

Vertex Exemption Certificate Manager



Reduce Audit Penalties and Improve Compliance

As organizations become more decentralized and the volume of transactions increase, managing sales tax exemption certificates without an automated solution can become an impossible task. Manually storing, retrieving, and monitoring expiration dates also increases the risk of errors, as well as penalties and fines during tax audits. Vertex® Exemption Certificate Manager vastly simplifies how you manage sales and use tax exemption and resale certificates.

Vertex® Exemption Certificate Manager (ECM) allows you to manage sales and use tax exemption and resale certificates in a powerful, yet easy-to-use Web-based application. Vertex ECM is a paperless solution that electronically stores sales and use tax exemption certificates. You simply scan the certificate and add the image file to the database.

Exemption Certificate Management Made Simple

Vertex ECM eliminates the time-consuming and labor-intensive process of filing and managing paper certificates by delivering:

- + **A customer portal:** The Exemption Certificate Portal is a client-hosted, self-service solution that automates workflow for certificate requests, as well as certificate collection and reporting to enable easier compliance and timely responses to audit requests. The portal supports greater flexibility for certificate validation, use of electronic signatures and enhanced communication.
- + **Electronic storage:** Vertex ECM provides access to all of your exemption certificate data through a Web browser. The result is centralized, real-time database that you can maintain from any location.
- + **Easier compliance:** With the essential information about your entities, customers, and certificates all in one place, compliance can be monitored more efficiently. For example, Vertex ECM automatically tracks and calculates expiration dates, recommends updates and validates certificate number format.
- + **Automated notifications:** When a certificate is incomplete or due for renewal, the system automatically generates a letter or email to the customer requesting updated certificate information. Automated reminders can be sent in bulk to any number of customers and may be set to process when expirations are approaching in the next 30, 60 or 90 days.
- + **Enterprise-wide access:** The Vertex ECM web-based architecture allows for an easy deployment in an intranet/ internet environment, allowing decentralized organizations to make real-time information available to stakeholders. And a scalable, multi-tiered configuration makes Vertex ECM the perfect solution for large-scale deployments.
- + **Built-in integration with external applications:** Vertex ECM is embedded within Vertex® Indirect Tax O Series®.

This feature means there is minimal latency for calculating taxes, which minimizes disputes, credits, and changes to transactions. For Vertex Q Series tax calculation system customers, Vertex ECM can integrate with accounts receivable, billing, point-of-sale, customer database and Tax Decision Maker tax exception systems.

Greater Accuracy and Increased Compliance

Additional features include:

- + Auditor Extract that allows for the export of certificates (including images) by jurisdictions, dates, customers, and other criteria to support audits
- + Library of sales tax forms by jurisdiction, which are updated each month with research provided by Vertex tax research professionals
- + Local and state forms
- + Identification of certificates by transaction type (sales, lease, rental), imposition type and tax type (sales, use tax)
- + Support for multi-jurisdiction certificates, Direct Pay Permit management, and storage of customer billing and shipping information
- + Support for Single Use Certificates (by invoice number), Limited Certificates for Taxability Drivers, and Blanket Certificates

Services to Validate and Collect Certificates

While the ECM application helps you manage your certificates, you may still have some certificates that are expired, invalid, or missing. Vertex offers services to validate the certificates you have and collect what you need.

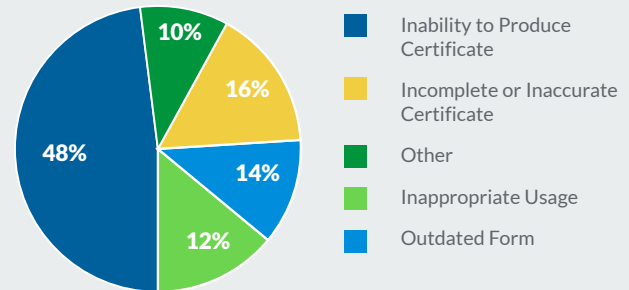
- + **Certificate Validation Service:** Send us your customer list and current certificates. We'll validate everything and let you know what's missing, invalid, or expired.
- + **Certificate Collection Service:** Give us a list of your tax-exempt customers with missing, invalid, or expired certificates, and we'll collect what you need.

You can engage Vertex for either of these services at any time, and as often as needed.

Mismanaged Exemption Certificates Cause Audit Penalties

Research shows that 25-30% of audit penalties are directly attributed to poor management of exemption certificates (see figure below). These errors can incur significant audit penalties and put your company at risk of noncompliance with Sarbanes-Oxley requirements.

Exemption and Resale Certificate Audit Assessments



About Vertex

Founded in 1978, Vertex Inc. is a 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, and streamline their corporate tax processes. Vertex provides solutions in nearly every major line of tax, including income, sales and consumer use, value added and payroll tax. 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.

To learn how Vertex Exemption Certificate Manager can help you reduce the risk of penalties and noncompliance, contact a Vertex representative at **800.355.3500** or visit [vertexinc.com](https://www.vertexinc.com).

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