Warehouses have a User-Defined Field labelled "Tax Determination" that determines when taxes are liable through transactions in/out of that warehouse.

Open the "Warehouses - Setup" window by going to **Administration > Setup > Inventory > Warehouses.**

If the User-Defined Fields do not appear, go to View > User-Defined Fields to add the UDF window to the side of the warehouse setup window:

So, this is where Tax Determination (and many other UDFs) are stored on the warehouse level. But what does it mean and, more importantly, when should you choose "Y" or "N"?

As stated above, the purpose of this field is to confirm tax liability. To clarify further, tax liability when it comes to the TTB report and federal excise tax calculation.

One simplified way of looking at this field is to see "Y" as tax having already been paid (it will be omitted from the TTB report unless it happens to be transferred to an "N" warehouse). If the warehouse is listed as "N" (not tax determined) then taxes have not been paid and items coming out of this warehouse will be taxed once removed (most commonly on a delivery document but could be an invoice if the delivery step is skipped).

To give a more detailed account of how tax determination on the warehouse level effects the TTB, see
https://support.orchestrated.com/hc/en-us/articles/115015978748-How-is-TTB-Calculated.