

Vertex Income Tax Solutions Case Study

When ING Financial Holdings Corporation looked to streamline operations for federal, state, and local returns processing, they turned to Vertex® Income Tax – Domestic and Vertex® Provision Central Tax Office™ (CTO).

ING Profile

ING Financial Holdings Corporation and Subsidiaries, part of the ING Group (a global financial services company offering banking, investment, life insurance and retirement services to consumers) is a top-ten provider of retirement services in the U.S.

ING's centralized Tax Department handles 20 divisions and 40 federal entities for its U.S. operations. Annually, the department prepares more than 200 state and local tax returns and files a U.S. consolidated return requiring the preparation of approximately 50 federal proforma returns. ING's eight-member Tax Department handles federal compliance, audits, ex-patriot work and tax planning.

Business Issues

ING's Tax Department was looking for ways to simplify its operations and improve productivity. The team was working long hours and their internal processes were time consuming. At the same time, ING's Tax Department wanted to increase tax data accuracy and provisioning transparency, while reducing dependence on the IT Department for software updates, new release uploads, and general system maintenance.

Vertex Solution

A Vertex client for more than 10 years, ING has been able to improve their tax department processes and allow their eight member team to focus on tax planning activities by implementing Vertex Income Tax - Domestic and Vertex Provision CTO. According to David Rutkin, Director of Tax at ING, "ING has a history with Vertex software; we have remained a customer because the product continues to meet our high standards."

A key standard for ING is the ability to quickly and easily use the software to perform daily tax activities. In order to do this, the department had to first understand the terminology describing the tasks that are used to perform each activity. Rutkin notes that his department knows Vertex has coded their software "with Tax Professionals and Accountants in mind, using common tax department terminology and a workpaper methodology. This framework is what makes all the difference."

Another requirement high on ING's list is time savings. Vertex has put time back in the department's workday by simplifying the returns process for ING's multi-state consolidations. Rutkin estimates that consolidation reports now take five minutes to run versus the hour that was previously exhausted. Not only are the reports created quickly, but the simplicity of Vertex Income Tax – Domestic's user interface and seamless information sharing with



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Vertex Provision CTO have increased the process speed without sacrificing accuracy. Vertex Provision CTO also allows staff to quickly import data from outside the system or export data to Microsoft® Excel for additional analysis. In Rutkin's words, these data transfers are a "non-event."

Edgar Ortiz, (Vice-President) tasked with federal compliance, confirms the time savings he has experienced by using Vertex Income Tax solutions — sharing that major contributors are year-to-year data rollover capability and the increased speed with which returns can be processed. Ortiz notes, "Our return processing time has been cut by 10-15 percent using Vertex Income Tax solutions."

There are often times when the ING Tax Department needs to complete tasks outside of normal business hours. Prior to implementing Vertex Income Tax – Domestic, the department was required to remain in the workplace until tasks were completed. With Vertex's Web-based platform, staff has guaranteed access to the system from anywhere

– allowing staff to work remotely when necessary. Rutkin and Ortiz both acknowledged that not only has this remote access boosted employee morale by giving them the flexibility to work from home, but it has also helped the Tax Department achieve its goal of reducing its dependency on IT. And since Vertex maintains the software and provides the rate and rule change adjustments via the Web, ING's IT Department is free to work on other corporate initiatives.

End Results

Like most companies, the ING Tax Department is focused on reducing their exposure to audit by improving data accuracy and transparency. The time savings realized from using Vertex Income Tax solutions has enabled the department to devote more of their energy to other high-value tax activities like tax planning while increasing the accuracy and transparency of their return.

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