



An End-to-End Tax Solution – A Worthy Investment in Today’s Business Climate

The Business Benefits Finance and Tax Leaders
Need to Know



Custom content for Vertex by studioID

In today's rapidly changing business environment, the role of CFOs and other finance leaders continues to evolve along with the companies they lead. In addition to serving as core finance experts, they also now often embody the role of a strategy and operations leader, evaluating whether an enterprise resource planning system needs an update, helping businesses scale, and aiding with the implementation of new e-commerce or procurement platforms.

Best-in-class leaders now take a proactive (rather than reactive) approach toward risk management, taking advantage of data and analytics innovations and guiding digital transformation, efficiency, and outsourcing initiatives. They're working on tech initiatives to streamline operations and improve profitability and must align their financial decisions more closely with business strategy as the operating environment becomes increasingly competitive.

The speed of change and heightened demand for real-time data across industries represent a continuing challenge. This applies not only to technological advancements, but also to ongoing changes within tax codes—and increased audit penalties—across the globe. It's nearly impossible for finance and tax leaders to remain up-to-date on ongoing regulatory changes around the requirements for calculating, collecting, filling, and paying taxes in more than 19,000 global tax jurisdictions.

“ These challenges can be particularly pressing for companies when extending their business footprint into new domestic or international markets, crossing economic nexus state, sales and use tax thresholds within the United States or in countries outside the U.S. A single end-to-end tax software solution coupled with targeted services for the Tax IT environment will greatly streamline the tax function by increasing automation and thus increasing governance and reducing risk. ”

Mike Bernard

Chief Tax Officer at Vertex, Inc.

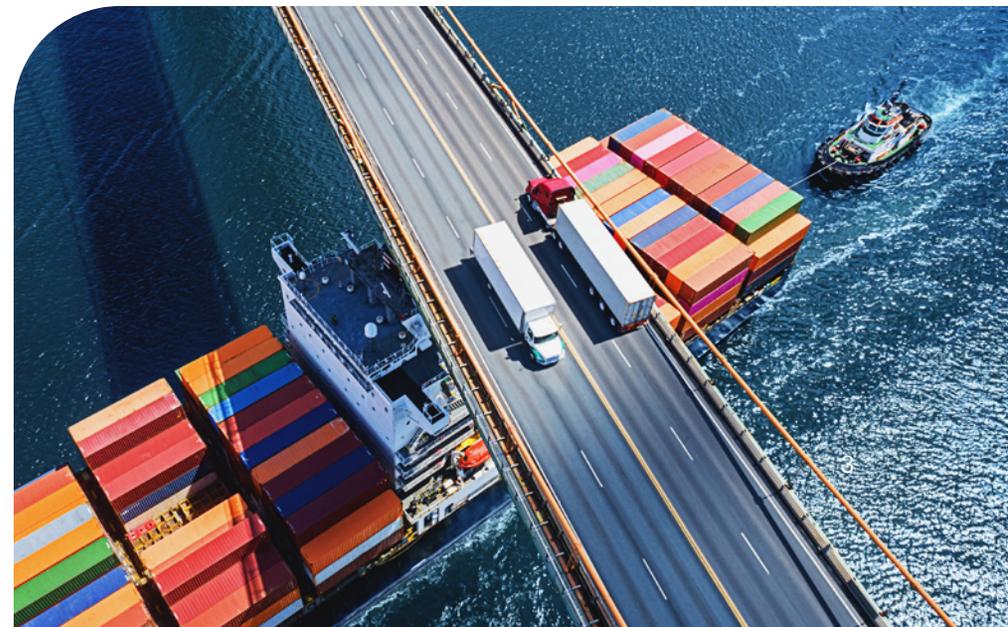
Here are five other crucial ways that end-to-end tax solutions can help:

1 Provide more central control over global operations

As businesses expand globally, CFOs need broader visibility into what's happening everywhere a company does business. Scaling requires frictionless transactions across the world, but CFOs must also ensure that such transactions remain compliant with the continually changing tax rules, rates, and procedures in each of those jurisdictions. That means complying with reporting and filing requirements in every jurisdiction, including newly emerging real-time reporting and invoicing mandates. An end-to-end tax solution can address such challenges by providing a streamlined approach to managing tax in all jurisdictions via a centralized platform.

More than a third of chief tax officers cited regulatory risk as one of the top threats to the tax function, bringing higher costs and increased challenges in both domestic and international jurisdictions. In Europe, for example, nearly three-quarters of CFOs said they're adjusting tax strategies and operations considering recent efforts by the Organization for Economic Co-operation and Development around base erosion and profit shifting.

The increased complexity and risk that comes with cross-border sales and supply chains mandate that businesses must plan for the tax impact of their expansion plans, and that requires an agile, global tax technology solution with local expertise. Current tax compliance in one country does not guarantee compliance in the future or in other countries, and indirect tax management—including navigating the complexities surrounding global VAT/GST and U.S. sales/use tax—must be part of strategic conversations for businesses considering international expansion.



2 Eliminate internal silos

Competing in today's fast-moving business environment requires agility that's unachievable at companies with entrenched departmental silos. While many enterprises have not yet made the organizational changes required by this new reality, nearly six in ten CFOs and senior finance executives say they're prioritizing providing greater centralization through shared service centers, according to a recent [EY survey](#).

“ As indirect tax regulations become increasingly intricate, there is a rising demand for digital goods or selling on digital platforms, causing a transformation in the commercial landscape through innovative technologies. Organizations that fail to adapt their systems will encounter significant challenges in surviving. Clinging to traditional, isolated structures amplifies inefficiencies and hampers the ability to respond to competitive threats and opportunities. ”

Chris Zangrilli

Vice President of Technology Strategy at Vertex, Inc.



“When data and processes are separate, transparency suffers, resulting in missed chances and misaligned strategies. As businesses expand and diversify, fostering collaboration between different departments becomes essential. AI is fundamentally changing how businesses interact with customers, with a strong emphasis on enhancing the customer experience, achieving productivity gains, automating processes, and improving data visibility,” Chris Zangrilli adds.



Along with other internal changes, end-to-end tax services and software can help organizations move away from the dated, siloed approach by offering a global process and solution. A consolidated, holistic platform can provide more visibility and reporting worldwide, making it easier to manage cross-border and cross-jurisdiction transactions in light of changing tax legislation, rates, regulations, and procedures.

That’s particularly important as companies scale to include additional sales channels, such as e-commerce, marketplaces, and mobile. Fewer silos also provide the finance function with better visibility into purchasing and supply chain transactions so the finance team can spot potential issues more quickly and address them with partners in operations, supply chain, or other business functions like legal or treasury.

A collaborative relationship between finance and other functions also minimizes risk as a business grows, either organically or via merger and acquisition, since finance teams have a more complete picture to inform their tactical decisions. Since the finance staff is not bogged down researching changing tax rules and updating transactions in the system, they can focus on audit preparation and reporting to minimize audit penalties. It also opens up time and resources to focus on more strategic initiatives. An end-to-end tax solution may also reduce the errors that might otherwise occur due to limited tax knowledge and IT technology in the accounts payable function.

3 Automate data management

As effective data management increasingly becomes a competitive advantage to businesses across nearly every industry, the benefits of automating data management in the tax function with an end-to-end tax solution has emerged. These include mitigating risk since fewer files need to be imported, exported, or otherwise manipulated manually which may lead to human error. At the same time, tax executives gain insight into—and the ability to remove—recurring errors from the source system.

Centralized data also provides more holistic insights to finance leaders, allowing for more accurate tax collection and monthly returns and reports that can inform business strategy. In addition, the improved accuracy of automated data allows for the creation of an audit log, which can reduce the risk of audit penalties. In addition, automated data empowers tax staff with sophisticated validation, enrichment, and transformation capabilities via a simple, purpose-built user interface.

Automated data management can also help the company's bottom line by reducing tax overpayments in sales and use tax or maximizing VAT reimbursements. Businesses that can automate their tax data management are nimbler and more resilient than competitors, thanks to the use of a cloud-based, scalable process that facilitates higher transaction volumes and makes it easier to enter new geographies.

“ When we initially engage with new customers, we often observe tax teams grappling with data overload from various sources, preventing them from contributing strategically. Rather than focusing on tax planning or driving impactful process improvements that affect the company's bottom line, these professionals find themselves consumed by the ongoing tasks of managing, consolidating, transforming, and cleaning data on a monthly basis.

Tiffany O'Neil

Senior Director of Consulting at Vertex, Inc.

“An end-to-end tax solution can provide tax teams with consistent calculations across all entities, regardless of the selling channels or buying processes involved. We help ensure that data is readily available for reporting purposes, maintaining a standardized tax code methodology throughout the entire organization,” O'Neil adds.

4 Support business growth

An end-to-end tax solution means that the tax and IT functions have fewer vendors and platforms to integrate and maintain, minimizing the need for workarounds, reducing cyber risk, and making new hire onboarding easier. After a merger or acquisition, the team can keep its pre-existing tax calculation engine, easily adding connectors to new financial systems at the acquired company.

The tax team can keep the same tax calculation engine and the same compliance application— while easily adding tax content to support new regions, new product lines, or new selling channels or to meet the latest compliance demands for returns and filing requirements (as well as potential credits or deductions) in a new region, minimizing compliance and reputational risk in those geographies. By automating these tasks, the finance team significantly cuts down on the amount of work—and number of workers—previously required to integrate the tax systems of multiple companies.

A single platform also allows the CFO to quickly gain insight into how current and future business decisions might impact a company's tax liability to factor that into strategic planning. This can also create more confidence in other financial projections, even when markets are in a state of flux.



5 Save time and money

While CFOs have traditionally looked throughout the organization for ways to reduce costs, they're increasingly turning their gaze inward to find ways to improve the efficiency and standardization of processes within the finance function itself. An end-to-end tax solution can help with that aim, allowing the finance team to maintain a single tax calculation engine for global indirect tax, including sales, use, and value-added tax, while also automating tax research and return generation.

“ Taxes demand a collaborative effort— it's a team sport—involving numerous individuals from both within and outside the tax department. CFOs are increasingly tasked with achieving more with limited resources, all while ensuring compliance with regulations. Achieving better results relies on everyone uniting with a shared mission to efficiently and accurately fulfill indirect tax responsibilities. ”

Michael Davis

Chief Tax Officer at Vertex, Inc.



The ability to glean real-time data and analytics can also reduce the time it takes to verify rates, correct errors, spot a potential business opportunity, or identify areas in which the company could possibly reduce its overall tax liability. Moreover, using a cloud platform for global indirect tax can reduce hardware and maintenance costs.

In some cases, the best solution for a company is outsourcing or co-sourcing business processes such as product mapping, tax data files, and report preparation, to close the books more quickly and confidently at the end of the year or quarter.

How Vertex can help

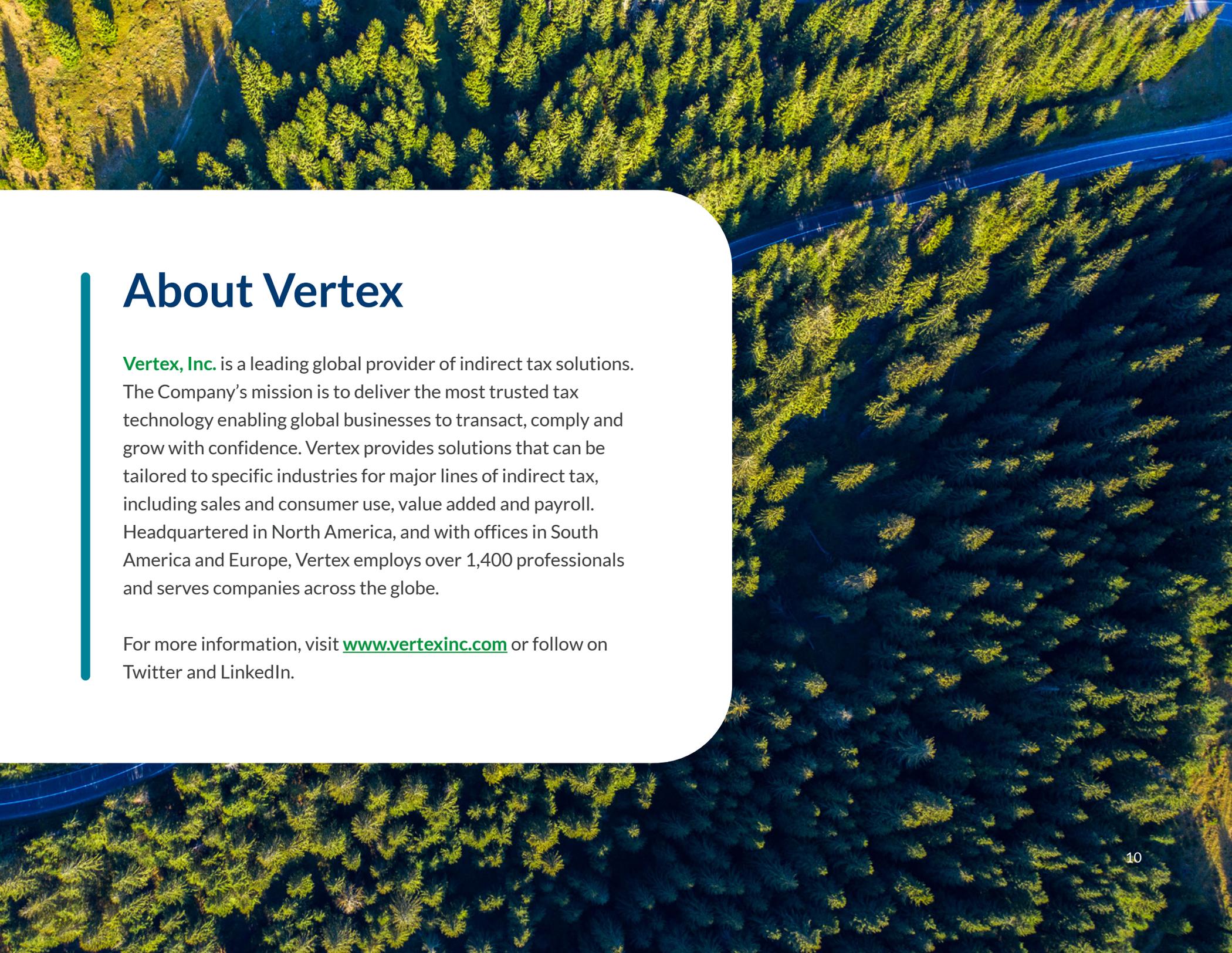
Vertex is an experienced, market-leading provider of end-to-end tax software and services. Our global firm offers clients the benefits of both worldwide reach and local expertise to facilitate growth while minimizing tax risk and tapping into innovative technology. We are unmatched in our depth of tax content, service offerings, and breadth of integrations.

Vertex's award-winning support and services reflect our best-in-class team of certified tax executives, consultants, and support specialists, all with deep tax and technology expertise. As a leading provider of indirect tax solutions with more than 40 years of market leadership, our team takes pride in our unwavering dedication to customer success.

Our end-to-end solution supports global tax determination, invoicing, and local reporting.

We are continually growing the solutions available through our suite of solutions for the global end-to-end tax process. Companies of all sizes—from mid-market organizations to the Fortune 500—appreciate our ability to evolve with their business. Get in touch today to learn more about how our end-to-end tax solutions and services can power your company's success.



An aerial photograph of a dense, green forest. A winding road or path is visible, curving through the trees. The lighting suggests a bright day, with some areas of the forest appearing more vibrant green than others.

About Vertex

Vertex, Inc. is a leading global provider of indirect tax solutions. The Company's mission is to deliver the most trusted tax technology enabling global businesses to transact, comply and grow with confidence. Vertex provides solutions that can be tailored to specific industries for major lines of indirect tax, including sales and consumer use, value added and payroll. Headquartered in North America, and with offices in South America and Europe, Vertex employs over 1,400 professionals and serves companies across the globe.

For more information, visit www.vertexinc.com or follow on Twitter and LinkedIn.



Copyright © 2023 Vertex, Inc. All rights reserved. The information contained herein is intended for information purposes only, may change at any time in the future, and is not legal or tax advice. Any product direction and potential roadmap information is not a guarantee, may not be incorporated into any contract, and is not a commitment to deliver any material, code, or functionality. This information should not be relied upon in making purchasing, legal, or tax decisions. The development, release, and timing of any features or functionality described for Vertex's products remains at the sole discretion of Vertex, Inc. Any statements in this release that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. All forward-looking statements are subject to various risks and uncertainties described in Vertex's filings with the US Securities and Exchange Commission ("SEC) that could cause actual results to differ materially from expectations. Vertex cautions readers not to place undue reliance on these forward-looking statements which Vertex has no obligation to update and which speak only as of their dates.

studio / **ID**

BY INDUSTRY DIVE

studioID is Industry Dive's global content studio offering brands an ROI rich tool kit: Deep industry expertise, first-party audience insights, an editorial approach to brand storytelling, and targeted distribution capabilities. Our trusted in-house content marketers help brands power insights-fueled content programs that nurture prospects and customers from discovery through to purchase, connecting brand to demand.

LEARN MORE