



Discover the value in your Fixed Asset Register

Capital Allowances Data Analytics



kpmg.com/au/taxdataanalytics

Insights today, value tomorrow

Using data analytics, organisations now have the opportunity to transform tax data into valuable insights. Imagine gaining the ability to interpret the enormous volumes of transactional data captured in your business systems, finding overpaid and under-claimed tax and uncovering hidden business opportunities.

By accessing relevant tax data in a user friendly way, you can maintain control of your tax processes, identifying risks and leveraging opportunities.

Stop struggling with your tax data. Start winning with it.

KPMG is helping organisations delve into their tax data, revealing both untapped opportunities and hidden risks. Early detection of such opportunities and risks can lead to financial return and support the tax function to become a key value add resource at the centre of business decision making.

KPMG's **GST Data Analytics** allows businesses to gain quantitative insights and visibility over their customer, vendor and product master data. It highlights the accuracy of the GST configurations within their business systems and the efficiency of the manual processes pertaining to their indirect tax filings.

GST Data Analytics is just one of a suite of tax data analytics tools offered by KPMG across customs, employment, indirect and corporate taxes.

How is data analytics disrupting the management of GST?

The Australian Taxation Office (ATO) is increasingly focussing on the integrity of business systems and robust internal controls to gain confidence over an organisation's end-to-end GST process. This puts the onus on organisations to ensure that master data management, business system configurations and internal processes are fit for purpose.

KPMG's GST Data Analytics is designed to make this simple.

Our approach combines sophisticated data analysis with explorative testing to uncover potential compliance risks and financial opportunities. Coupled with the vast experience of KPMG's tax professionals, GST Data Analytics can help instil consistent and transparent procedures and controls, and could uncover potential tax savings.

Questions to ask about your GST data:

- 1. What would a 1 percent error rate in your GST classification mean to your business?
- 2. Is your focus on getting the BAS filed on time rather than ensuring that each label is supported with accurate source data?
- 3. Are there inefficiencies in the order to cash, procure to pay, and record to report accounting processes that impact GST?
- 4. Are system master data or configuration issues creating a hidden liability?
- 5. Are manual GST coding process errors masking a refund?
- 6. Can you reduce your risk of a data driven ATO audit by demonstrating the integrity of your systems?
- 7. Can I give comfort to the board that we have sufficient operational processes, governance and controls over GST?

How does tax data analytics work?



1. KPMG's data specialists work with your team to extract data from business systems.



2. The data specialists cleanse, reconcile and load the data using KPMG proprietary data analytics tools.



3. KPMG undertake exception testing, benchmarking and trending to report results, detect anomalies and visualise data.

Focused on outcomes

Drawing on advanced data analytics technology and the expertise of KPMG's tax professionals, the GST Data Analytics approach is focused on identifying inefficiencies across business systems and manual processes. It helps you to:



Gain control and visibility of your GST data

Obtain fact-driven insights in to the level of GST compliance on an easy-to-use interactive dashboard.



Increase efficiency

Identify, report and rectify errors and inefficiencies while highlighting opportunities to improve processes and procedures.



Improve risk management

Examine the integrity of master data and incorrect tax postings that do not meet internal governance and control processes.



Transform data into value

Gain insights into potential cash savings, optimise cash flows, and identify GST throughput.



Focus on your core business

Reduction in compliance effort may allow redeployment of tax staff to value-add planning and tax leakage prevention.



Case study

An organisation engaged KPMG to support the tax function with an upcoming ATO 'Integrity of Business Systems' audit. KPMG's methodology involved running a suite of GST data tests tailored to the client's industry and unique business system to ascertain any areas of concern in advance of the audit. KPMG's data analytics tools identified material weaknesses in the classification of materials in the master data. In addition the coding of capital expenses purchased locally from foreign vendors, which were subject to Australian GST, were incorrectly coded as GST free purchases.

KPMG supported the client with improving the tax classification of master data and in claiming the GST refund for missed expenses. The ATO accepted the KPMG data driven methodology as part of their overall assessment during the audit. The organisation now runs regular testing using KPMG's data analytics tools and provides updates to the board of process improvement.

What insights can GST Data Analytics provide?

Top vendors and customers

Identify holistic vendor and customer trends for your organisation stratified across your business units, legal entities and over the period of review.

Invoice by GST category

Highlight vendors and customers where invoices have been issued with multiple GST categories on a line item basis.

GST timing and attribution

Provide insights into the value of GST cash flow improvement available to the organisation.

Foreign vendor invoices

Gain oversight of key countries of trade and foreign invoices and reverse charge GST liabilities.

Adjustments note analysis

Undertake an analysis of the tax treatment applied in the processing of adjustment notes, recipient created tax invoice (RCTI) and the application of both by businesses with vendor and customer rebate scenarios.

Internal controls

Analyse processes around tracking GST group structures including the addition and removal of members and general controls over business processes that impact GST.

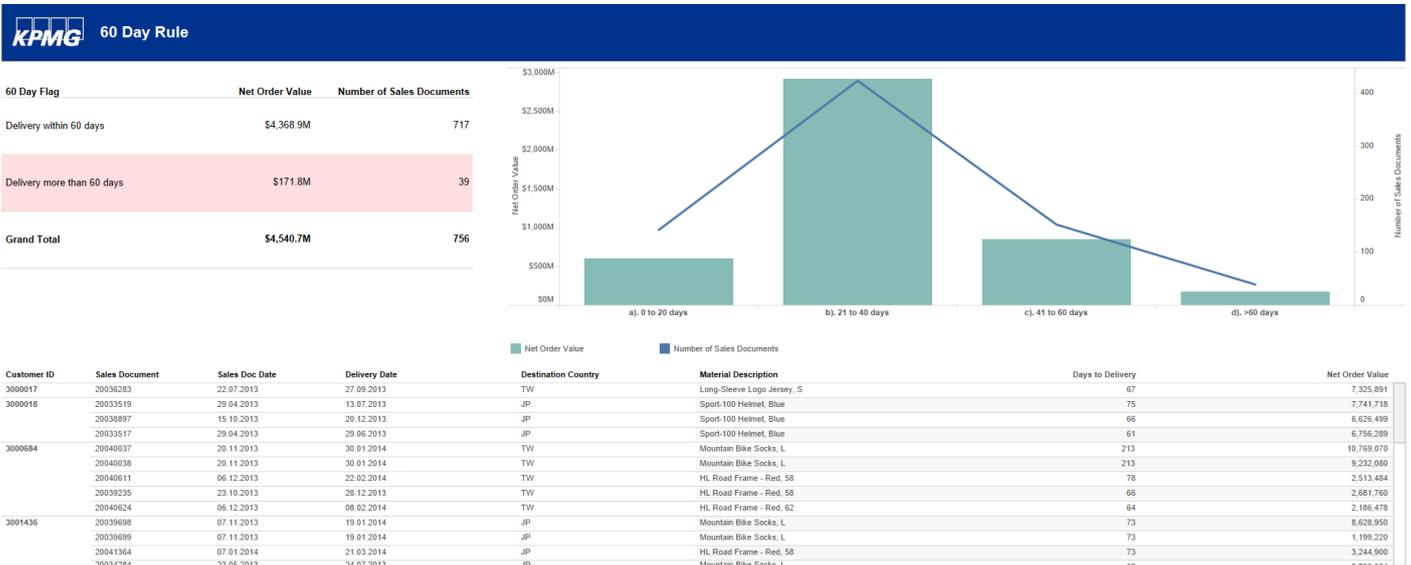
ABN validity

Verify ABN vendor master data against the Australian Business Register.

Material master data

Assist in identifying materials and products that have incorrect GST classification.

KPMG's GST Data Analytics uses market leading visualisation software allowing you to interrogate your data, validate exceptions and identify opportunities in a clear and concise manner. An example of a data driven insight is set out in our visualisation tool below:



Note: sample data set only.

Contact Us

For more information on how KPMG's suite of Tax Data Analytics tools can help discover the value in your tax data, please contact your KPMG Tax Advisor.

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