

# Tax Intelligence Solution (TIS)

A KPMG Data & Analytics Solution



## The challenge

Tax compliance obligations can be a substantial risk and burden to organizations. Most companies rely on basic technology support from their ERP systems supplemented with extensive manual compliance activity. Manual processes are time consuming and existing tools and capabilities are often insufficient in processing the vast amounts of tax data, putting the organization at risk of overpaying tax, or even assessment and fines.

Moreover, in many organizations this vast amount of data is not accessible by tax professionals, making it challenging to identify risks – and likewise opportunities – based on **actual** data. Organizations must understand and comply with the requirements of increasingly complex international tax reporting while remaining cost effective.

The global tax landscape is changing. Electronic tax filing is becoming the default. In certain countries, tax authorities are no longer sitting back and waiting for tax returns; they are now requesting raw data and invoices to perform analytics and report back to organizations with their tax bills.

Organizations must prepare for a new era in tax, and it all starts with data and analytics.

## The opportunity

### Transforming data into value

Using data analytics tools, organizations now have the opportunity to transform tax data into insight. Imagine gaining certainty on invoices, returns and declarations, finding overpaid or under-claimed tax, and revealing buried business opportunities:

- Insight into the supply chain based on actual transactions
- Clear insights on the realized margins per business unit, entity, country, product group or even product (SKU)
- Find non-tax opportunities, like double paid invoices

By accessing **relevant** tax data in a user friendly way, you can be fully in control of your tax processes, identifying risks and leveraging opportunities. Stop struggling with your data. Start winning with it.

## How can KPMG help?

KPMG's Tax Intelligence Solution (TIS) is an integrated suite of indirect tax technology analytical tools, methodologies and insights that allow organizations to gain quantitative insights and visibility into the status of compliance, process efficiencies and opportunities – driving real financial value for the tax department and the wider business.

The solution is built on the certified Microsoft Azure cloud platform, and leverages other critical technologies, such as machine learning and predictive capabilities, for scalable, real-time data analysis, visualization and insights.

Experienced tax analytics advisors in our member firms, combined with the powerful data and analytics methodology of TIS, can help you transform your tax data into insights. From uncovering risks in tax compliance to unlocking opportunities in transactional data, member firm professionals can help clients achieve global compliance, monitor accuracy, enhance working capital and create new enterprise value for the tax organization.

## TIS provides:

- Standardized tools to extract and analyze tax-relevant data from major ERP systems, allowing risk and opportunity identification and areas for process improvement
- The ability to 'enrich' finance and tax data with other key information, including: authorization data, customs and logistics data, and ERP master data
- Data visualization and reporting tools to allow easy manipulation and refinement of outputs

TIS' comprehensive suite of data and analytics tools provide insight in Indirect Tax, Transfer Pricing, and Trade & Customs. TIS can help increase tax process efficiencies by identifying taxes that have been incorrectly expensed and detecting tax determination errors earlier, helping reduce the risk of penalties and the time spent settling tax audits and queries.

TIS puts your tax professionals proactively in control over the tax process, which can enhance working capital, and ultimately help your organization avoid financial, reputational, strategic and operational risks.

## Flexible deployment options

TIS is flexible enough to meet your individual needs. Available as:

- KPMG-hosted implementation model
- KPMG or Microsoft Azure cloud-hosted implementation model
- Hybrid implementation model

## Contact us

Contact us today to see how TIS can help your business:

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## TIS in action

### Case study

#### Input VAT refund analysis powered by TIS

A large international insurance company with an affiliate in the Netherlands did not administer VAT separately in their financial accounting until 2013. Using TIS and statistical sampling techniques, KPMG in the Netherlands discovered invoices for which input VAT was not recovered. Together with the newly calculated pro-rata input VAT deductibility rate and liable reversed charged VAT, a VAT correction request was submitted to the tax authorities reclaiming EUR 400 000,00 for a five year period.