

# Automated Tax Calculation with TaxCloud

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TaxCloud is a US-based service that calculates sales tax for more than 13,000 jurisdictions and is certified by the Streamlined Sales Tax Governing Board.

When the integration is enabled, the webstore automatically sends order details, including items and origin and destination addresses, to TaxCloud. TaxCloud then returns the applicable tax rates per SKU, as well as tax on shipping (if applicable).

The integration follows a three-step process for each order:

- **Lookup:** If the session has an associated address and that address is taxable, a lookup request is sent to TaxCloud each time the basket is modified. This updates the tax rates shown in the basket.
- **Authorize:** To confirm the tax transaction, it must first be authorized, similar to authorizing a credit card transaction.
- **Capture:** Once the order has been fulfilled, in whole or in part, a capture request is sent to TaxCloud, similar to delayed settlement for credit card transactions.

After a transaction's tax has been captured, it is automatically added to your tax reports in TaxCloud's control panel. These reports can be generated at any time and are continuously updated to reflect taxes charged per SKU and on shipping for each order.

## How to Set Up Tax Cloud Account

1. Register an account and complete the registration process on TaxCloud:  
<https://taxcloud.com/>
2. Next, on TaxCloud's control panel, add at least one physical location, from the **Locations** menu on the left. You will need to add one for each of your bricks-and-mortar store locations.
3. Once that's done, click on the **new web site location** in the location listing and you'll see that you have been provided with an **API ID and API Key** for your webstore.

## How to configure in Webstore Manager

1. Go to **WebStore Manager > Fulfillment&Taxes > Tax Providers**.
2. In the first tab **Provider Configuration**, click on **TaxCloud** and click **Activate**. Here you'll enter your **API ID** and **API Key** that you received when you added your site on TaxCloud.

## Tax Providers

### Configure TaxCloud

#### TaxCloud Configuration

API ID:	<input type="text" value="36E494F0"/>
API Key:	<input type="text" value="8bd44cef-02ff-4e58-8cb9-2d265355536"/>
Secondary API ID (Optional):	<input type="text"/>
Secondary API Key (Optional):	<input type="text"/>
Cache Lookup Calls:	<input type="checkbox"/>
Debounce API Calls:	<input type="checkbox"/>
<input type="button" value="Save"/> <input type="button" value="Cancel"/>	

3. Having saved your configuration, you'll now need to set **Tax Identification Codes (TICs)** for your items. Clicking the **Tax Codes** tab, you'll see your store's navigation on the left and the available tax codes on the right.

#### Tax Providers

Home » Tax Pr

Tax providers enable the store to auto-calculate tax using a third-party web service. They are currently **only supported for the US and Canada** and, in order for it to work correctly, you need to **class** store navigation according to taxability information codes. You will also need to **verify your store address** to ensure accurate tax calculation.

You can sign up for TaxCloud [here](#). It is a free service.

[Provider Configuration](#) [Tax Codes](#) [Store Address Verification](#)

- Baby
  - Nappies
- Camera
  - Automatic system
  - Manual system
- Candles
  - Other
  - Scented Candles
  - Shaped Candles
- Computers
  - TEST
- Food
  - Bakery
  - Butter
  - Cereals

TAX IDENTIFICATION CODE (TIC)  
Select as specific a code as you can to ensure accurate tax calculation. Unassigned elements are given TIC: 00000.

1. General Goods and Services (TIC: 00000)
2. Shipping (TIC: 1000)...
3. Administrative (TIC: 10000)...
4. Clothing, Sports, and Accessories (TIC: 20000)...
5. Computers, Electronics, and Appliances (TIC: 30000)...
6. Construction Materials (TIC: 94000)...
7. Disaster preparedness supplies (TIC: 20150)...
8. Flags and Banners (TIC: 90100)...
9. Food-Related (TIC: 40000)...
10. Medical and Hygiene related (TIC: 50000)...
11. School Supplies (TIC: 20070)...
12. Services (TIC: 91000)...
13. Telecommunications-Related (TIC: 60000)...

To assign a tax code, click on a navigation element on the left, then browse through the tax codes on the right, choose the most appropriate code and click Save. It is best to assign **as granular a tax code** as possible to ensure accurate calculation.

Note that tax code assignments follow an order of precedence based on their level of specificity. If a tax code is assigned to an item's subcategory, that code will be used. If no subcategory tax code is available, the item's category tax code will be used. If neither the subcategory nor the category has a tax code assigned, the item's department tax code will be used. If no tax code is available at any level, the webstore will fall back to the General Goods and Services tax code (00000). The tax code for shipping is assigned automatically.

4. You must also **verify your store's mailing address** with the US Postal Service. To do so, click on the **Store Address Verification** tab and click **Verify Address**.

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Provider Configuration Tax Codes Store Address Verification

Your store address has been verified with USPS if you are using TaxCloud. Your main store's validated address is: **3112 New Butler Rd., New Castle, PA, 16101-3237**  
Your address can be changed in your point-of-sale system. Having changed it, you need to synchronize to upload it to the webstore. This is the current address:

Address 1: 3112 New Butler Road

Address 2:

City: New Castle

State: PA

Zip: 16101

Verify Address

Customer Reviews Filtered Search Edit Templates All Config Options

If the address is verified successfully, you will see an appropriate message, along with the verified address that came back from USPS.

5. Perform a test transaction to ensure taxes are calculated correctly and that the transaction appears in your TaxCloud account.