



Streamlining the indirect tax process

KPMG and Vertex: Helping to reduce cost and risk of the indirect tax process



Managing indirect tax is increasingly complex. In the United States alone, thousands of sales tax rates change annually. And globally, VAT rules vary by country and continue to evolve with new directives in e-invoicing and withholding.

Tax complexity touches multiple parts of the organization. The CIO must identify and protect tax data. The CFO must defend tax positions to the board, audit committee, and shareholders. And the leaders of tax departments must manage the costs and risks of compliance, advance tax expertise and capabilities to keep pace with the company's growth, and identify strategic tax savings to create business value. To compound these challenges, tax departments must often meet these requirements with fewer resources.

KPMG LLP (KPMG) and Vertex can help your corporate tax department lower the costs of managing indirect taxes and reduce audit risk. By streamlining and automating routine reporting and compliance, KPMG and Vertex enable you to elevate the business value of your tax department by focusing on activities that can result in meaningful, measurable financial benefits to the global organization.

To meet the challenges of managing indirect tax, your company must:

- Comply with global tax compliance requirements and applicable processes
- Effectively address overall tax risk governance
- Reduce tax risk and exposure to audit adjustments
- Avoid potential indirect tax fraud and revenue loss
- Improve the effectiveness and quality of processes behind taxable transactions.



Why KPMG

The KPMG Transaction Tax Systems (TTS) group can help your company respond to the increasing demands of transaction tax compliance while increasing efficiency and effectiveness. Our experienced team of professionals can help you transition from reactive administrative support responses to a proactive strategic approach to meet compliance requirements and add value to your business.

Our approach starts with understanding your business and objectives and to map out your various transaction flows that are impacted by indirect tax calculation or reporting requirements. Next, we methodically assess your current processes to determine how well they align with overall corporate objectives. As a result, you receive a carefully crafted business and functional requirements document that identifies future-state processes for bringing indirect tax objectives into alignment with the overall goals of your business.

Why Vertex

Combining industry-leading tax research with the most current technology, Vertex delivers end-to-end global tax technology solutions. The following capabilities streamline and automate indirect tax management and can deliver tangible benefits to your business:

- A database of tax rates and rules (updated monthly) lets you focus on tax management, not tax research.
- Automated calculation of taxes brings accuracy and consistency to every taxable transaction.
- Custom setup of your company's unique taxability rules and exemptions helps ensure the system adapts to your specific business requirements.
- Automatic determination of taxing jurisdictions involved in a transaction reduces risk of noncompliance.
- Integrations with major enterprise resource planning (ERP) and financial systems ensure the tax for each transaction is based on accurate transaction details.

Vertex solutions not only can reduce your audit risk but also give you greater visibility into your tax processes. The end result is a tax department that provides higher value to the organization and can quickly adapt to changing business structures or tax legislative updates.

Delivering value together: KPMG and Vertex

The combination of KPMG professionals' global indirect tax experience with Vertex technology provides you with a tested solution for your indirect tax needs. For more than 20 years, the KPMG TTS team has delivered successful implementations for companies across a wide array of industries and global jurisdictions. Together, Vertex and KPMG provide a complete solution that reduces the risk of error and the costs associated with reporting and managing indirect taxes. When assessing your indirect tax needs, both companies bring decades of experience, specialization, and global knowledge to the table.

By taking advantage of the deep tax process acumen of KPMG and Vertex's leading tax technology solutions, you can improve filing accuracy and free up your tax department to bring more value to your company.

Service delivery

Assessment and planning services

The KPMG TTS group works with your tax team to fully assess your current indirect tax processes and understand the flow of your tax policy through transaction reporting. The team then develops a strategy and roadmap that meets the business's needs, goals, and objectives relative to indirect tax compliance. Tax planning services, technology evaluation, and diagnostic services are all part of these initial stages.

Implementation services

Once the full scope of your solution is understood, KPMG can lead the implementation and deployment of your Vertex solution. We will leverage our years of experience, our Global Firm Network, and our proprietary implementation tools to deliver a Vertex solution that is accurate, delivered on-time, and can adapt to the changing landscape of indirect tax requirements. This includes accurately identifying indirect tax requirements pertinent to your business and where you operate as well as creating a robust solution design tailored to how you buy and sell. We will leverage our proprietary Vertex tools to automate key configuration and testing tasks and lead a thorough assessment of the overall solution as part of integration and user acceptance testing. Finally, we will help drive a successful deployment, go-live support, and knowledge transfer allowing your organization to truly own the Vertex solution moving forward.

Streamline your indirect tax processes

ERP systems alone cannot effectively equip you to address indirect tax management. KPMG TTS professionals can help you identify the right Vertex solution to automate tax processes and reduce costs and risk.

Your needs	KPMG and Vertex capabilities	Potential solution benefits
Automate the determination and calculation of tax	<ul style="list-style-type: none"> Real-time determination of the transaction type, tax type, and jurisdiction Determinations based on current rules, rates, and policies Robust, repeatable, and scalable processes 	<ul style="list-style-type: none"> Capture and retain the data needed to support tax policies and decisions Ensure the most up to date taxability rules and rates are applied to each business transaction Support local currency conversion and invoicing requirements Reduce audit exposures, assessments, and manual processes to support audits
Manage customer exemption certificates	<ul style="list-style-type: none"> Automate the migration of customer exemption certificates to a single platform Single solution to store, apply, and track exemption certificates to keep you compliant 	<ul style="list-style-type: none"> Significantly reduce audit assessments and time to close audits Proactively manage exemption certificates reducing billing errors and customer inquiries
Facilitate the reporting of tax	<ul style="list-style-type: none"> Statutory returns, invoicing, and supplementary returns Audit support and simplified compliance processes Ability to use a single audit database to drive compliance 	<ul style="list-style-type: none"> Increase controls to help minimize audit exposure Streamline tax processes Adapt and scale with business changes over time



Is the KPMG-Vertex indirect tax offering right for you?

- Are you implementing or planning for an ERP transformation?
- Have you considered the tax component of an ERP transformation?
- Will you purchase a tax engine or are you evaluating tax engine alternatives?
- Has your organization received audit assessments or do you have reserves for indirect tax exposures?
- Are you outgrowing current tax process due to expansion, mergers, or acquisitions?
- Is your company planning to enter new geographies with unique tax laws?
- Does your organization struggle with tax compliance or tax management issues?
- Are you pressured to reduce costs by focusing on process efficiencies?

If you answered yes to any of these questions, please contact any professional listed below.



Contact us

For a detailed comparison of Vertex O Series to legacy L and Q Series, or to schedule a Vertex upgrade consultation, please contact:

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