



# Tax Technology and Transformation

## Factsheet



### Unlocking the Power of Data and Technology to bring value to our clients

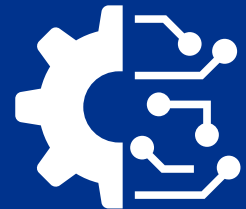
Technology and Innovation can be the difference between a tax department that is on defence, a department that is simply keeping pace and one that is proactively building a proud tax narrative inside and outside of the organisation. We have a host of tax technologies that have been developed (globally and locally) to assist tax leaders and tax departments tackle regulatory change, facilitate streamlined processes, turn data into value and enable effective collaboration across the tax department and beyond.

#### Brief Service Description

With the change of the Tax landscape over the past few years, KPMG has invested millions in tax technology across the globe. Together, KPMG and our clients, are able to leverage from this significant commitment and investment. The changing tax landscape has also required that we think of new ways to approach our tax offerings in order to assist our clients during unprecedented times and beyond into the future. Our approach is to make use of data, technology and innovation to assist tax departments to proactively drive strategies mitigating tax risks, help identify efficiencies and savings opportunities and to improve tax processes.

Our team has multi-disciplinary skills covering:

- Data management and data analysis
- Tax process and controls automation experts
- Tax specialists (Direct and Indirect Taxes)
- Tax Accounting



### Clarifying Questions

We aim to assist our clients to achieve a level of certainty in an uncertain world, to enable better control over their taxes, to face the technology disruptions head-on and to be able to answer the following questions with confidence:

- Does your current process enable you to address queries from Revenue Authorities effectively and efficiently in order to show that you have control over your end-to-end tax process?
- Do you have complete visibility and factual insights into your organisation's relevant tax data available at your fingertips in order to make better business decisions?
- Does your tax function focus their time on adding value to the business rather than repetitive compliance related work?
- Do you have quantitative insights into the status of tax compliance and are you able to easily identify potential improvements and cash saving opportunities?

## What we offer (cont.)

We use our tax technology solutions as enablers to perform our tax services **faster, better and with increased value to our clients**. We work with clients to provide real-world tax expertise underpinned by best-in-class Tax Technology solutions to offer the following services:

- Tax data analytics (diagnostic reviews, health-checks and risk reviews)
- Tax reconciliations using Technology (including, but not limited to indirect taxes)
- System controls review (tax post system implementation review & blueprint design for optimal use of system for Tax)
- Tax process development & automation (including RPA and AI)
- Tax Technology solution implementation (Direct & Indirect Taxes)
- Tax function transformation
- VAT savings reviews using Technology

Most tax technology solutions can be broadly placed into one of four categories:



### Insights related solutions

Provide insights into the accuracy of your tax related data, to help you either identify potential tax risks up-front, or enable you to identify errors or inconsistencies in your tax filings.

#### *Benefits:*

- Provides insights to help manage tax risks
- Provides insights to identify cashflow and savings opportunities



### Process management related solutions

Solutions which help to manage either a specific process or an end-to-end process, by making the right information available to the right person at the right time.

#### *Benefits:*

- Generate efficiencies and accountability for decision making
- Ensure clear lines of responsibility
- Share information within the organisation



### Compliance related solutions

Help you prepare, or file, tax returns more efficiently, more accurately, or in an automated way. For example, solutions to help prepare automated VAT/ GST returns and income tax returns

#### *Benefits:*

- Remove inefficiencies in existing manual processes
- Ensure greater accuracy and / or transparency of tax returns



### Platforms/components

Hardware or software solutions which typically are built into Tax Technology software, or which enable or facilitate the automation of compliance.

#### *Benefits:*

- Enable or facilitate compliance, insight and process management solutions

## Achieving success for our clients

### Challenges faced by one of our clients – a case study

A leading client in the automotive industry experienced the following challenges:

- The tax team was inundated with audits and queries from the Revenue Authority which required substantial amounts of data and explanations from the tax team on tax treatments
- The tax team was having trouble obtaining data required to prepare tax returns from various ERP systems (sub-systems) used in the business
- The tax team did not have the necessary visibility and insights to provide sufficient responses within a reasonable timeframe. This coupled with capacity constraints caused delays to submit the monthly/annual tax filings together with responding to the tax queries



## Achieving success for our clients (cont.)

### Our Approach

Working with the client, we extracted data from their various ERP systems to evaluate the tax process and control environment using our insights related solution. We identified system control gaps and weaknesses and with the necessary optimisation could bring forth increased efficiency, increased visibility and faster access to relevant data/information.

The data set was subsequently loaded into our tax compliance related solution to prepare a reconciliation between the VAT/GST returns and the annual financial statements that was required by the Revenue Authority.

We were also able to leverage this data set to respond to queries from the Revenue Authority to confirm the consistent treatment of transactions across the business.

### Our Results

Relying on one set of data extracted from the client's ERP systems the client was able to:

- comply and timeously submit their monthly/annual tax returns and supplementary declarations required by Revenue Authority
- obtain actionable insights and visibility to respond to queries from the Revenue Authority

Using robust data analytical methodologies provided significant value to the client as they were not only able to respond to the Revenue Authority, but also identified strategic initiatives to enhance their overall tax management process. The Revenue Authority released the client's tax refund that was previously withheld due to outstanding tax compliance obligations.

Our sophisticated Tax Technology solutions and specialised data interpretation skills are key differentiating factors enabling us to deliver faster, more efficiently and with the highest level of quality to ensure increased value to our clients.

With faster delivery, more visibility and insights, we are able to increase the overall completeness and accuracy of the tax compliance process.

## Contact Us



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