TallyPrime for UAE Auto Parts and Car Dealers

How spare parts stock, vehicle records, pricing, credit and UAE VAT fit together in one TallyPrime setup

Question	Short answer
Best fit	Spare parts traders and small to mid-size used or new car dealers who want stock, VAT and receivables in one system
Parts stock	Stock groups, alternate units, godowns with racks, reorder levels, ageing
Vehicle records	Track each car by batch or serial number such as chassis number (confirm exact setup with Perfonec)
Pricing and credit	Price levels per customer type, ageing reports and credit control
Used cars	The UAE Profit Margin Scheme may apply (confirm with your tax adviser)
Not included	Workshop job cards, parts catalogue by model, vehicle finance paperwork

Honest note

TallyPrime is accounting and inventory software, not a full dealer management system. It handles money and stock very well. Workshop scheduling and vehicle finance need other tools. Perfonec will tell you if your business needs more.

What to set up in TallyPrime

1. Spare parts inventory

- Stock groups and categories by brand, make or part type, so thousands of items stay organised
- Alternate units (piece, set, box) for parts sold in different pack sizes
- Godowns with racks and bins to know where each part sits
- Reorder levels and the reorder status report, so fast movers do not run out
- Stock ageing report to spot slow-moving parts tying up cash
- Stock journals for transfers, damaged parts and corrections
- Item cost tracking so you see what each part really costs

2. Vehicle stock

- Batch or serial tracking * so each car has its own record, for example by chassis number
- Showroom and yard locations as separate godowns
- Reconditioning costs * (repairs, paint, tyres) added to the car's cost
- Item-wise profitability to see the margin on each vehicle sold
- Trade-ins recorded as stock purchases, and customer advances tracked as receipts
- Cost centres to compare branches or sales staff
- * Setup depends on your configuration. Confirm with Perfonec.

3. Pricing, credit and control
• Price levels for retail, workshop and wholesale customers
• Receivables ageing and follow-up for credit customers
• User roles so storekeepers cannot see margins
• Edit Log to see who changed or deleted an entry
• Multi-currency for imported parts bought in USD, EUR or JPY

Which type of dealer are you?

Business	What matters most in Tally
Spare parts trader	Stock groups, reorder levels, racks, ageing, price levels
Used car dealer	Per-vehicle records, reconditioning cost, margin, Profit Margin Scheme
New car dealer or agent	Stock by model, advances, receivables, branch cost centres
Parts and cars together	Separate godowns, clear item groups, cost centres by showroom and store

UAE VAT points for the motor trade

Situation	What to check
Standard sale of parts or cars	5% VAT on the sale price, with a proper tax invoice
Export of vehicles or parts	May be zero-rated if export evidence is kept
Used cars	The Profit Margin Scheme may allow VAT on the margin only
Imported parts	VAT on import and customs documents must match your records

Profit Margin Scheme: a worked example

The Federal Tax Authority guide VATGPM1 (January 2026) describes an optional scheme for previously VAT-taxed second-hand goods. VAT is charged on the margin, calculated as margin x 5/105. **Example (made-up numbers):** cost AED 40,000, sale AED 46,000, margin AED 6,000. VAT on the margin is AED 285.71. VAT on the full price would be AED 2,190.48. Eligibility has conditions, so confirm with your tax adviser first.

A 7-step setup plan

Step	Action
1	Map your item groups: parts by make and type, vehicles by brand and model
2	Create godowns for showroom, yard, store and each branch
3	Choose how each vehicle is tracked (batch or serial) and test with five cars
4	Set price levels and credit terms for each customer type
5	Set VAT ledgers, including any margin-scheme treatment agreed with your adviser
6	Import opening stock and customer balances, then verify totals
7	Train staff and set user roles before going live

Common mistakes

Mixing parts and vehicles in one stock group. Skipping chassis numbers, so cars cannot be traced. Ignoring reconditioning cost, which hides true margin. Giving every user full access. Applying the margin scheme without checking eligibility.

Reports a dealer should check every week

Report	Why it matters
Stock ageing	Shows parts and cars that have not moved, so you can discount or return them
Reorder status	Flags fast-moving parts before they run out
Item-wise profitability	Shows the real margin per part and per vehicle
Receivables ageing	Shows which credit customers are late and by how long
VAT return summary	Lets you reconcile output and input VAT before filing
Edit Log	Shows who changed or deleted entries

Questions to ask before you decide

How many parts items and vehicles do you hold? Do you need to trace each car by chassis number? Do you sell used cars under the margin scheme? How many users need access, and who may see costs? Do you also run a workshop? Your answers decide whether TallyPrime alone is enough.

What Perfonec can do

Review your current stock and VAT records, set up TallyPrime for your parts and vehicle flow, import opening balances, and train your team. Ask for a free assessment before you commit.

When TallyPrime is not enough

If you run a busy workshop, need job cards, a parts catalogue by vehicle model, or vehicle finance paperwork, consider a dealer management system or an ERP. Perfonec is an Odoo Ready Partner with Odoo Middle East and can compare options honestly with you.

About Perfonec

Perfonec Computers Trading LLC is an Authorised Silver Partner for TallyPrime, an Authorised QuickBooks Dealer and Pro Advisor, an Odoo Ready Partner and a Zoho Partner in Dubai.
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