Stripe Tax for Adobe Commerce

Automate tax collection and reporting with a single integration on Adobe Commerce.

Use the Stripe Tax module for Adobe Commerce to calculate, collect, and report taxes on payments made through any supported Adobe Commerce payment method. You can use Stripe Tax as a standalone solution or integrate it with the Stripe Payments module, which is our primary payment processing solution for Adobe Commerce.

Compared to the native Adobe Commerce tax engine, Stripe Tax provides a simpler configuration and activation process. Because Stripe Tax is dynamic, you don't need to reconfigure Adobe Commerce when tax rates change for specific product types, locations, or time periods. Stripe continuously updates your local tax rules and automatically calculates the correct tax amount.

Pricing

The Stripe Tax module is free to download and set up. Once activated, pay per use API costs apply for tax calculations and tax recording. In test mode, you can perform 1000 free API calls per day.

Support

To use Stripe Tax with Adobe Commerce, your business must be based in one of the supported countries.

Minimum system requirements include PHP 7.4, and at least version 2.3.7 or newer of Magento 2 or Adobe Commerce.

<u>Contact support</u> for questions related to setting up Stripe Tax for Adobe Commerce.

Installation

To install Stripe Tax for Adobe Commerce:

- 1. Place an order for the module through the Adobe Marketplace.
- 2. Open your terminal and run the following command in your Adobe Commerce directory:

Stripe Tax only	Stripe Tax & Stripe Payments
composer require stripe/tax	composer require stripe/stripe-payments

If this is your first time installing a module, you might be prompted to submit your username and password. Provide your <u>Adobe Commerce authentication keys</u>.

3. Set up the module by running the following commands:

php bin/magento setup:upgrade php bin/magento cache:flush php bin/magento cache:clean

4. If you run Adobe Commerce in production mode, you must also compile and deploy the module's static files:

php bin/magento setup:di:compile php bin/magento setup:static-content:deploy

Upgrade the module

Before you upgrade:

- Backup your files and database.
- Start with your test environment.
- Keep a copy of any customization you made to the module's original code.

You can upgrade the module by running the following commands:

Stripe Tax only	Stripe Tax & Stripe Payments
composer remove stripe/tax composer require stripe/tax php bin/magento setup:upgrade php bin/magento setup:di:compile php bin/magento setup:static-content:deploy php bin/magento cache:clean	composer remove stripe/stripe-payments composer require stripe/stripe-payments php bin/magento setup:upgrade php bin/magento setup:di:compile php bin/magento setup:static-content:deploy php bin/magento cache:clean

Uninstall the module

Before you uninstall the module:

- Backup your files and database.
- Keep a copy of any customization you made to the module's original code in case you need to reinstall it later.

Run the following commands to uninstall the module:

Stripe Tax only	Stripe Tax & Stripe Payments
composer remove stripe/tax php bin/magento setup:upgrade php bin/magento setup:di:compile php bin/magento setup:static-content:deploy php bin/magento cache:clean	composer remove stripe/stripe-payments php bin/magento setup:upgrade php bin/magento setup:di:compile php bin/magento setup:static-content:deploy php bin/magento cache:clean

Configuration

General settings

To configure the general settings for Stripe Tax in Adobe Commerce, navigate to the Tax configuration page. From the admin panel of your Adobe Commerce store, navigate to $Stores \rightarrow Settings \rightarrow Configuration$. In the Sales section, select Stripe Tax. The following settings will be available for configuration.

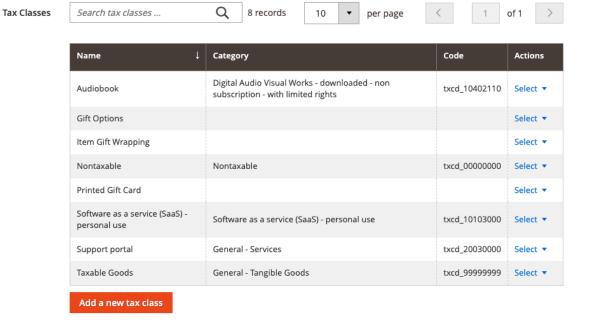
- 1. **Enabled:** Set to **Yes** to activate Stripe Tax for your store. This enables the module to start calculating, collecting, and reporting taxes.
- 2. **Mode:** Select **Test** to use test credentials for testing the integration without affecting real transactions. Switch to **Live** when you're ready to calculate taxes in a production environment.
- 3. **Publishable API key**: Enter your publishable API key obtained from your <u>Stripe</u> dashboard.
- 4. Secret API key: Enter your secret API key from your Stripe dashboard.
- 5. Product prices and promotions: Configure how product price taxes and discount amount taxes should be calculated. Set this to either Tax exclusive or Tax inclusive depending on your store's pricing strategy. If you select Tax exclusive, product prices configured from the admin panel, or discounts applied on the cart don't include tax. If you select Tax inclusive, the product prices and discounts already include tax.
- 6. **Shipping is**: Determine how shipping is taxed. Select either **Tax free**, **Tax exclusive** or **Tax inclusive** based on whether and how you want shipping costs to include tax.

Product tax classes

You can manage product tax classes to make sure that your products are categorized correctly for tax calculation purposes.

To add, edit, or remove product tax classes in your Adobe Commerce store:

 From the admin panel, navigate to Stores → Taxes → Stripe Tax Classes to open the Stripe Tax Classes page where you can manage your tax classes.



- To add a new tax class, click Add a new tax class at the bottom of the Stripe Tax Classes page. This opens a modal where you can select a tax category. Each category represents a specific product tax code. Select the one you want to use for your products, then click Add.
- 3. You can edit an existing Tax Class if your products are already assigned to tax classes from before you installed Stripe Tax. tThis allows you to keep those existing tax classes, and assign a product tax code to them. To do this, click **Select** in the Actions column next to the tax class you want to edit. Choose **Set category** to assign a new category to the tax class.
- 4. To rename a tax class, click its name. This opens a modal where set a new tax class name. Alternatively, you can expand the **Select** options list from the Actions column and click **Rename** or **Delete**.
- 5. Changes to the tax classes aren't saved automatically. To save your changes, click **Save Changes** at the top of the page.
- 6. After you configure your tax classes, you can use them to apply tax classes on products:
 - From any product edit page, you can configure the product's tax class using the Tax Class dropdown. The tax classes you have added appear on the product edit page.
 - Alternatively, you can set the default tax classes for products when they
 haven't been assigned a tax class, or when their tax class has been deleted,
 from the Tax configuration page.

Tax registrations

Before you can perform live tax calculations, you need to add each active tax registrations in your Stripe Dashboard. When your sales volume exceeds a certain tax threshold determined by your local tax authority, you must register with that tax authority before you can calculate tax on Stripe transactions. If you have existing transactions on Stripe, you can use our monitoring tool to understand where you might need to register.

You can add tax registrations manually in the <u>Tax Registrations</u> section, or through the <u>Tax Thresholds</u> section. During the tax registration steps, you can choose between immediate registration, or schedule the registration to begin at a date in the future if you're planning to register. Stripe Tax only calculates and collects tax on transactions in these locations.

After you add your tax registrations, it might take a few minutes for them to reflect in Adobe Commerce. After the tax registrations update, they automatically display in the admin configuration section, and tax calculations begin running on your storefront.

Tax reporting

Tax reversals

The tax reversal is triggered when you create an **online credit memo**. Learn about the The <u>difference between an online and offline credit memo in Magento</u>

Stripe creates tax reversal for existing tax transactions. Stripe Tax creates tax transactions when you create an invoice for an order. Because an online credit memo is generated from an invoice, and the invoice has the tax transaction ID, this type of credit memo is the only one you can use to reverse a tax transaction.

When creating an online credit memo in the admin, you have two options:

- Refund Offline: This creates a tax reversal.
- **Refund**: This creates a tax reversal and refunds the order through the payment gateway.

If you create an offline credit memo from the order page, Stripe doesn't reverse the tax.

Export tax transactions

Your tax transactions can be exported from your Stripe dashboard at https://dashboard.stripe.com/tax/registrations

- 1. Click on the country for which you'd like to export tax transactions.
- 2. Click the "Export transactions" button at the top right of the registration page.
- 3. Select the date range and columns you'd like to export.
- 4. Click the "Export" button to download the transactions in CSV format.