

TAXATION INSIDE-OUT

READER POLL RESULTS: PROVISION - EXCEL VS. AUTOMATION?

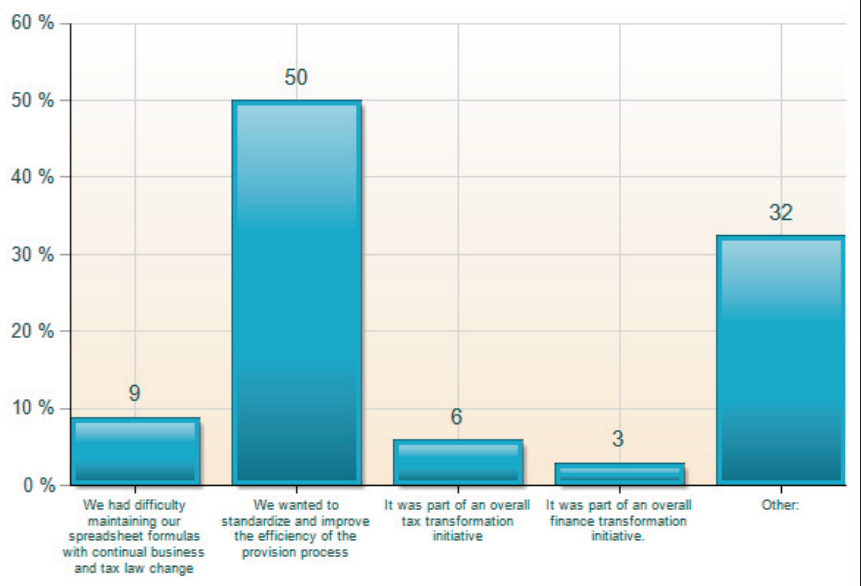
In the May edition of AICPA Corporate Taxation Insider, Vertex and AICPA surveyed nearly 100,000 corporate tax and accounting professionals to examine their organization's provision process. Respondents were asked to select the best answer for each question and provide additional feedback regarding each topic question.

The initial survey question asked respondents to indicate reasons for automating their provision process. Fifty percent said they wanted to standardize and improve the efficiency of their provision process. Nine percent responded that they experienced difficulty maintaining their spreadsheet formulas with continual business and tax law change. Six percent said automation was part of an overall tax transformation initiative and 3 percent responded that automation was part of an overall finance transformation initiative. The remaining 32 percent said they did not have an automated process.

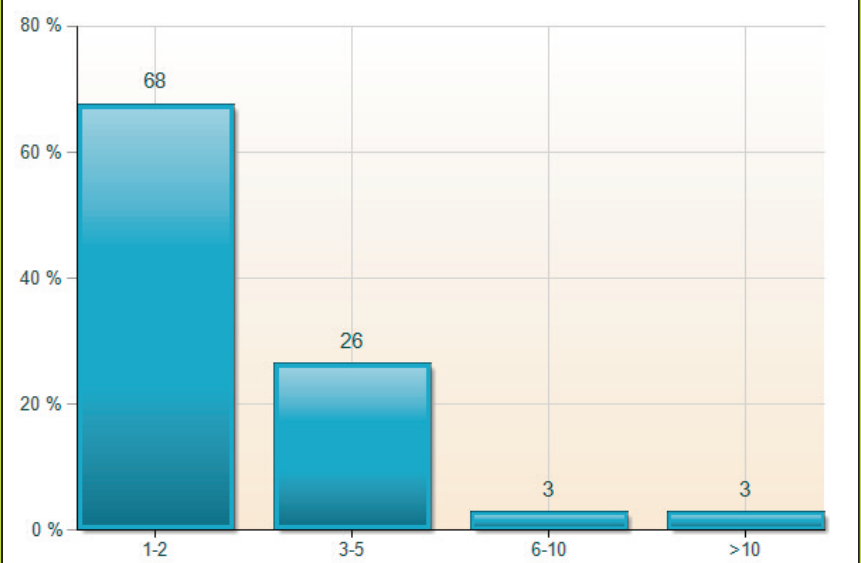
When asked if their company had undergone a finance transformation or similar project, 79 percent responded no, while the remaining 21 percent responded yes.

Survey responders were then asked how many people are responsible for maintaining spreadsheet calculations if using Excel to do their global tax provision. Sixty-eight percent answered 1 to 2 people. Twenty-six percent responded that it takes 3 to 5 people. Three percent said 6 to 10 people and the remaining 3 percent responded that it takes more than 10 people to maintain their Excel spreadsheets.

If you have taken steps to automate your tax provision process, what were the reasons?



If you use Excel to do your global tax provision, how many people are responsible for maintaining the spreadsheet calculations?

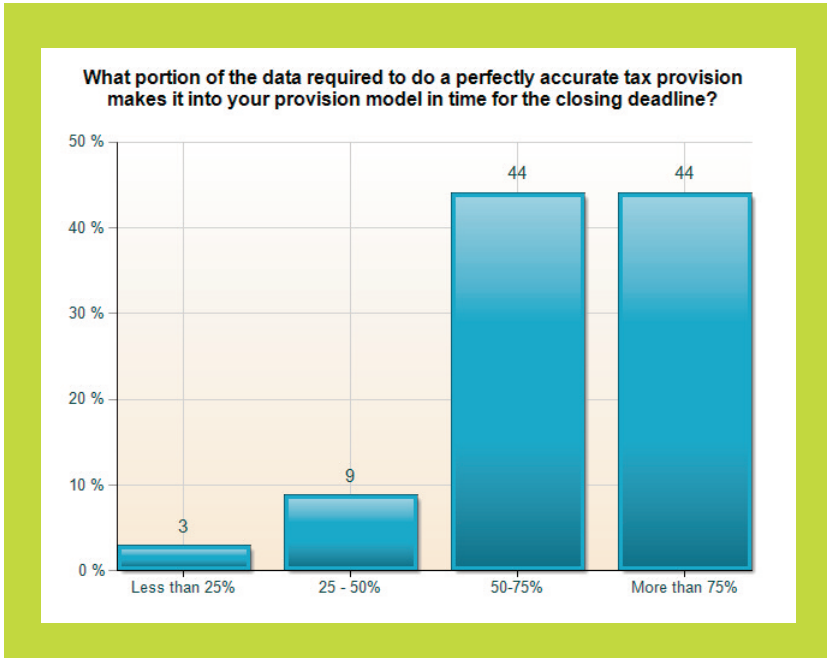


When asked how long survey participants were given to prepare their consolidated tax provision, 35 percent said 1 to 5 days. Eighteen percent said they are given a week and 12 percent responded they are given two weeks. Twenty-one percent said they have a month to prepare, while 8 percent said they are given two months. Three percent said the time varies and the remaining 3 percent responded that they have until earnings are announced.

Respondents were then asked what portion of the data required them to do a perfectly accurate tax provision makes it into the provision model in time for the closing deadline. Forty-four percent indicated more than 75 percent. Another 44 percent responded they include 50 to 75 percent. Nine percent said 25 to 50 percent and the remaining 3 percent indicated that they include less than 25 percent.

Lastly, the survey asked participants to indicate what portion of the data is the company's system at the end of year-end close. Forty-two percent said more than 75 percent. Thirty-three percent said 50 to 75 percent and 24 percent responded that 25 to 50 percent of data is included year-end close.

Vertex Inc. is dedicated to providing accounting and corporate tax professionals with valuable industry information. We invite you to provide feedback on this survey, and also suggest topics for discussion. If you or someone you know is interested in participating as a guest writer to provide commentary on the subjects addressed in these surveys, please contact Christina Dailey at christina.dailey@vertexinc.com



Please participate in this month's survey where we ask your thoughts on audit activity:
[Automation and e-Commerce](#)

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