

Automated Integrated Global Provision

VERTEX® TAX ACCOUNTING



A Game-Changing Approach to Global Provision

Vertex Tax Accounting provides a streamlined solution that automates data management as well as provision calculation, and even allows for the import of tax journal entries back into your data sources.

It's a multi-ledger, multi-GAAP, multi-currency, and multi-year solution that interfaces directly with your data sources. The solution consists of:

- Data Import Connectors to multiple data sources
- Data management using the Vertex Tax Performance Engine™
- Provision calculation and reconciliation using Vertex® Tax Accounting

Vertex now enables tax professionals to automate the provision process, improve accuracy, and create a single source of reliable data for the end-to-end tax lifecycle.

More than Provision, It's True Tax Accounting

Vertex® Tax Accounting is the first solution to align financial and tax reporting. So you can increase accuracy and efficiency — while reducing risk.

Vertex Tax Accounting helps you reduce risk while making provision-related processes faster, more controlled, and more accurate. This new technology provides a multi-ledger, multi-GAAP, multi-currency, and multi-year solution that interfaces directly with your data sources. And, it leverages applicable data and calculations to be used in downstream tax processes — including compliance, audit defense, and planning. With it, you can:

- Automatically import book data directly from your general ledger, automate the majority of book-tax differences, and calculate the current and deferred provisions.
- Quickly produce all of the reports needed by your attest firm for auditing of your financial statements, including an income tax footnote report that reflects your tax provision and fully reconciled tax account balances.
- Generate customized reports and run analyses of your effective tax rate and tax provision data using the same powerful business intelligence tools that Finance uses to create reports, queries and analytics. This enables Tax to provide real-time support for business decisions and contribute to corporate results.

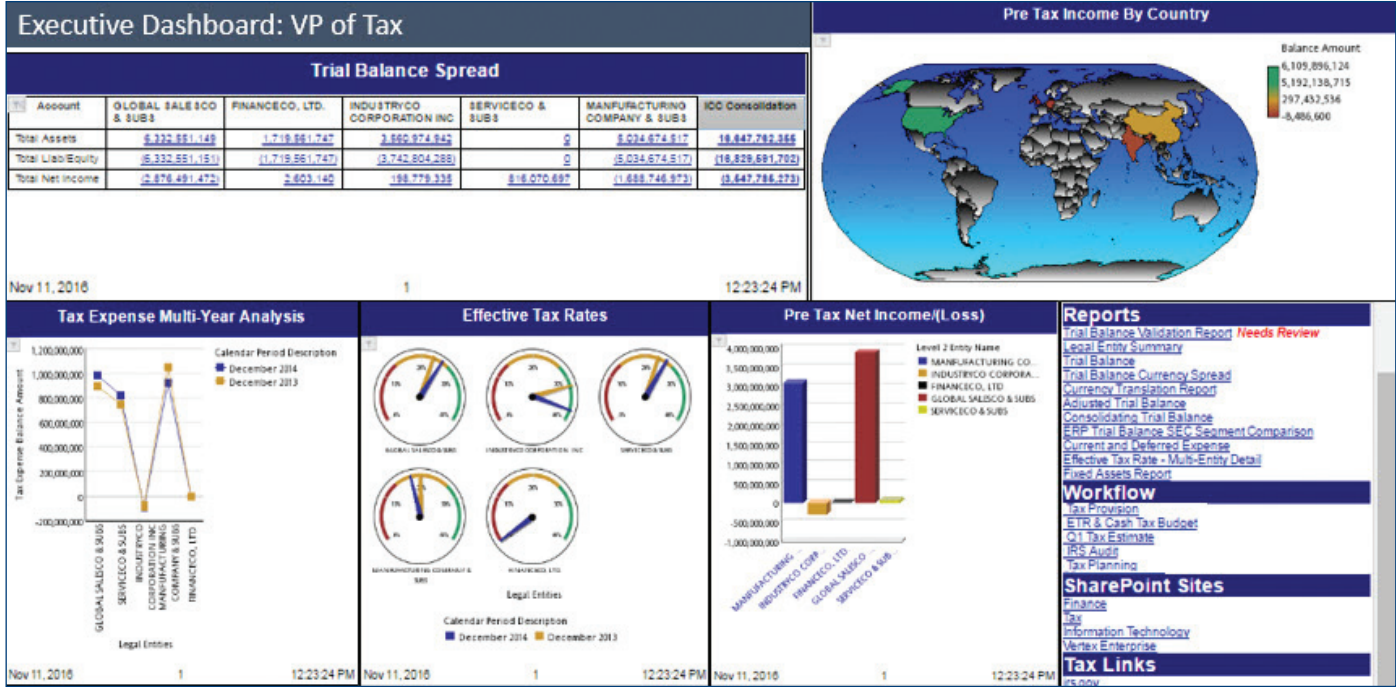


Fig.1: Configurable dashboards and heat maps provide visibility to help ensure accuracy and also increase response time for executive or organizational data requests.

Powerful, Automated Tax Data Management

Tax provision can begin and end with quality data. With Vertex Enterprise, quality data means timely, accurate, and integrated information is consistently applied within the tax provision process.

Using pre-built connectors, source data is configured to stream into the Vertex Tax Performance Engine to sync with the latest book data as the financial close process unfolds, allowing Tax to seamlessly re-run the tax provision based on changes to the underlying book numbers. In addition, you can compare current period provisions and details to prior quarter or prior year provisions stored within the Tax Performance Engine. No more collection of data from a “single point in time” and cumbersome management of numerous spreadsheet versions.

Ultimate Transparency

Effective tax accounting also requires a level of detail not found in the general ledger. Vertex Tax Accounting supports a bottom-up approach to the income tax provision by legal entity, business unit, obligation, and jurisdiction from the local country GAAP level to the consolidated GAAP reporting level.

There is a clear flow of currency translation, and uncertain tax positions are captured appropriately. Reporting includes drill-down functionality to the underlying layers of account balances, adjustments, and imported trial balances. And data export enables the integration of provision data and calculations into your compliance and other applications, as well as back into the Tax Performance Engine for additional leverage. And because the system captures every step of the data processing, users have access to data at any point in time without the need to search for and reconcile data that may have changed.

Global Collaboration

Your growing global corporation relies on tax professionals in multiple offices, located around the world. As business becomes more complex, sending spreadsheets back and forth is simply too inefficient and risky. Vertex Tax Accounting enables any number of people to work simultaneously in a single system from any location around the world. A secure Internet connection is all that’s needed for a truly collaborative global tax department.

THE TAX PERFORMANCE ENGINE

At the heart of this automated provision solution is the Vertex Tax Performance Engine which creates a single source of tax-ready data for use throughout the tax lifecycle.

Data is Unified

Data is automatically imported into the Tax Performance Engine from multiple data sources, even spreadsheets, to unify all tax data on a single platform.

Data is Validated

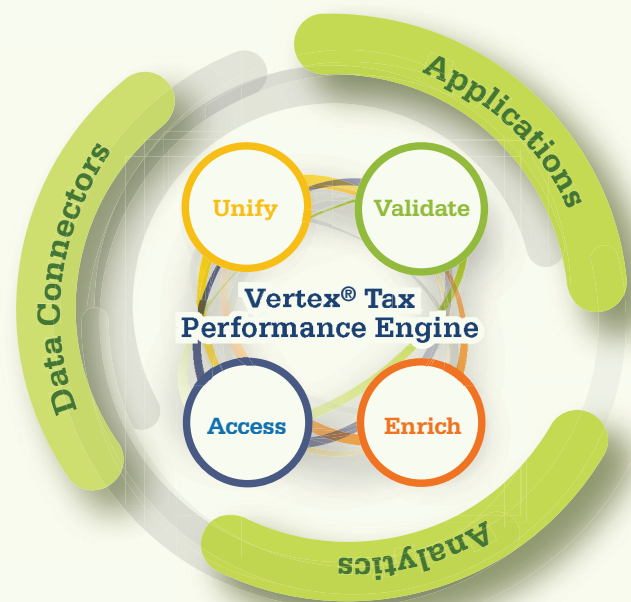
The Tax Performance Engine validates all the data and configures it in real-time to adjust to legal and business changes and ensure accuracy.

Data is Enriched

Data is converted from financial reporting into tax-ready formats, enriched by global tax content, and consolidated by accounting standard and currency.

Data is Stored for Access

To meet global retention requirements and audit needs, all data is stored and accessible at any point in the data processing stages for reporting or use in downstream tax processes.



Streamline Access to Tax Data for Finance

Using this solution, users can fully manage the provision process, automate data acquisition, systematically convert financial data into tax data, and maintain a fully auditable history of the tax-sensitized trial balance content. But one of the most important features is having information

for financial footnotes readily available. A Tax Journal Entry Report is available to view the result of account reconciliation to the desired general ledger balances and Recording Adjustments for Intercompany transactions, tax payments or any other reconciling differences.

Drive Greater Value with Advanced Reporting and Modeling

Vertex Tax Accounting is more than a new provision tool — it enables Tax to more proactively deliver greater value to the organization.

Evaluate the ETR Impact of Various Tax Strategies

Through state-of-the-art custom reporting, query, and analytics capabilities (similar to those currently used by most Finance departments), you can more proactively influence corporate business decisions. For example, you can evaluate the ETR impact of tax strategies by modeling various legal entity structures or transaction-related scenarios. And, you can engage in a wide range of “what-if” calculations to gauge the effects of various strategies. The solution provides both the data engine to capture the required level of detail, and the tools to predict the tax impact.

See Potential Results in Real Time

With Vertex, you now also have the predictive ability to influence business decisions like never before. For instance, by modeling various business scenarios across future time periods, you can apply tax strategy and see the impact on ETR and cash taxes immediately. As a result, your tax department becomes a more proactive contributor to corporate performance.

A Powerful Solution for Tax

Vertex Tax Accounting provides a landmark step forward in provision management. It enables tax professionals to automate data acquisition, systematically convert financial data into tax data, and maintain a fully auditable history of the tax-sensitized trial balance content.

This breakthrough automated solution removes the subjectivity, enables systematic and repeatable processes, and ultimately reduces risk and improves accuracy and control throughout the provision process.



Evolve Processes

Connect to general ledger book data, generate the majority of book-tax differences based on pre-processed account data, and calculate the current and deferred provisions.



Quickly Produce Reports for Audits

Quickly produce all reports needed by your attest firm for auditing of your financial statements, including an income tax footnote report that reflects your tax provision and fully reconciled tax account balances.



Generate Customized Reports and Run Analyses

Generate customized reports and run analyses of your effective tax rate and tax provision data using powerful business intelligence tools traditionally used by Finance enabling tax to participate in business decisions and further contribute to corporate results.



Evaluate the ETR Impact of Tax Strategies

Evaluate the ETR impact of tax strategies by modeling various legal entity structures or transaction-related scenarios. You can engage in a wide range of “what-if” calculations to gauge the effects of various strategies.



Access Results Quickly

Respond quickly to organizational requests for tax-affected financial information. For example, by modeling various business scenarios across future time periods, you can apply tax strategy and see the impact on ETR and cash taxes immediately.



Founded in 1978, Vertex Inc. is the leading provider of corporate tax software and services for companies of all sizes, from small to medium-sized businesses to global multinationals.

Vertex solutions enable companies to realize the full strategic potential of the corporate tax function. The company offers a variety of products and services that allow businesses to automate, integrate, streamline or even outsource their corporate tax processes. Vertex provides solutions in every major line of tax including income, sales and consumer use, value added and payroll. Vertex also offers tailored solutions for specific industries including retail, communications, hospitality and leasing. Vertex Managed Services allows companies to outsource sales and use tax returns and exemption certificate management.

Known for its innovative culture, Vertex is a privately held company that employs over 850 professionals across the globe, at its headquarters in the U.S. (Berwyn, Pa.) and offices in Europe (London), Brazil (São Paulo), Dallas, Fort Collins, Naperville, Phoenix, San Francisco, Sarasota and Seattle.

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