The Role of Tax in SAP S/4HANA

RISE WITH SAP | Validated Partner

—

October 2025

KPMG

01
Tax in S/4HANA

Overview of Service offering for SAP and TAX

Transactional Taxes | **Direct Tax** | **Reporting & Monitoring**

Tax Determination — E-Invoicing — Statutory Reporting — Tax Controls — Direct Tax & Transfer Pricing — Reporting & Monitoring

SAP S/4HANA

SAP Document and Reporting Compliance

SAP Integration Suite

E-apps Tax Engines

Vertex, Thomson Reuters, Avalara

Origen Technologies & Sothis

Countries not supported (Argentina Vietnam, Uruguay, Panama, etc.)

U.S. reporting
Brazil reporting

AdoptIT, Phoron. Wolters Kluwer, Thomson Reuters & Synchro planned

SAP Risk and Assurance Management

SAP S/4HANA Finance for group reporting

SAP Profitability and Performance Management Cloud

SAP Analytics Cloud

Thomson Reuters ONESOURCE for Tax Provision

SAP Analytics Cloud

(Global Compliance Monitor)

KPMG Digital Gateway

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Key considerations across all tax types in a wider ERP transformation

Listed below are the key areas that must be considered from a tax perspective in a finance transformation.

Embedding tax requirements within the value chain is the key to success in a ERP transformation

01

Indirect Tax

- Determination of tax on sales, purchases and intercompany flows
- Integration of taxes into P2P, O2C, R2R, fixed assets, expenses etc
- Tax treatment of supply chain flows
- Local tax and statistical reporting
- Master data setup

02

Customs, Excise and other taxes

- Determination of customs and excise duties at the transactional level
- Handling types
- Preferential agreements
- Commodity codes
- Local taxes – duties and levies
- ESG considerations

03

Direct Tax

- Entity structures (branches, plants)
- Data sensitisation – chart of accounts, purchasing, expenses etc.
- Fixed assets
- Tax books and reporting
- Group Tax reporting
- Tax provisioning and consolidation

04

Statutory Reporting & Transfer Pricing

- Price setting
- Visibility of intercompany transactions
- Cost allocations process
- Chart of accounts
- Secondary ledgers
- CbCR

05

Digital Reporting & e-invoicing

- Getting it right the first time
- Real-time information interchange
- Connected system landscape

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Where do business processes and tax meet?

Tax topics

- Value Added Tax
- Withholding tax
- Corporate Taxes
- Transfer pricing
- Property Tax
- Wage Tax
- Customs
- Other tax topics

Key: = Tax review

Level 1												
Plan to Perform	Develop Strategic Plan	Financial Planning	Workforce Planning	Capital Planning	Project Planning	Reporting	Process Governance	System Maintenance				
Treasury	Cash Mgmt	In-House banking	Financial Risk Mgmt	Manage Process	System Maintenance							
Record to report	Close & Reconcile Subsidiary Ledgers	General Ledger Close	Preliminary Financial Statements	Financial Consolidation	Month End Reporting	Technical Accounting	Manage Process	System Maintenance				
Acquire to retire	Capital Planning and Budgeting	Set up Projects & Work Orders (See Project to Result)	Cost Accumulation (See Project to Result)	Asset Record Identification & Creation	Asset Installation & Maintenance	Asset depreciation	Asset Retirement	Asset impairment	Fixed Assets Month End & Reporting	Manage Process	System Maintenance	
Order to cash	Manage Customer	Manage Customer Credit	Product/ Service Mgmt	Quote & Order Mgmt	Invoice Mgmt	Customer Service	Cash Applications	Collections Mgmt	Month End	A/R Analysis	Manage Process	System Maintenance
Project to result	Contract Set Up	Set Up Project	Monitor & Control Project	Close Project	Manage Process	System Maintenance						
Requisition/ Purchase to pay	Requis-itioning & Approval	Purchasing	Receive Order	P-Card Admin	Expense Admin	Invoice Processing	Reporting and Analysis	Manage Process	System Maintenance			
Source to contract	Strategic Procurement Function Mgmt	Strategic Category Mgmt	Supplier Relationship Mgmt	Strategic Sourcing	Contract Lifecycle Mgmt							

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