

ECUADOR LOCALIZATION

For Microsoft Dynamics 365 Business Central



Tax Compliance
+ Integrated Operations



Available on
Microsoft AppSource

Ecuador Localization

Tax and Operational Challenges in Ecuador

Companies face ongoing challenges in complying with tax regulations, which impact daily operations and create unnecessary risks.

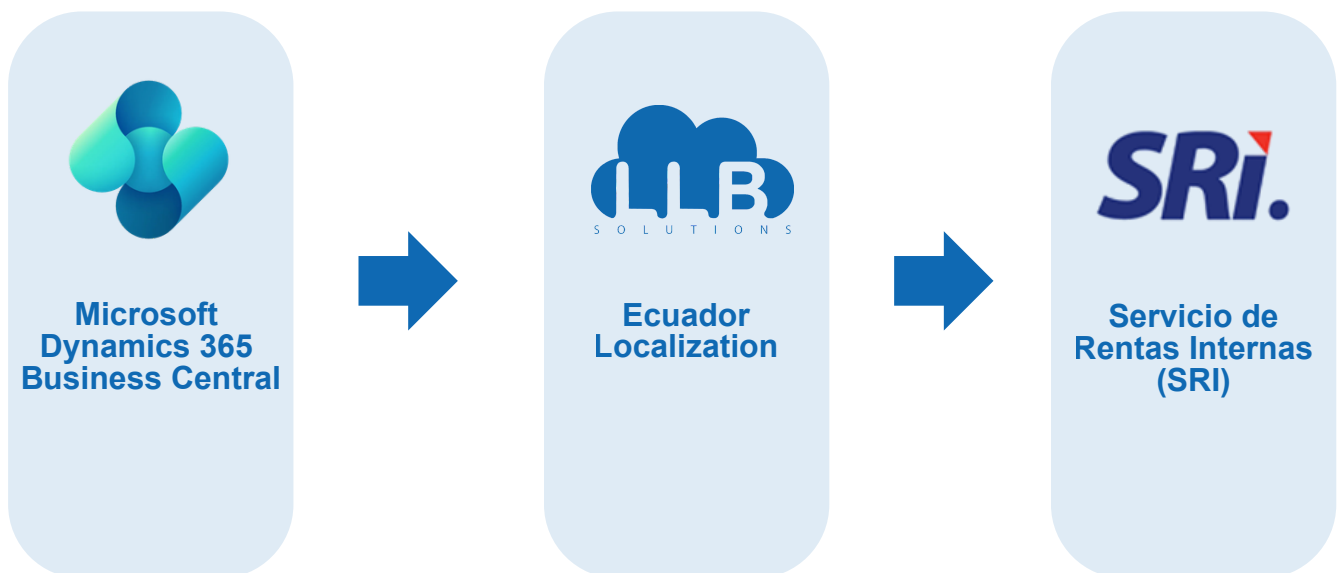


- ✓ **Constant changes in tax regulations:** Frequent updates from the SRI (electronic voucher schemas, catalogs, and ATS) that create uncertainty and increase compliance risk.
- ✓ **Rejections from tax authorities:** Errors in the XML, the access key, establishments and issuance points, or validations lead to rejections and operational delays.
- ✓ **Complexity of the tax and withholding regime:** VAT, ICE, income tax withholdings, VAT withholdings, and ISD, with calculations, rates, and concepts that raise operational burden.
- ✓ **Manual processes and rework:** Repetitive tasks involving ledgers, ATS annexes, and reconciliations that consume time and raise costs.
- ✓ **Lack of system integration:** Scattered information that makes reconciliation between operations, the authorized XML, and the ATS difficult.
- ✓ **Compliance risks and penalties:** SRI fines and observations that directly impact company finances.

The Solution:

What is Ecuador Localization?

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



- ✓ **Extension built on the standard Business Central platform:** Seamlessly integrates without impacting the core system.
- ✓ **Adapted to local tax regulations:** Complies with current tax requirements and regulatory updates.
- ✓ **Electronic invoicing integration:** Direct connection with authorized providers for document 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 within a single environment while ensuring country-specific tax compliance for each jurisdiction.



Multi-country

Manage operations across multiple Latin American countries from a single platform.



Multi-company

Manage multiple legal entities within the same Business Central environment.



Multi-currency

Operate in different currencies with automatic calculation of exchange rate differences.



Financial Consolidation

Gain a unified view of your business with consolidated regional financial information.



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 Ecuador Localization incorporates a set of features designed to cover the main fiscal and operational processes, fully integrated with Dynamics 365 Business Central.



Electronic Vouchers (SRI)

Invoices, credit and debit notes, delivery guides (guía de remisión), purchase settlements (liquidación de compra), and withholding vouchers — with XML, electronic signature, and SRI authorization.



Taxes and Withholdings

VAT, ICE, income tax withholding, VAT withholding, and ISD, automatically calculated on purchases and sales.



ATS and Fiscal Ledgers

Simplified Transactional Annex (ATS), purchase and sales ledgers, and Forms 103 and 104 ready to file.



Approved Fiscal Catalogs

Support codes, regime codes, SRI payment methods, countries and tax havens, and customs districts per regulations.



Fiscal Series and Sequences

Numbering by establishment, issuance point, and authorization, with voucher control and validation.



Fiscal Automation

Taxes, units, and withholdings automatically suggested from master records.

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

Ecuador Localization Scope

LLB Solutions' Ecuador Localization is designed to meet SRI requirements, integrating electronic voucher issuance, tax administration, the Simplified Transactional Annex (ATS), and fiscal reports within Dynamics 365 Business Central — covering real-world business scenarios.

Fiscal Configuration and Master Data

Master data and fiscal classification

- Issuer fiscal data: RUC, legal/business name, taxpayer type, and tax residency
- RUC validation and check digit; identification document types (RUC, national ID card, passport)
- Taxpayer types and tax regime (including special taxpayers and the RIMPE regime)
- Classification of related parties and foreign transactions (tax havens, foreign income and regime)
- Localized fiscal management of customers, vendors, and banks

Approved fiscal catalogs (SRI)

- Tax support codes and regime codes
- Payment and collection methods approved by SRI
- Countries and tax havens, customs districts, and export types
- Credit cards, trust types, issuance types, and compensation types (required for ATS)
- Periodic catalog maintenance as SRI regulations change

Fiscal configuration and automation from master records

- Numbering authorizations and voucher types authorized by customer and vendor
- Sequences by fiscal voucher type
- Configuration of VAT, ICE, withholdings, and ISD

Electronic Invoicing

Issuance, submission, and management of electronic vouchers per SRI requirements, with automatic response from the technology provider.

- Issuance of electronic invoices, credit notes, and debit notes
- Electronic delivery guide (guía de remisión) and electronic purchase settlement (liquidación de compra)
- Electronic withholding voucher, versions 1.0 and 2.0 (VAT and income tax)
- Automatic generation of XML, electronic signature, and access key
- Printed PDF representation
- Certified integration with an authorized electronic invoicing provider
- Submission to SRI, receipt of authorization or rejection, resubmission, and cancellation
- Voucher status inquiry (authorized, rejected, or pending)
- Storage of authorized XML and automatic delivery to the customer
- Alignment with SRI-required codes and association of related documents
- Since electronic invoicing in Ecuador is asynchronous, the localization allows querying and viewing the status of historical documents to identify whether the SRI response was approved or rejected

Taxes and Fiscal Compliance

- VAT configuration and automatic calculation: purchases, sales, and exports; taxed, exempt, and non-subject operations
- VAT withholding and income tax withholding on purchases and sales, with approved concepts and rates
- Special Consumption Tax (ICE): recording and calculation
- Currency Exit Tax (ISD) on payments abroad
- Combination of VAT / ICE / income withholding / VAT withholding taxes on a single document, with bases and calculation detail
- Configuration of accounting entries by tax; exclusions, reductions, and special rates
- Electronic certificate for VAT and income tax withholdings
- Automatic validation of voucher type, duplicate documents, and tax structure
- Recording of reimbursements with fiscal impact
- Analysis of tax and VAT movements

Treasury and Financial Management

- Payment orders and collection receipts, with controlled voiding
- Management of multiple collection and payment methods (cash, transfers, checks, and withholdings) and default payment method
- Management of own and third-party checks: issuance, printing, deposit, exchange, rejection, and accrual of post-dated checks
- Transfers between banks and between portfolios; management of own and third-party portfolios
- Withholding management from treasury and value inquiry/tracking
- Petty cash control and replenishment, automatic recording of bank expenses, and bulk clearing of minor balances

Purchasing, Inventory, and Logistics

- Localized purchase recording with VAT, withholdings, and taxes
- Localized purchase orders and invoices, with tax validation of the document
- Settlement of purchases from vendors who do not issue invoices
- Expense report recording and associated report
- Delivery guides from transfers, and inventory transfers with legal support
- Purchase returns and accounting groups by currency code

Fiscal and Legal Reports

Simplified Transactional Annex (ATS)

- Comprehensive ATS generation: filer, purchases, sales, exports, reimbursements, withholdings, payment methods, and voided vouchers

Ledgers and financial statements

- Journal (summary and detailed), General Ledger, Balance Sheet, and Trial Balance
- Purchase Ledger (detailed, by payment method, by withholding, and by reimbursement), Sales Ledger, and Inventory Ledger

Forms and filings

- Form 103 (income tax withholdings)
- Form 104 (VAT)
- Form 106
- ICE and ISD forms
- VAT filing on purchases and sales

Operational reports

- Withholding report and withholding vouchers/certificates (by customer and vendor)
- Purchase and sales tax reports, and consolidated tax report
- Reports on delivery guides, purchase settlements, invoices, receipts, and payment orders
- Analysis of VAT and tax movements
- Reports printed in PDF and exportable to Excel

Commercial Management and Fiscal Documents

- Localized sales recording and localized fiscal information for customers
- Invoicing from orders, services, and projects; exports (customs, currency, and voucher)
- Sales and purchase credit and debit notes
- Voucher type validation and control of fiscal series and sequences
- Management of authorized/permitted vouchers by customer and vendor
- Delivery guides from sales orders (shipment and transfer) and sales returns
- Controlled document voiding with traceability and controlled modification of fiscal data
- Individual and bulk printing of fiscal documents
- Foreign currency transactions and parameterization by establishment and issuance point

Exclusive LLB Advantages – Key Differentiators

Complete SRI fiscal coverage

VAT, ICE, income tax withholdings, VAT withholdings, ISD, and reimbursement reports — integrated and automated within the accounting cycle.

Integrated electronic invoicing

XML generated, signed, and authorized by the SRI directly from Business Central, without leaving the system.

Native extension on Microsoft AppSource

No modifications to the BC core, compatible with all of Microsoft's automatic updates (SaaS and On-Premises).

Purchase ATS with complete transaction-level fiscal traceability

Tax bases, VAT, ICE, withholdings, withholding certificates, tax havens, and related parties, generated directly from Business Central.

End-to-end fiscal traceability

From the electronic voucher to the withholding certificate, with automatic ISD and VAT calculation on every document and recording of double-taxation treaties.

Updated SRI catalogs

Support codes, regime, payment methods, tax havens, and double-taxation treaties, configured in master records and automatically applied on every transaction.

SRI fiscal status within Business Central

Check the status of electronic vouchers — Sent, Accepted, or Rejected — without leaving Business Central. The localization brings in the SRI's asynchronous response for your historical documents, eliminating dependence on the provider's portal.

Benefits for your business

LLB's Ecuador Localization doesn't just guarantee fiscal compliance — it optimizes operations and provides full business visibility in a single environment.



Reduced tax risks

Complies with current SRI regulations and minimizes errors that can lead to penalties or rejections.



Elimination of rework

Automates key tasks and reduces reliance on manual processes.



Real-time information

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



Regional scalability

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



End-to-end operational integration

Connects key business areas in a single platform.



Boost your business with local compliance from day one

Schedule a personalized session

Discover how to adapt
Business Central to your
company's tax requirements.
Scan the code:



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