Tax Calculation

Product Fees Documentation

Guide for Magento administrators, technical project owners, and implementation teams.

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EXTENSION
Magento 2 Extension Product Fees

Tax Calculation

When Product Fee Tax Is Applied

Product fee tax is applied when:

- **Apply tax to product fees** is enabled, and
- the fee type is marked as taxable, and
- a valid tax class is available for the fee context

If any of these conditions is missing, the fee is treated as non-taxable.

How Tax Is Calculated

Taxable fees are included in Magento tax calculation together with cart items. The resulting fee tax amounts are then carried through order, invoice, and credit memo documents.

Include Fees In Subtotal

If **Include product fees in subtotal = Yes**:

- fee amounts are included in the **Subtotal** section, and
- subtotal including tax is adjusted together with the fee tax amount, and
- there is no separate **Product Fees** total row in cart/checkout totals.

If **Include product fees in subtotal = No**:

- fees are shown as a separate **Product Fees** totals row in cart/checkout.