



Vertex Smart Categorization

AI-assisted product-to-tax-category recommendations for complex catalogs

Vertex Smart Categorization uses governed AI, enriched product data, and Vertex tax intelligence to generate product-to-tax-category recommendations for professional review – helping organizations onboard products faster, improve product and tax data quality, strengthen mapping consistency and governance, and keep customers in control of final decisions.

Built for complex, high-volume product catalogs

Retail, medical, and related wholesale organizations manage product catalogs whose tax treatment can depend on ingredients, packaging, size, use, and jurisdiction. Manual research, spreadsheets, and inconsistent coding can struggle to keep pace with new products, seasonal changes, acquisitions, and catalog updates. Smart Categorization centralizes AI-assisted recommendation and review, enriches product information, and surfaces confidence signals so tax professionals can focus attention on exceptions and higher-risk items. Customers remain responsible for reviewing, adjusting, and approving final mappings.

Move from product data to tax-ready recommendations

Smart Categorization analyzes customer-provided and reliably sourced product attributes, applies Vertex tax intelligence, and proposes the single most confident Vertex tax category recommendation for each product. A *High*, *Medium*, or *Low* confidence indicator helps teams prioritize review. Users approve or adjust recommendations, then export validated mappings for customer- or partner-led loading into the O Series tax engine or other downstream systems. The workflow supports initial O Series implementations, ongoing product and seasonal updates, new business lines or marketplace sellers, acquired catalogs, taxability testing, and audit preparation.

Scale a governed tax workflow

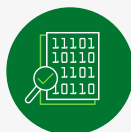
Purpose-built AI assistance accelerates product analysis while role-based access, reviewer activity, notes, and mapping history support transparency and governance. Teams can apply a repeatable process across catalogs, business units, and product data sources without replacing PIM, ERP, commerce platforms, O Series, or professional tax judgment. For applicable retail products, approved mappings can provide the category-tree granularity O Series needs to apply current tax content, including relevant Sales Tax Holiday treatment, after mappings are loaded downstream. Smart Categorization does not apply tax rules or configure O Series directly.

By connecting AI-assisted analysis with professional review and traceable mapping history, the solution helps teams shorten the path from product data to an approved mapping, focus expertise where additional verification is needed, and create clearer evidence for internal review and audit preparation. The result is a scalable decision-support process that connects product data, tax intelligence, professional review, and downstream operationalization while preserving accountability for final categorization decisions.

Benefits



Faster
onboarding



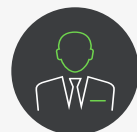
Improved
data quality



Consistent
mapping



Audit
readiness



Customer
control

Features

Capabilities that support recommendation, professional review, governance, and downstream operationalization.

Intelligent Tax Categorization Mapping

Analyzes product data and generates recommendations aligned to the Vertex category tree for supported* retail, medical, and related wholesale categories. Commercially available GPT-based Large Language Models hosted within Microsoft Azure AI services are guided by Vertex-developed prompting, algorithms, tax content, category intelligence, human-validated examples, and enriched product attributes. Customers review, approve, or adjust recommendations before export, keeping professional judgment and accountability in the workflow. Enriched product details help distinguish products with similar descriptions but different tax characteristics, while Vertex governance helps keep recommendations aligned with the supported tax content and category set.

Batch File Upload and Processing

Supports bulk upload of product data for analysis and categorization. Multi-user processing helps teams manage simultaneous uploads across business units, retail and medical product segments, acquisitions, and partner catalogs while applying a repeatable categorization process across product data sources.

Role-Based Access

Role-based access controls help govern user permissions, reviewer activity, administrative access, and access to mapping history and audit information, helping authorized teams work from a more consistent process.

Human in the Loop

Customer users review, approve, or adjust AI-proposed mappings using their policies, product expertise, and risk tolerance. Vertex tax and product experts monitor representative outcomes, maintain tax intelligence, and refine model guidance. Customers remain accountable for final categorization and downstream tax treatment, based on their policies, product knowledge, and risk tolerance.

Review Assignment and Collaboration

Allows mappings to be reassigned to authorized users for review. Reviewer actions and mapping changes are recorded to support governance and audit readiness. The capability supports review coordination without implying a structured multistage approval workflow, which is not currently supported.

Proposed Category Mapping with Confidence Indicator

Proposes the single most confident Vertex tax category recommendation for each product based on available product details. A *High*, *Medium*, or *Low* confidence indicator helps users prioritize review. Users can approve the recommendation or select another category from the Vertex category tree, helping direct attention to products that require more verification.

Proactive Product Detail for User Review

Displays relevant attributes such as ingredients, packaging, weight, size, and volume when reliably sourced from customer-provided or third-party data. These details help users evaluate recommendations and select another category when appropriate, especially when similar product descriptions mask different tax characteristics. Enriched attributes and professional review help improve the quality and completeness of the data used to support final mapping decisions.

Control of Product Mapping Data

Keeps customer validation at the center of the process. Logged mapping changes, reviewer actions, notes, and the most recently approved category create a traceable history of categorization activity that supports internal review and audit preparation.

Interactive User Interface and Dashboard

Provides a globally accessible interface and consolidated dashboard for upload status, mapping progress, recent activity, and category trends. Users can review product details, edit recommendations, approve mappings, and export validated results. Activity visibility and audit reporting support internal compliance processes and help teams pick up review work with clearer context.

APIs, Downloadable Mapping, and Audit Package

Uses documented APIs to submit product data from PIM, ERP, e-commerce, and other source systems. Customers can retrieve and download validated mappings for transformation and import into O Series or other downstream environments. Detailed logs of mapping decisions, reviewer actions, notes, and historical changes support internal review and audit reporting. Smart Categorization does not automatically push approved mappings into O Series today, leaving customers in control of transformation, import, and production timing.

* Current scope supports defined U.S. retail, medical, and related wholesale categories for U.S. sales and seller's use tax. Coverage may be partial for mixed catalogs and evolves over time. Confirm product mix against the latest supported-category list. The solution does not currently cover categories outside the defined content set, including restaurants, prepared or ready-to-eat foods, and three-sided online food-delivery marketplaces.

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