

Vertex® Communications Tax Solutions

The communications industry is constantly changing. As technological advancements for communication services occur, your company is exposed to not only a world of opportunity, but also a world of tax compliance challenges – Vertex can help.

Vertex Communications Tax solutions provide you with the latest tax rules and regulations for thousands of taxing jurisdictions that now require your strict compliance. Our products deliver flexibility and functionality to seamlessly interface with your billing application and simplify your tax processes – providing the reliable data and tax decision logic to manage taxability for all of your business service offerings.

Inside Vertex Communications Tax

Vertex Communications Tax products automatically and accurately calculate taxes for more than 40 telecom and cable services. Based on information passed from your billing system, our software identifies where a call is taxable, whether each call is taxable, and then calculates applicable taxes and returns the results to your billing application.

With flexible taxability set-up, various platform options, and a stand-alone graphical user interface to meet your specific business needs, Vertex Communications Tax products provide you with the ability to customize rates and rules, franchise fees, and bundled services. In addition, Vertex solutions provide data for management reports to help you oversee the tax compliance process.

Vertex Solutions

- **Vertex Communications Tax Q Series®**
A complete solution for wireless and wireline telecommunications for client/server IT environments.
- **Vertex Communications Tax L Series®**
For legacy and mainframe IT environments.
- **Vertex GeoCoder™ Advantage**
A pre-processing software utility for the Vertex Communications Tax products, which offers accurate jurisdiction identification.

Your Partner for a Complete Solution

Vertex has established partnerships with many of the leading billing and customer care software application providers, such as Amdocs, Convergys, Comverse, CSG Systems, Intec, and Oracle to provide truly integrated functionality to our mutual customers. This integration can streamline your system set-up and ongoing compliance activities.

Carefree Compliance with Monthly Data Updates

The effectiveness of any tax compliance system depends on the accuracy of its tax data. With tax rates and rules rapidly changing, it's easy to become out-of-date. Vertex systems solve this problem by updating data in your Vertex Communications Tax system every month through a simple electronic download.

Vertex provides monthly tax and surcharge data at the federal, state, county, and city level, including month-per-line levies for the U.S., max and tiered tax, and national and provincial level taxation for Canada.

Communications Tax Process Overview

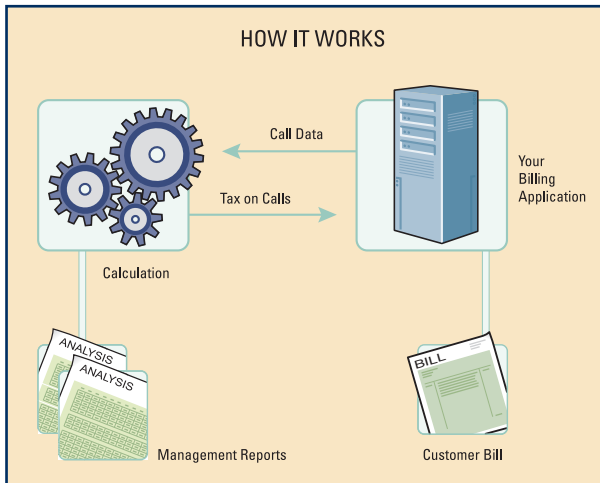


Fig. 1. Data flows seamlessly from your billing application to Vertex Communications Tax for accurate billing and management reports.

Choose the Best in the Business

From legacy/mainframe to client/server environments, Vertex has the communications tax solution to fit your business needs. Our highly flexible tax calculation systems provide unparalleled data accuracy with ease of integration, giving your tax department increased accessibility in managing critical communications tax processes.

Vertex Communications Tax Q Series

Vertex offers a communications tax product designed specifically to meet the needs of customers whose billing systems run in Windows® and UNIX environments.

Vertex Communications Tax Q Series enables levels of tax processing automation through the following:

- Support for relational databases such as Oracle and Microsoft SQL
- Application Program Interfaces and calculation processing subsystem that use C/C++ programming language
- An interface that supports customization of rates and decisions, franchise fees, max and tiered taxes, and bundled services
- Tax treatment of max tax rules and tiered rates (including step tax and progressive schedule)

Vertex Communications Tax L Series

A proven solution within mission-critical, high-volume billing environments, Vertex Communications Tax L Series is built for mainframe and legacy IT environments, and shares the same graphical user interface and automated tax compliance capabilities as Vertex Communications Tax Q Series.

Vertex GeoCoder Advantage

Vertex GeoCoder Advantage, a pre-processing software utility for the Vertex Communications Tax products, offers the most powerful tool in the industry for accurate jurisdiction identification by leveraging the most current geospatial data, USPS ZIP+4 data, GIS software, and dedicated Vertex resources. GeoCoder Advantage retrieves GeoCodes using the ZIP+4 provided to pinpoint tax jurisdictions, regardless of whether the customer is located in a multi-county city or an unincorporated area.

Vertex Consulting Services

Vertex Consulting has worked with hundreds of clients in all major industries worldwide. To specifically address the needs of communications tax clients, we offer:

- Data analysis and address scrubbing for GeoCoder Advantage
- Tax research and product catalog and nexus reviews
- Risk assessment of legislative changes
- Integration with existing applications and billing systems
- System health check
- Registration and voluntary disclosure services

Customizing Vertex Communications Tax

Vertex Communications Tax User Interface (L Series - C:\Program Files\vertex\Vertex Communications Tax L Series\data)

File Edit View Transaction Tester Customizations Import Export Publish Purge Report Window Help

Customize Bundled Services

Save Cancel Delete

Bundle Category: 01 - Bundle Cat 01 Bundle Service: 02 - Bundle Ser 02

Bundle Name: Family Plan B

Package Cost: 125.00

Which level of tax information should be recorded in the Register for this bundle? Detail Summary

Components

	Component Category	Component Service	Component Value	Value Type
1	10 - Wireless Network	01 - Network Access	50.00	\$ - Dollar Amount
2	12 - Internet Access	01 - Internet Access	50.00	\$ - Dollar Amount
3	04 - Interstate	01 - Toll	25.00	\$ - Dollar Amount
4				

Bundle ID: 000000003 Creation Date: 3/22/2007

The Customize Bundled Services window allows you to create and edit bundled service records for processing by the Calculation program, write transactions from your calling program to the system's archive during processing, and select the level of tax detail to be recorded.

Vertex Communications Tax User Interface (L Series - C:\Program Files\vertex\Vertex Communications Tax L Series\data)

File Edit View Transaction Tester Customizations Import Export Publish Purge Report Window Help

Customize Franchise Fees

Save Cancel Delete

GeoCode: 09 - 001 - 0010 Tax Type: 20 - Franchise Fee 20 Authority: Federal

Propagate:

Fee Rate Fields

Rate:

Effective Date: 1/24/2007 (e.g. 1/24/2007)

Previous Rate: 0.05

Max Lines:

Max Trunks:

Decision Function Codes

- #1 A - Tax if Orig. Term. Bil
- #2 C - Override County Tax
- #3 R - Residential Customer
- #4 R - Regulated
- #5 S - Sale
- #6 S - Standard Tax
- #7 N - No Rounding

Linked Taxes

	Tax Type	Authority
1	03 - 911	3 - City
2		

Applicable Categories and Services

	Category	Service
1	01 - Intrastate Charges	01 - Dial Tone Line(DTL)
2		

Franchise fee customizations can be set-up for taking into account variables such as the maximum number of lines and trunk lines subject to the franchise fee, whether this fee applies to business or residential customers or both, and if a franchise fee is subject to a linked tax.

Vertex Communications Tax solutions cover many telecom and cable services, such as:

- Telecom
- Local and long-distance voice communications
- ATM
- DSL
- Frame Relay
- Cable Categories
- VoIP
- Call waiting, call forwarding, caller ID, and voice mail
- Messaging: one-way and two-way
- Prepaid calling cards
- Data transmission services/Internet access
- Wireless network access
- Usage/airtime
- Intrastate long distance toll*
- Late fees*
- Finance charges*
- Convenience Fees*
- Directory assistance (intrastate, interstate, and wireless)*
- Inside Wire Maintenance*
- Basic Service*
- Premium Service*
- Pay-Per-View Service*
- Equipment Sales/Rental*
- Conference bridging*
- Text messaging*
- Ring tones*
- Download media and software*
- Early termination fees*
- Service connection and disconnection*
- Plus dozens more

* Available Q3 2009

A Proven Provider

For businesses that want more effective technology solutions, Vertex provides a comprehensive suite of software and consulting services for both direct and indirect taxes that combine Vertex's 30 years of tax and technology experience with a fresh approach to tax consulting.

As the leading provider of corporate enterprise tax solutions for customers worldwide, Vertex offers leading edge solutions featuring products and services to help companies streamline tax compliance processes. With Vertex, you have a trusted partner for discovering new strategic tax savings across every major line of business tax including income, sales, consumer use, value added, communications, and payroll.

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