement, Cash Flow

Sales Cycle

- Quotes and sales orders
- Shipments and deliveries
- Sales invoicing
- Sales returns and credit memos

Accounts Receivable

- Customer management and receivables ledger
- Invoices, payments, and sales credit memos
- Customer payment application and reconciliation
- Customer account statements

Inventory

- Item catalog, attributes, categories, and units of measure
- Inventory adjustments and reclassifications
- Inventory costing (FIFO, Average, Standard, LIFO, Specific)
- Physical inventory counts
- Item-specific cost management
- Management of service, inventoriable, and non-inventoriable items

Accounts Payable

- Vendor management and payables ledger
- Purchase invoices, payments, and credit memos
- Payment journal and vendor payment generation
- Additional purchase charges: freight, insurance, customs

Banking and Treasury

- Bank account and checkbook management
- Automatic and manual bank reconciliation
- Transfers between bank accounts

Manufacturing Module

- Manufacturing processes
- Tracking of raw materials and production inputs
- Machine centers, work centers
- Production time and activity tracking

Warehouse Management

- Multiple warehouse management
- Zone and specific location control
- Inventory tracking and control by product serial/lot numbers
- Transfers between warehouses
- Warehouse-specific document-based inventory control
- Warehouse employee management

Fixed Assets

- Fixed asset registration and records
- Automatic periodic depreciation
- Asset revaluation and disposal
- Maintenance tracking

Purchasing Cycle

- Purchase requisitions and orders
- Goods receipt
- Purchase invoicing
- Purchase returns and vendor credit memos

Projects

- Project creation and budgeting
- Resource and hours allocation
- Progress and cost tracking

Cross-Functional Features

- Configurable workflows and approvals
- Document management (OCR / attachments)
- Contacts and CRM
- Employee records

Business Analytics and Intelligence

- Financial reports integrated with Power BI
- Dimension-based analysis views
- Excel export from any module

Costa Rica Localization Scope

LLB's Costa Rica Localization is designed to comply with the requirements of the Ministry of Finance, integrating Electronic Invoicing (version 4.4), tax management, and statutory reporting within Microsoft Dynamics 365 Business Central, covering real-world business operational scenarios.

Tax Configuration and Master Data

Master Data Automation

- Automatic tax assignment from the product master.
- Automatic CABYS unit of measure assignment from the product master.
- Automatic classification of goods and services for electronic invoices.
- Automatic withholding tax suggestions based on customer/vendor master data.
- Automatic application of tax exemptions based on customer configuration.
- Ability to manually modify taxes and units of measure on the document.

Exchange Rate and Expiration Management

- Daily automatic exchange rate updates from the Central Bank of Costa Rica (BCCR) via web service.
- Automatic alerts for electronic invoicing authorization and document numbering expiration.

Document and Payment Management

- Edit Latin America document data in journals, purchase and sales orders, service invoices, transfers, and projects.
- Automatic bank charge posting.
- Default payment method management by customer and vendor.
- CRC identification algorithms: Automatic validation of tax identification numbers using CRC algorithms based on taxpayer type.

Electronic Invoicing

Electronic Documents and Issuance

- Electronic sales invoice.
- Electronic export invoice.
- Electronic sales invoices with tax exemptions.
- Electronic purchase invoice.
- Non-taxable purchase invoices and import purchase invoices.
- Electronic receipt (POS).
- Electronic credit note.
- Electronic debit note.
- Electronic Payment Receipt (REP).
- Issuance of electronic documents with multiple advance payments.
- Integration with authorized electronic invoicing providers.
- Multi-environment configuration: sandbox and production per company.
- Automatic generation of digitally signed XML files.
- PDF representation including QR code, numeric key, and mandatory tax information.
- Comprehensive document scenarios covering multiple tax combinations, currencies, discounts, and mixed taxable/exempt transactions.
- Document issuance from sales orders or directly from sales invoices.
- Resend electronic documents directly from Business Central.
- Configurable impact of credit and debit notes with controlled modification reasons.
- CABYS management by product/service for standardized classification.
- Automatic validation of the issuer's and recipient's economic activity.
- Multi-currency and exchange rate management for electronic documents.
- Support for foreign customer information.
- Management of multiple branches integrated with electronic invoicing.
- Real-time POS electronic invoicing.
- XML generation and preview before submission for technical validation.

Electronic Document Traceability and Control

- Automatic responses from the authorized provider: Approved, Rejected, or Pending.
- Display of the numeric key, authorization timestamp, and submission status directly within the document.
- Document linkage through the numeric key for complete tax traceability.
- XML-based integration with the authorized provider (open architecture).
- Check the status of electronic documents directly from Business Central.
- Integration event logging and full traceability of submitted documents.
- Electronic storage and archiving of XML and PDF files for audit purposes.
- Electronic invoicing contingency management.
- Receipt of purchase electronic documents in XML 4.4 with support for CCE, CPCE, and ARE (confirmation, acceptance, and rejection documents).
- Historical electronic document status tracking: Since Electronic Invoicing in Costa Rica operates asynchronously, our localization allows you to review and monitor the historical status of electronic documents to determine whether the Ministry of Finance approved or rejected them.

VAT, Taxes, and Exemptions

- Support for multiple VAT rates: standard (13%), reduced (4%, 2%, and 1%), and exempt.
- VAT on services and goods.
- VAT for export transactions.
- Multiple additional taxes applied to the same transaction:
 - Excise Tax (ISC).
 - Cross-Border Digital Services Tax.
 - Taxes on goods and services under Article 19 of Law 9635 (including the 50% variant).
- Configurable VAT and income tax withholdings, automatically suggested from customer and vendor master data.
- Default calculation bases for withholding taxes on payments and collections.
- Withholding taxes on remittances and foreign payments.
- Tax exemption management with validation of supporting documentation.
- Automatic application of tax exemptions by customer and document.
- Management of tax reductions, exclusions, and special tax rates by customer within defined validity periods.
- VAT capitalization into fixed asset costs when applicable.
- Management of transactions involving input tax credits and non-deductible expenses.
- Tax transaction analysis and VAT transaction analysis.
- Export purchase and sales tax transactions to Excel.
- VAT allocation report for sales.
- Non-taxable VAT report.
- Tax filing period generation and configuration.

Tax and Statutory Reports

Books and Formats

- Purchase Ledger and Purchase VAT Ledger.
- Sales Ledger and Sales VAT Ledger.
- Detailed Purchase Ledger, including payment methods, withholdings, and reimbursements.
- General Ledger and Journal.
- Summary Journal.
- Inventory and Balance Book.

Tax Returns and Declarations

- D-151 Declaration: Customers, Vendors, and Specific Expenses.
- D-152 Declaration: Annual Summary of Withholding Taxes and Final Taxes.
- VAT return with automatic calculation.
- Monthly VAT Return (D104-2).
- Withholding tax reports by vendor and customer, including consolidated summaries.
- Historical tax return records and document management.
- Attachment of official Ministry of Finance forms.

Output and Distribution

- Configurable tax reports in GER format.
- Export of tax information and statutory reports.
- Automatic report scheduling.

Business and Tax Operations

Business Documents

- Tax registration of sales and purchase invoices.
- Tax registration of sales and purchase credit notes and debit notes.
- Tax management of purchase and sales orders.
- Service invoicing with local tax compliance support.
- Project invoicing with invoice proposals (invoice, credit note, and debit note).
- Delivery note management for purchases, sales, and inventory transfers.
- Inventory transfers with tax compliance support.
- Individual and bulk printing of tax documents.
- Electronic accounting aligned with Ministry of Finance requirements.
- Fixed asset and resource/intangible asset management with local tax compliance support.

Authorization and Document Numbering Control

- Tax authorization management for sales transactions.
- Management of authorized and default documents by customer and vendor.
- Automatic alerts for authorization expiration.
- Management of business locations and points of sale for each transaction.

Treasury and Payment Methods

- Mass settlement of small outstanding payment balances.
- Payment method management: cash, company checks, third-party checks, bank transfers, bills of exchange receivable, and bills of exchange payable.
- Integrated withholding taxes for collections and payments.
- Point-of-sale document numbering for treasury transactions.
- Treasury documents: Payment Order and Receipt.
- Bank deposit management.
- Payment order cancellation.
- Rounding adjustments.
- Multiple payments and collections processed from a single document.
- Petty cash management by shift.
- Third-party check portfolio management, including receipt, deposit, and rejection statuses.
- Alternative posting profiles by portfolio stage.
- Financial impact tracking for both third-party and company-owned check portfolios.
- Reversal of collections involving bank transfers, withholdings, or third-party checks.
- Management of customer bounced checks with automatic debt reinstatement.
- Deferred recognition of company-issued postdated checks upon maturity.
- Payment instrument inquiry, including the status and history of any payment method.

LLB Exclusive Advantages – Key Differentiators

XML prior to stamping

Generate and review the XML before sending it to the technology provider - reduce rejections and speed up corrections without reprocessing.

Complete Version 4.4 with CABYS

Full Compliance with Version 4.4 and Alignment with the Current CABYS Catalog - No Additional Developments Required.

B2B Electronic Document Receipt

Supplier XML 4.4 Receipt with Receiver Acceptance or Rejection - Complete Purchase and Sales Workflow.

Electronic Invoicing Contingency Management

Contingency Management to Maintain Electronic Invoicing Operations During Service Outages.

Automatic Exchange Rate (BCCR)

Daily Update of the Official BCCR Exchange Rate Without Manual Intervention for Foreign Currency Documents.

Document Numbering and Stamping Alerts

Automatic Alerts for Authorized Range and Stamping Expiration Before They Impact Operations.

Costa Rica Special Taxes

ISC, Cross-Border Digital Services, and Goods under Article 19 of Law 9635 - Multiple Taxes in a Single Transaction.

Complete Document Scenarios

Real-World Tax Scenarios by Tax Combination: Foreign Currencies, Discounts, and Transactions with Exempt and Taxable Items in the Same Document.

Third-Party Check Portfolio

Complete Portfolio Control: Receipt, Deposit, and Rejection Statuses with Automatic Reversal and Financial Impact.

Advanced Collection Reversal

Reversal with Bank, Withholding Tax, or Third-Party Checks - Complete Coverage of Treasury Cancellation Scenarios.

Free Trade Zone Fixed Asset Register

Specific Report for Free Trade Zone Companies, Including Tax Authority Required Legal Data.

Detailed Purchase Ledger

Detailed Payment Methods, Withholdings, and Purchase Refunds - Information Ready for Reconciliation and Tax Filing.

Configurable GER Tax Reports

Generation of GER Tax Reports Directly from Business Central, Ready for Submission to the Tax Authority.

Special Tax Rates and Exclusions

VAT Reductions, Exclusions, and Special Tax Rates by Customer for Defined Time Periods.

Official Tax Returns and Attachments

Declaration History with the Ability to Attach Official Tax Authority Forms Directly in the System.

CRC Identification Algorithms

Automatic Validation of Tax Identification Number Structure Using CRC Algorithms by Taxpayer Type.

Tax Status from the Ministry of Finance Within Business Central

Electronic Document Status Inquiry - Sent, Accepted, or Rejected - Directly Within Business Central. The localization retrieves the Ministry of Finance's asynchronous responses for historical documents, eliminating dependency on the provider's portal.

Benefits for Your Business

LLB's Costa Rica Localization not only ensures tax compliance but also optimizes operations and provides complete business visibility within a single environment.



Tax Risk Reduction

Comply with current Ministry of Finance regulations and minimize errors that may lead to penalties or rejections.



Elimination of Reprocessing

Automate key tasks and reduce dependency on manual processes.



Real-Time Information

Access up-to-date information for better decision-making.



Regional Scalability

Expand your operations to other countries while maintaining control and standardization.



Complete Operational Integration

Connect key business areas within a single platform.



Impulsa tu negocio con cumplimiento local desde el día uno

Agenda una sesión personalizada

Descubre cómo adaptar Business Central a los requerimientos fiscales de tu empresa.

Escanea el código:



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