

## Workday 2024 R2 Release Impact Analysis

Financial accounting

2024



## Financial accounting





# **Automatically** available features



## Financial accounting - 1099 payment details



#### What's changing

With this release, Workday delivers a new task and new reports that you can use instead of the 1099 Report to review 1099 payees and their payment details before creating 1099 runs.

#### **Additional considerations**

To enable you to review 1099 payees and their payment details before you create 1099 runs, Workday delivers this new task and these reports (secured to the Reports: Supplier Accounts 1099 – USA domain):

#### Task:

 Create 1099 Payment Details: This task creates 1099 Payment Details business objects.

#### Reports:

- 1099 Payment Details: This report enables you to view 1099 payment details. You can only access the report from the Create 1099 Payment Details task and the Find 1099 Payment Details report.
- Find 1099 Payment Details: This report enables you to access previously generated 1099 Payment Details reports.
- Workday also enables you to create 1099 runs from the Create 1099
   Payment Details task.

#### What do i need to do?

- Run the Create 1099 Payment Details task after you create new 1099 payments or adjustments to update 1099 payment details.
- When you run the Create 1099 Payment Details task for the same company and tax year, wait until the task completes to run it again.

Note: Workday recommends that you don't schedule or run the 1099 Payment Details report directly, as this might return incomplete information.

What happens if i do nothing?

N/A

Community link

https://doc.workday.com/release-notes/en-us/fintax/6687624.html



## Workday 2024 release 2 automatically available features

Prior to 2024 release 1	Post 2024 release 2	Impact
No view 1099 payment details on the Create 1099 Payment Details task.	This report enables you to view 1099 payment details. You can only access the report from the Create 1099 Payment Details task and the Find 1099 Payment Details report.	Y/N: Yes
		Impact description:
		This report enables you to view 1099 payment details. You can only access the report from the Create 1099 Payment Details task and the Find 1099 Payment Details report.

Effort 1 Hours

To gain familiarity with new report fields

Defect link

N/A

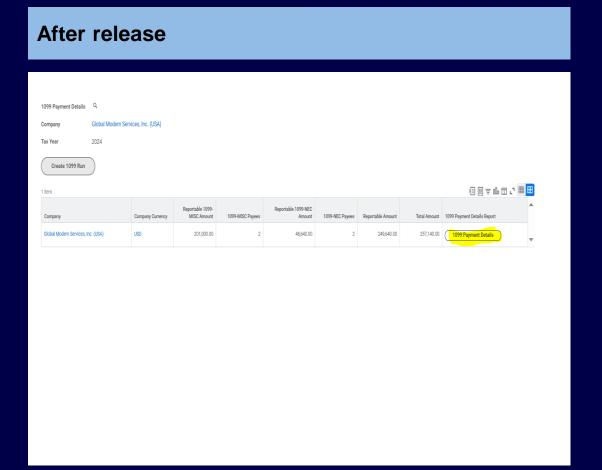
Community link

https://doc.workday.com/release-notes/en-us/fintax/6687624.html



## Workday release 2 automatically available features







## Financial accounting - Allocation plan web services



#### What's changing

Workday updates tenant setup web services in Financials with new fields to provide support for a future release.

#### **Additional considerations**

Workday adds these new fields to the Get Tenant Setup - Financials and Put Tenant Setup - Financials web services:

- AP Transaction Line Group Sequence Generator
- AP Transaction Sequence Generator

Note: These new fields aren't yet operational. Workday intends to deliver the functionality in a future update.

#### What do i need to do?

Nothing at this time. You can configure these fields but won't be able to use them until the full feature releases in a future update.

#### What happens if i do nothing?

No impact if you do nothing.

Community link

https://doc.workday.com/release-notes/en-us/fincore/8180886.html



## Financial accounting - Delete recurring journal templates



#### What's changing

With the 2024R2 release, Workday now enables you to delete recurring journal templates with no generated journals.

#### **Additional considerations**

Workday delivers a new Delete Recurring Journal Template task (secured to the Process - Journals Core domain) that you can use to delete templates that haven't generated any journals.

You can access this task from the related action menu of a recurring journal template.

What do i need to do?

N/A

What happens if i do nothing?

N/A

Community link

https://doc.workday.com/release-notes/en-us/fincls/8155947.html



## Workday 2024 release 2 automatically available features

Prior to 2024 release 1	Post 2024 release 2	Impact
N/A	A new task Delete Recurring Journal Template has been created	Y/N: No
		Impact description:  Recurring journal templates with no generated journals can now be deleted.

Effort N/A

Defect link

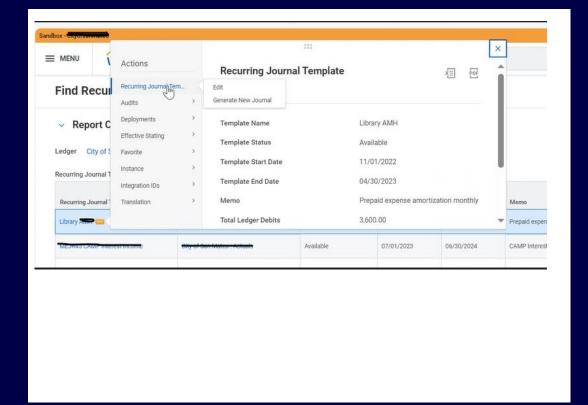
N/A

https://doc.workday.com/release-notes/en-us/fincore/8180886.html

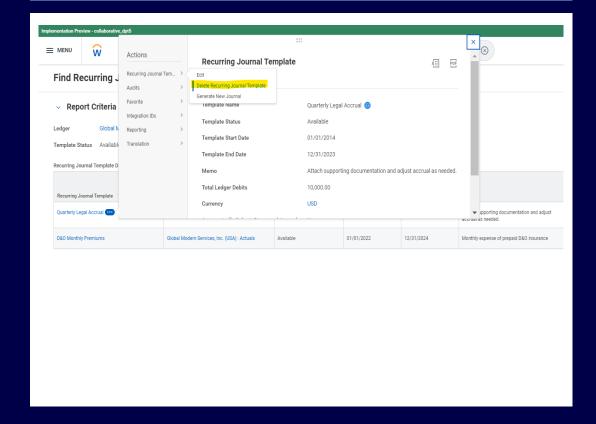


## Workday release 2 automatically available features

#### **Before release**



#### After release





## Financial accounting - Intercompany transaction performance



#### What's changing

With the 2024R2 release, Workday delivers a performance enhancement to the processing that updates intercompany transactions upon a manual journal reversal. This enables to potentially experience faster run times and more efficient resource usage for intercompany transaction updates.

#### **Additional considerations**

Workday recommends that you test reversals of manual intercompany journals to ensure there's no impact on your workflow.

What do i need to do?

N/A

What happens if i do nothing?

N/A

Community link

https://doc.workday.com/release-notes/enus/fincore/8095478.html



## Financial accounting - Operational journal entry validations



#### What's changing

With the 2024R2 release, Workday now displays validations for currency amounts and conversion rates on operational journals to indicate an error.

#### **Additional considerations**

On the View Journal report of an operational journal, Workday displays: a new validation when:

- A warning validation when a journal line has a currency rate that doesn't match the transaction and ledger currency amounts.
- An error validation when a journal line has both a debit and credit amount in either the transaction or ledger currency amount.
- An error validation when a multicurrency journal line has a debit amount in transaction currency and a credit amount in a ledger currency, or a debit amount in a ledger currency and a credit amount in a transaction currency.

Workday now also displays the error validations on the Fix Operational Journals With Errors task.

What do i need to do?

N/A

What happens if i do nothing?

N/A

Community link

https://doc.workday.com/release-notes/en-us/fincore/8154367.html



## Workday 2024 release 2 automatically available features

Prior to 2024 release 1	Post 2024 release 2	Impact
Few validations were available on manual journals but not operational journals	Validations now added for Operational Journal	

Effort N/A







# Setup required features

#### What's changing

With the 2024R2 release, Workday has enhanced tax defaulting to include tax point date type, enabling you to automatically default tax point date type on invoices.

#### **Additional considerations**

Tax point date type defaulting is not supported by Supplier Invoice Workbench.

Expense Report Date Type can't be submitted from these web services:

- Put Transaction Tax Rule for Country
- Put Transaction Tax Rule for Items
- Put Transaction Tax Rule for Worktags

Transaction Date is not an applicable type for supplier invoices, so will not default if you select it on a tax rule.

The delivery date of goods/ services will not default from certain flip flows to avoid the creation of bad data where no tax point date is generated for the transaction.

This is only applicable to supplier invoice documents and is not supported on customer invoices and invoices generated from OCR and EDI

#### What do i need to do?

Access the Edit Tenant Setup - Financials task. Select the Enable Tax Point Date Type Configuration for Transaction Taxes check box.

Create transaction tax rules and select a tax point date type for the rule line

#### What happens if i do nothing?

If you don't select Enable Tax Point Date Type Configuration for Transaction Taxes from the Edit Tenant Setup - Financials task, you can still select a tax point date type on the transaction tax rule line, however, the value will not default on the document. The document will use the default tax point date type for the document, or Payment Date if VAT on the payment has been enabled for a company using the Edit Company Tax Details task.

If you don't edit or create transaction tax rules to include tax point date type on the rule line the document will use the default tax point date type for the document, or Payment Date if VAT on the payment has been enabled for a company using the Edit Company Tax Details task.

Community link

https://doc.workday.com/release-notes/enus/fintax/7588672.html



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
N/A	Tax point date type can be automatically defaulted on supplier invoice documents now.	Y/N: Yes
		Impact description:  This feature update will save you time and helps you comply with tax regulations

Effort 0.5 Hours

Defect link

N/A

Community link

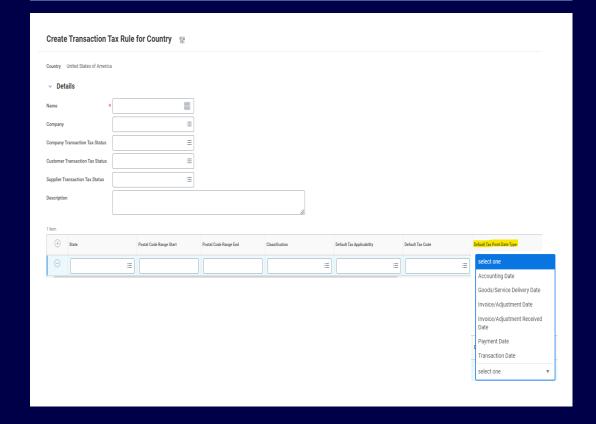
https://doc.workday.com/release-notes/en-us/fintax/7588672.html



## **Workday release 2 setup based features**



#### After release





#### What's changing

With the 2024R2 release, Workday has enhanced tax ID defaulting to use address level tax IDs. Workday has updated tax ID defaulting on the Create Customer Invoice and Create Supplier Invoice tasks to assign tax IDs to customer invoices, supplier invoices, customer invoice adjustments and supplier invoice adjustments. Workday also enhanced exception rules with address level tax IDs and tax defaulting rules with ship-from addresses.

#### **Additional considerations**

Assignment is based on the shipping address on the invoice, or the primary address if there is no shipping address.

The new defaulting logic prioritizes transaction tax IDs at address level, then country level. Otherwise, existing defaulting logic is used.

#### What do i need to do?

Access the Edit Tenant Setup - Financials task. To enable tax ID defaulting based on the shipping addresses on customer or supplier invoices, select the Enable Address Level Tax Details check box in the Tax Options section.

Access the Edit Customer Account Options task. To enable the bill-from and ship-from addresses on customer invoices, select the Enable Bill-From Address and Ship-From Address on Customer Invoice check box.

Access the Edit Supplier Account Options task. To enable the bill-from and ship-from addresses on supplier invoices, select the Enable Bill-From and Ship-From Address on Supplier Invoice Document check box.

#### What happens if i do nothing?

If you do nothing, the defaulting will remain unchanged.

Community link

https://doc.workday.com/release-notes/en-us/fintax/7581803.html



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
N/A	The new defaulting logic prioritizes transaction tax IDs at address level, then country level for tax ID defaulting on customer and supplier invoice.	Impact description:  This feature update will save you time and helps you comply with tax regulations

Effort 0.5 Hours

Defect link

N/A

Community link

https://doc.workday.com/release-notes/en-us/fintax/7581803.html



## Financial accounting- Tax processing and reporting on accounting center summary journals

#### What's changing

With the 2024R2 release, Workday enables tax processing on accounting center summary journals and update the applicable reports.

#### **Additional considerations**

Workday has updated the names on these report fields on the Journal Line business object:

- Manual Journal Tax Rate Application to Tax Rate Application for Journal Line.
- Manual Journal Line Tax Rate Applications to Line Tax Rate Application for Journal Line.

Workday has also enabled o report on accounting center summary journals from tax declarations and these integrations: FEC, SAF-T Core and GoBD

#### What do i need to do?

Enable the functionality at the journal line rule level by selecting the Enable Tax Details checkbox, then configure the required fields in the Tax Details column.

For each journal line rule where the Enable Tax Details option is enabled, ensure you have these worktag types configured in the Worktags column-Tax Applicability, Tax Code, Tax Rate and Additional Considerations

For a journal line rule where the Tax Type is Tax Paid or Tax Self-Assessed, you must specify a Tax Recoverability worktag value on the resulting detailed journal line. Otherwise, Workday derives the Tax Recoverability from Tax Applicability.

Community link

https://doc.workday.com/release-notes/en-us/fintax/7823210.html



## Financial accounting- Tax processing and reporting on accounting center summary journals

#### What do i need to do?

Note: A Tax Recoverability value that you configure through the journal line rule will take precedence over the value that Workday defaults from Tax Applicability.

Workday automatically includes a Tax Point Date Type value of Transaction Date on all detailed journal lines resulting from a tax-enabled journal line rule. To configure the Tax Point Date Type worktag on a tax-enabled journal line rule, select the Enable Tax Point Date Configuration for Transaction Taxes option under Tax Options on the Edit Tenant Setup - Financials task.

Note: A Tax Point Date Type value that you configure through the journal line rule will take precedence over the default value.

Workday defaults a Tax Recoverability Type from the Tax Recoverability worktag during the Detailed Accounting Stage processing. When you use a Partially Recoverable Tax Recoverability worktag, you must define a Tax Recoverability Type override of either Fully Recoverable or Non recoverable on the journal line rule. You cannot specify a Tax Recoverability Type value of Partially Recoverable.

Workday recommends you don't configure Tax Authority or Tax Category worktags on a tax-enabled journal line rule. Workday derives these worktags from the Tax Rate and automatically populates them on the resulting detailed journal line.

#### What happens if i do nothing?

Your accounting source processing will continue as usual. The resulting accounting center summary journals will not be available for transaction tax reporting.

Community link

https://doc.workday.com/release-notes/en-us/fintax/7823210.html



#### What's changing

With the 2024R2 release, Workday enables you to configure third-party tax service integrations using the accounting and reporting framework for withholding tax. This enables you to apply withholding tax to third parties.

#### **Additional considerations**

N/A

#### What do i need to do?

Access the Edit Company Tax Details task. Add a row to the Third Party Tax Options grid on the Third Party Tax Options tab and select the Withholding Tax check box.

Access the Maintain Tax Categories task. Enable the Withholding Tax and Use Third Party Tax Service check boxes on a new tax category.

Access the Create Withholding Tax Rate task. Create a new rate using Third Party Tax Rate and Withholding Tax Category fields. Then create a third party withholding tax for tax category.

Access the Maintain Withholding Tax Codes task. Create a tax code using your third party withholding tax rate you created in the Tax Rates column.

Note: The third-party tax integration must be deployed to your Workday tenant prior to using this feature.

#### What Happens If I Do Nothing?

If you do nothing, there is no changed behavior.

Community link

https://doc.workday.com/release-notes/en-us/fintax/8146054.html



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
N/A	Updated the Edit Company Tax Details task with a Withholding Tax check box on the Third Party Tax Options tab.	Y/N: Yes
	New Third Party Tax Rate and In Use check boxes on the Create Withholding Tax Rate task, Edit Withholding Tax Rate task and View Withholding Tax Rates report	Impact description:  Will be able to import both transaction and withholding tax information from third party systems which will help to comply with tax regulations easily.

Effort 2 Hours

Professional Services Support Required

Defect link

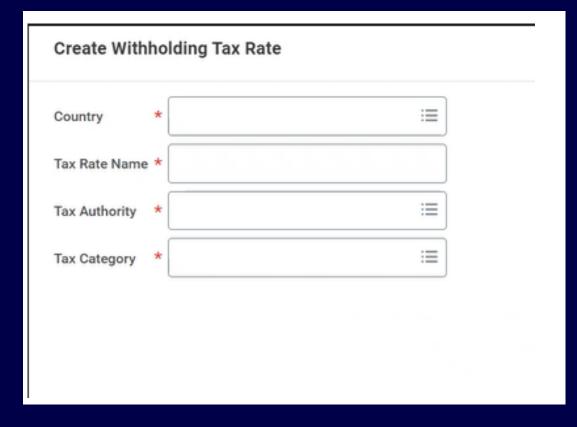
N/A

https://doc.workday.com/release-notes/en-us/fintax/8146054.html

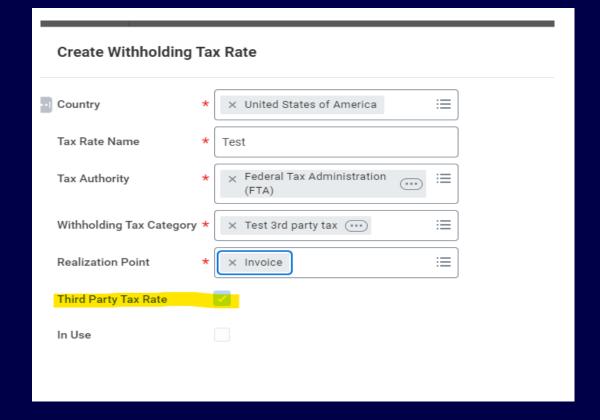


## **Workday release 2 setup based features**

#### Before release



#### After release





## Financial accounting- Withholding tax rules for worktags

#### What's changing

With the 2024R2 release, Workday enables you to configure third-party tax service integrations using the accounting and reporting framework for withholding tax. This enables you to apply withholding tax to third parties.

#### **Additional considerations**

N/A

#### What do i need to do?

Access the Create Withholding Tax Rules for Item or Edit Withholding Tax Rules for Item task. Create withholding tax rules for worktags and assign them to **spend withholding tax rules for items**.

#### What Happens If I Do Nothing?

There will be no change and withholding tax codes will not default on taxable documents from worktag selection.

Community link

https://doc.workday.com/release-notes/enus/fintax/8073587.html



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
You can configure withholding tax rules so that Workday automatically populates the appropriate withholding tax codes when you enter taxable purchase and revenue	There is update to withholding tax rule feature. You can create these rules for worktag for spend items. For this, Workday has added:	Y/N: Yes
documents.	New tasks and reports for spend tax rule types: Create Withholding Tax Rule for Worktags task, View Transaction Tax Rule for Worktags report and View Withholding Tax Rule for Worktags report.	Impact description:  You can now create withholding tax rules for worktags for spend items.
	A new column Worktags Tax Rule has been added in Create Withholding Tax Rule for Items task for spend items.	

**Effort** 

1 Hours

Defect link

N/A

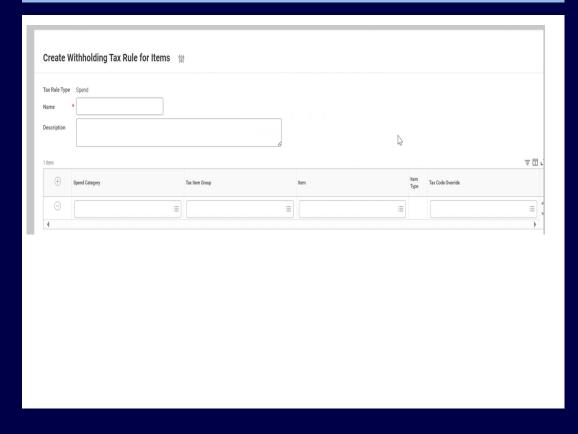
Community link

https://doc.workday.com/release-notes/en-us/fintax/8073587.html

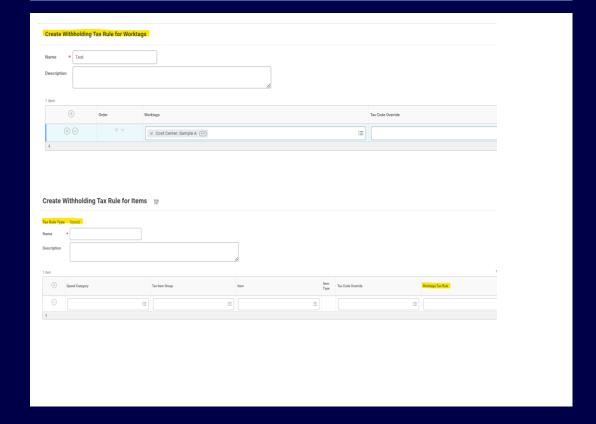


## **Workday release 2 setup based features**

#### **Before release**



#### After release





### **Cash basis accounting**

#### What's changing

With the 2024R2 release, Workday enables you to configure and generate cash basis accounting for supplier and customer invoices. Workday provides an additional basis of accounting and streamlines how you generate cash basis and modified accrual basis financial statements.

#### **Additional considerations**

Consider cash basis reporting needs as part of the general ledger conversion discussions. Converted general ledger activity would need to be recorded to the appropriate accrual and cash basis book codes to facilitate historic reporting for each accounting basis.

To optimize the performance for a Cash Basis Accounting run, recommend that customers check the Hide Preview check box when using the Create Cash Basis Accounting task or that they use the Schedule Cash Basis Accounting task.

#### What do i need to do?

- On the Edit Tenant Setup Financials task, we display a new Cash Basis Accounting section where you can now select a book code for both:
  - Book Code for Cash Basis Accounting
  - Book Code for Accrual Accounting
- Enable "Process: Cash Basis Accounting" domain to access below reports and tasks
  - View Cash Basis Accounting Result report
  - View Accounting for Cash Basis Transaction report
  - Find Cash Basis Accounting Results report
  - · Schedule Cash Basis Accounting task
- Configure Cash Basis Accounting business process to access the task Create Cash Basis Accounting
- Maintain Journal Source Mapping to Operational Transaction task, map these new sources for cash basis journals:

Community link

https://doc.workday.com/release-notes/en-us/fincore/6379344.html



## Financial accounting - Cash basis accounting (cont.)

What's changing

**Additional considerations** 

#### What do i need to do?

- Maintain Journal Source Mapping to Operational Transaction task, map these new sources for cash basis journals:
- Cash Basis Accounting for Supplier Journal Entry Source
- · Cash Basis Accounting for Customer Journal Entry Source

#### What happens if i do nothing?

• You'll see no changes in Workday if you don't configure this feature.

#### **Delivery date changes**

- Preview Date
- 2024-06-21
- Production Date
- 2024-09-21

Community link

https://community.workday.com/node/1178290



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
No Cash basis accounting on supplier and customer invoice level	Workday provides an additional basis of accounting and streamlines how you generate cash basis and modified accrual basis financial statements.	Y/N: Yes
		<ul> <li>Supplier invoices, Workday displays the paid in full accounting date of the supplier invoice as the budget date on cash basis operational journal lines.</li> </ul>
		<ul> <li>Customer invoices, the budget date is the paid in full accounting date of the customer invoice or the deposit accounting date of the customer invoice payment, whichever is greater.</li> </ul>

**Effort** 

25 - 50 hours\*

Scope needs to be confirmed by a Functional Architect and discuss current solution for cash basis reporting.

Defect link

N/A

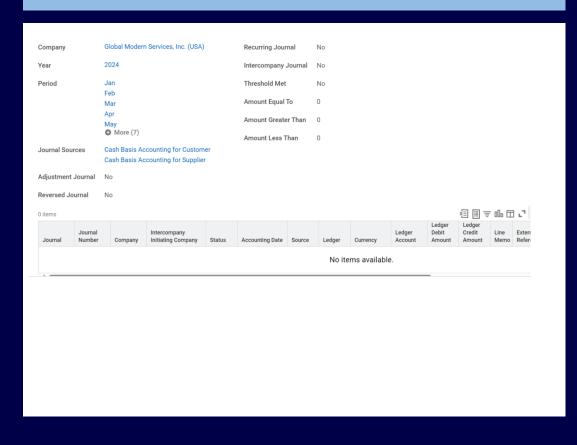
Community link

https://doc.workday.com/release-notes/en-us/fincore/6379344.html#Impact-tab

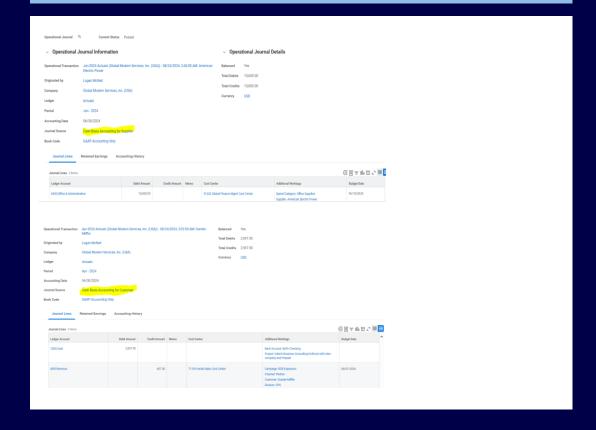


## Workday release 2 setup based features

#### Before release



#### After release





### Financial accounting - Support for noncontrolling interest eliminations

#### What's changing

With the 2024R2 release, Workday factors in noncontrolling interest (NCI) when performing consolidated reporting for partial ownership companies. Elimination calculations now automatically include NCI eliminations..

#### **Additional considerations**

After you opt in to NCI by ownership and begin running noncontrolling interest to generate persisted NCI entries, OfficeConnect for Financial Management includes these NCI amounts in consolidated reports:

Automatically as part of general report refreshes.

When using Show Details with respective company hierarchy or elimination nodes.

#### What do i need to do?

 OfficeConnect for Financial Management includes persisted NCI entries generated exclusively through the NCI by ownership feature. Opt in to this feature before starting to report NCI in OfficeConnect. See articles listed under the Related Links section for details.

#### What happens if i do nothing?

 You'll see no changes in Workday if you haven't set up this feature. NCI Eliminations won't be available in your tenant.

#### **Delivery date changes**

- Preview Date
- 2024-08-17
- Production Date
- 2024-09-21
- Service Update Date
- 2024-08-23

Community link

https://doc.workday.com/release-notes/en-us/anafin/7928053.html



## Workday 2024 release 2 setup based features

Prior to 2024 release 1	Post 2024 release 2	Impact
	NCI Eliminations: Enable accuracy in consolidated reporting for partial ownership companies.	Y/N: Yes
	Avoid overstating company information based on partial ownership of specific companies.	<ul> <li>Automatically as part of general report refreshes.</li> <li>When using Show Details with respective company hierarchy or elimination nodes.</li> </ul>

Effort 10 hours

Additional description if applicable

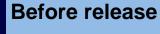
Defect link

N/A

https://doc.workday.com/release-notes/enus/anafin/7928053.html

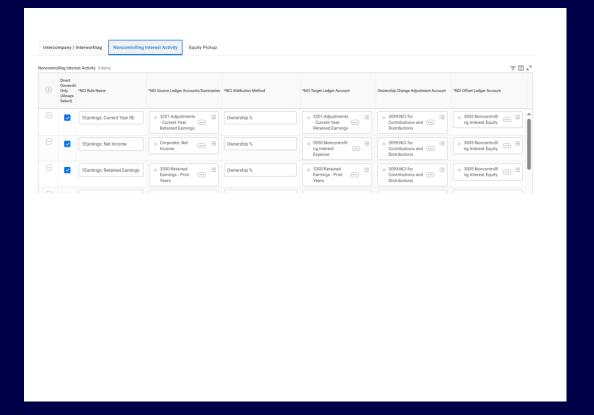


## Workday release 2 setup based features





#### After release







## Thank you