



Lowering Costs and Accelerating Growth—Why Switching Tax Engines is Worth the Effort for Mid-Size Businesses



Introduction

Imagine driving through a neighborhood you admire and spotting the perfect house. You weren't planning to move—relocating is stressful and time-consuming. But then you start to consider the long-term benefits. A short-term inconvenience could lead to living in your dream home.

For many mid-size companies, switching tax engines feels the same way. The effort and disruption may seem daunting, but clinging to a tax engine that no longer meets your needs can be even costlier. Over time, small inefficiencies grow into major obstacles.

This e-book will help you identify vulnerabilities in your current tax calculation foundation before they lead to serious financial and operational challenges. Choosing the right tax technology provider can simplify the transition and deliver lasting improvements for your team and business.

Here's what to consider in your next tax engine provider—and why making the switch is worth the effort.



More Transparent, Predictable Pricing

More predictable and transparent pricing is essential for mid-size businesses looking to manage costs effectively, but many tax engine providers operate on a per-transaction call pricing model. This means every API call and Address Cleansing request you make contributes to your total transaction count, increasing your overall costs. Often, the initial pricing for Year 1 is set artificially low, creating the illusion of affordability, while actual usage in Year 2 tends to be significantly higher.

As your business expands and adds new features, transaction volumes—and consequently, costs—can double, with little transparency into how these increases are calculated. Without clear visibility into your future volumes, you may struggle to predict long-term costs and budget.

Some providers also require you to prepay for transactions based on estimated return values, with no option for refunds or rollovers if the transactions are not fully utilized. As a result, you could experience a dramatic 2-3X cost increase in Year 2, often accompanied by the threat of overage fees even before renewal.

**Are you confident in predicting future transaction volumes?
How important is pricing stability for your business?**

The Vertex Solution

Vertex offers a straightforward, revenue-based pricing model that is:

- **More Transparent:** Costs are based on a metric that businesses can easily track and forecast.
- **More Predictable:** Companies avoid unexpected cost spikes due solely to transaction fluctuations.
- **Customer-focused:** A multi-year price lock ensures long-term stability.

Unlike usage-based pricing, our model is designed to align with a long-term Total Cost of Ownership (TCO) vision, giving businesses clarity and control over their tax technology investments.

“Fluctuating volumes, seasonal spikes and business growth can all lead to unexpected cost increases, making it nearly impossible to forecast expenses accurately. A transparent pricing model ensures businesses can plan ahead without “risk”.

- Michael Bernard, VP - Chief Tax Officer at Vertex

A Single, Robust Tax Solution

Some tax engine providers rely on multiple, disconnected applications to meet various tax needs, such as separate solutions for sales tax, use tax accruals, value-added tax and industry-specific tax calculations. The lack of meaningful integration between these solutions often leads to siloed systems managed by entirely separate support teams.

IT teams then face considerable challenges in deploying and maintaining indirect tax solutions across different jurisdictions, while ensuring seamless integration with existing systems. Managing these complexities requires substantial resources and technical expertise, adding strain to already stretched teams and increasing the overall cost of ownership.

Ask yourself: Do you have a single tax engine that centralizes all aspects of global tax determination in one place?

The Vertex Solution

Vertex offers a single tax engine that supports sales, use, and value added tax, as well as tax calculations for complex industries (oil & gas, leasing, communications, medical devices, hospitality and payroll). It's a powerful, robust solution that allows you to license the tax content that you need today and add capabilities as your needs grow—without implementing another separate tax engine.

Ability to Scale

Many mid-market businesses begin with a basic tax engine, but as you scale, you will quickly realize your current solution isn't equipped to handle increased complexity e.g., international expansion, M&A, new business units and new business models. Additionally, you are likely to outgrow the original pricing model, i.e., transaction volumes increase to the point that your provider is no longer cost-advantageous.

Ask yourself: As you expand globally, enter new markets, or adopt new business models, will your tax engine easily scale with your needs?

The Vertex Solution

Vertex is designed with scalability in mind. We can support your current setup and adapt as your needs evolve.

- **Global expansion** across multiple tax jurisdictions in 195+ countries.
- **Complex tax scenarios** across all tax types (sales and use tax, VAT, GST, plus industry-specific taxability for communications, leasing and more).
- **Seamless integrations** enabling you to connect to additional ERP, e-commerce and procurement systems as you grow through acquisitions, new product lines or multi-channel sales strategies.

Strong Implementation and Ongoing Customer Support

Some tax engine providers lack focus on mid-market needs, which leads to high turnover rates, misaligned product development and inadequate customer support. Other providers claim you don't need a lot of support at all—"it's so simple you can self-implement."

Ask yourself: Do you feel like your current provider left you hanging once the ink dried?

The Vertex Solution

Vertex takes a pragmatic, experience-driven approach to implementation. We don't over-promise rapid go-lives—we ensure success through measured, well-planned deployments.

Our implementation teams are well versed in migrating from other tax engines to Vertex.

We have a dedicated support team and offer [implementation services](#) that deliver a combination of expertise in ERP systems, technology, tax operations and tax automation solutions, with experience in over 2,000 implementations.

Furthermore, our guidance goes well beyond implementation:

- We provide expert support through our Customer Success organization, part of our Customer Center of Excellence.
- We are the only tax technology provider to earn [HDI Support Center Certification](#), underscoring our commitment to superior customer service.
- We have been recognized with the [IDC SaaS Customer Satisfaction Award for Tax](#) three years in a row—leading in customer satisfaction for SaaS tax solutions.
- We also offer a range of [support resources](#), including in-app AI-powered assistance, user groups, our annual Vertex Exchange conference and extensive training options.



Dedicated, Long-Term Staff

Instability and high turnover among staff can be a significant problem for many tax tech providers, leading to lack of continuity and lost expertise. This can negatively impact product development and customer support, leaving you feeling neglected and under-served.

The Vertex Solution

Vertex prides itself on having a low employee turnover rate, with many customer-facing employees having more than a decade of experience. This continuity ensures that your account will always be handled by specialists who understand your business needs and the nuances of indirect tax. Many of our employees have previously worked in customer-facing roles elsewhere, bringing deep expertise to Vertex.

Conclusion—Why Consider Switching Tax Engines?

Is your current tax engine provider very clear about pricing now and in the future? Do their solutions easily integrate with your changing financial ecosystem? Can you easily scale your tax process for growth? Do you have ongoing customer support from dedicated, long-term staff?

If any of these concerns resonate, it may be time to explore a tax engine that better aligns with your business objectives.

How Vertex Can Help You Make Your Move

Switching tax engines doesn't have to be daunting. With Vertex, you gain a robust tax engine designed to seamlessly integrate with your financial systems—one you can scale alongside your business and evolve to meet your needs.

- Our dedicated implementation teams specialize in migrations from other tax engines with deep expertise in major ERP systems.
- We provide full transparency on implementation timelines and costs.
- Our support structure ensures success beyond go-live.



Nite Ize Scales Tax Processes in Oracle and Adobe with Vertex

Learn how Nite Ize—a mid-size manufacturing company—was able to implement Vertex in just three months, leveraging our consulting services to get up and running quickly.

“We were hitting nexus in more and more U.S. states. The monthly tax reconciliation process had become a pretty large burden within our finance team due to the manual processes that we had in place. It was not a very sustainable process long-term and ultimately, we were looking for a solution that would support flexibility as our business grows,” said Jenna Scheeler, VP of People and Process at Nite Ize

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The right tax engine should be an asset, not a liability. Making the switch to Vertex helps ensure long-term stability, compliance and efficiency for your tax operations.

Learn more about the [Vertex O Series tax engine](#) now.

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