



# Tax Reimagined — What's next?

**Future of Tax & Legal webcast series**

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# Today's presenters



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# Topics for discussion

## Agenda



- 1 **Cash is key**
- 2 **Looking back — reactive ideas to maximize cash**
- 3 **Best practice in real time — stop the need to look backwards**
- 4 **Q&A**

# Administration

## Polling questions

- Polling questions will appear as we proceed through the presentation.
- As mentioned, in order to receive the certificate of attendance, we require participants to take part in at least four of the five polling questions.
- If you qualify for the certificate of attendance, it will be sent to you following the webcast.



## Attendee questions

- You may submit questions in the *Ask a question* button on the left. We will answer as many questions as we can during Q&A. If we are unable to answer your question during the webcast, someone from KPMG may reply via phone or email following the webcast.
- For technical issues, please use the *Question Mark* button in the upper-right hand corner of the media player.



## Your feedback

- When the webcast is over, the webcast player will automatically refresh to display an exit survey. Feel free to complete the survey, as your comments are very valuable to us.





# Cash is key



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# Looking back — reactive ideas to maximize cash



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# Cash management & its impact during COVID-19 crisis

The COVID-19 crisis has strongly impacted business activity and mobilization with regard to the human, economic and financial stakes with an impact on cash positions of all organizations, whether large or mid-sized.

Our vision related to Cash Management through impact assessment

Centralized approach

- Requires discussion with Head of Tax and/or Head of Finance, to explain the COVID-19 related government programs and relief measures which might apply to the organization;
- Involvement of cross functional teams (Transfer Pricing, Tax Compliance, etc);
- Need for a global consolidated update of measures to be assessed centrally before proceeding with cash refund requests.

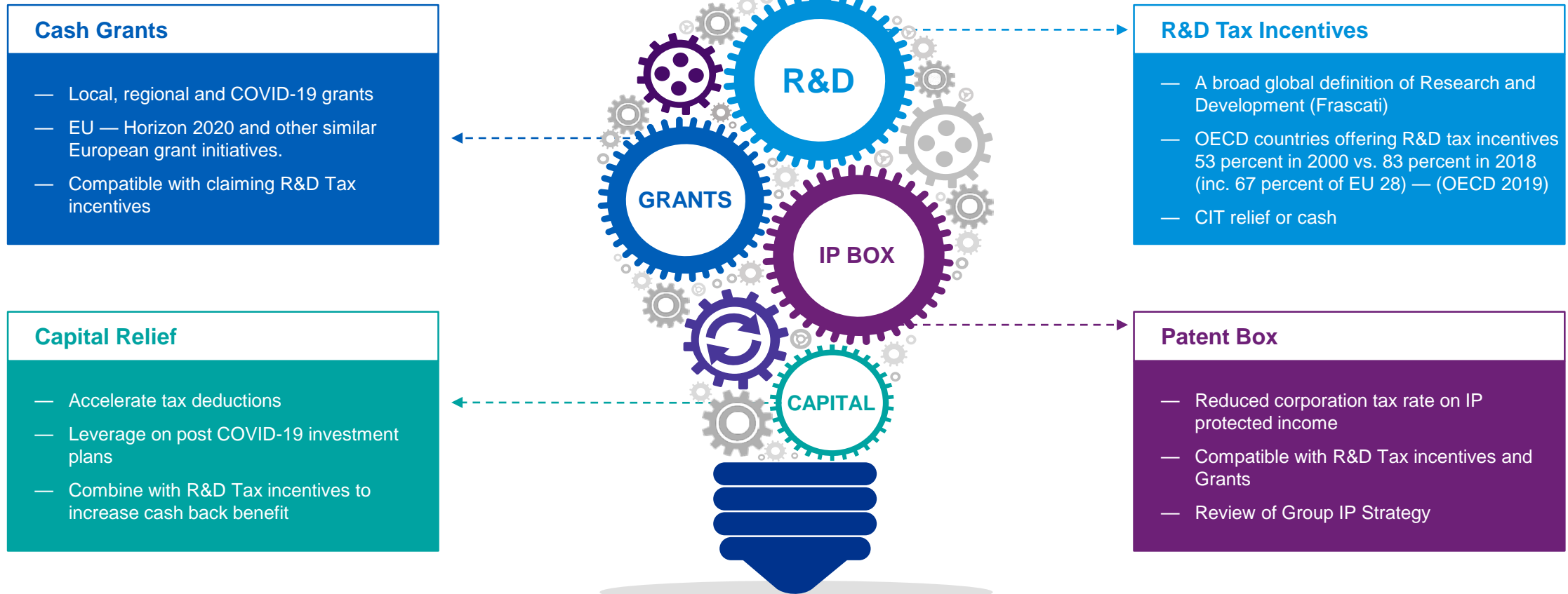
Local to Local approach

- Consider a more granular level discussion in each jurisdiction to answer specific questions on the local regulations applicable for the industry in the specific country.
- Need for a quick turnaround time to ensure consolidated & structured global view, resulting in efficient decision making.
- Based on trends, approx. 60–70 percent clients are interested in the local to local approach where assistance is provided on postponing/refunding/benefiting from measures related to COVID-19 in each relevant country.



Have you thought about the impact of such decisions on your tax management?

# Helping your business generate cash via global investment & innovation incentives





# Best practices to leverage value from your organization

## An R&D perspective



### Review

- Historic claims to ensure all eligible expenditure is captured
- Challenge current prudent claim estimates
- Current claims to ensure robust documentation. Tax enquiry window extended (France,..)



### Combine

- Grants and R&D relief
- Enhance cash back through capital relief for loss making businesses



### Organize

- Localization of R&D substance to benefit from generous schemes (France, UK, Canada)
- Global management of R&I strategy



### Invest

- In Tax Technology tools for better reporting (Ipbox, R&D claims)
- Implement real-time project tracking in order to produce early claims



### Anticipate

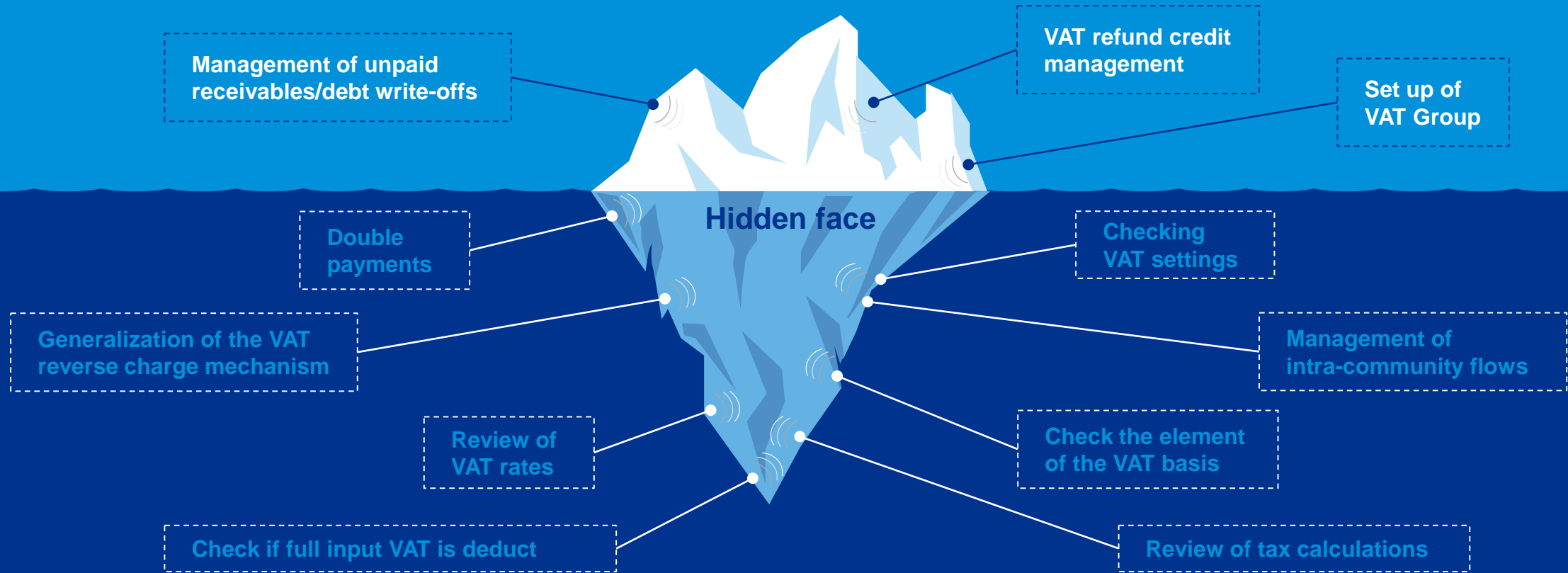
- Diversion of resources and post COVID-19 distractions
- Departure of staff and loss of data to be able to make claims
- Identification of eligible activities
- Tax profile change, and new scheme benefit



### Optimize

- Expenditure recharge and TP policy
- Cross-jurisdiction double-dip benefits using a unique and global R&D advisor
- Claims to include Manufacturing and Plant activities

# Focus on VAT



Methodology to manage?



Use of technology tools at your disposal to retrieve tax data (Tax data analytics, TIS, ...)



Establish a cartography of the flows taking into account the evolutions related to:

- Development of e-commerce,
- Measure existing and future supply chain costs



Ensure high level of Data Quality



Best practice in  
real time — stop  
the need to look  
backwards

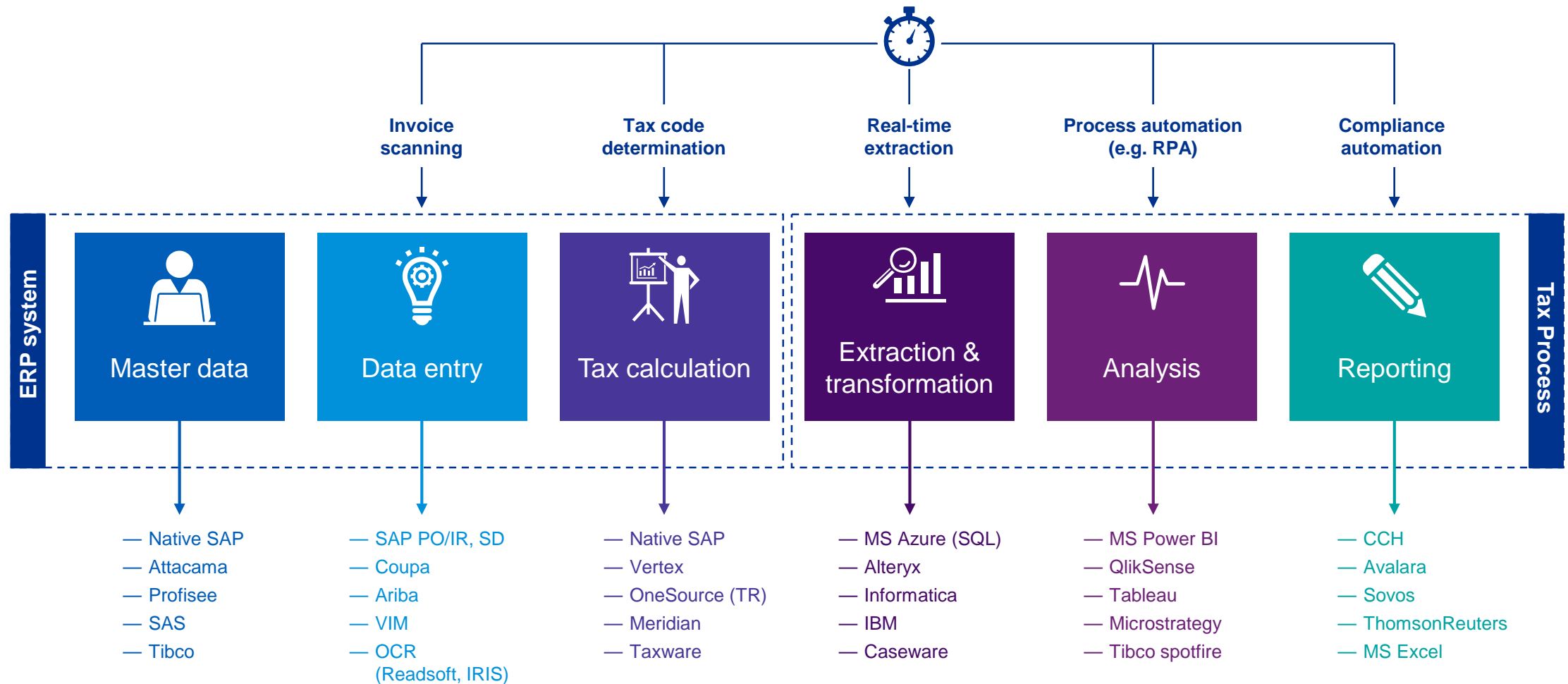


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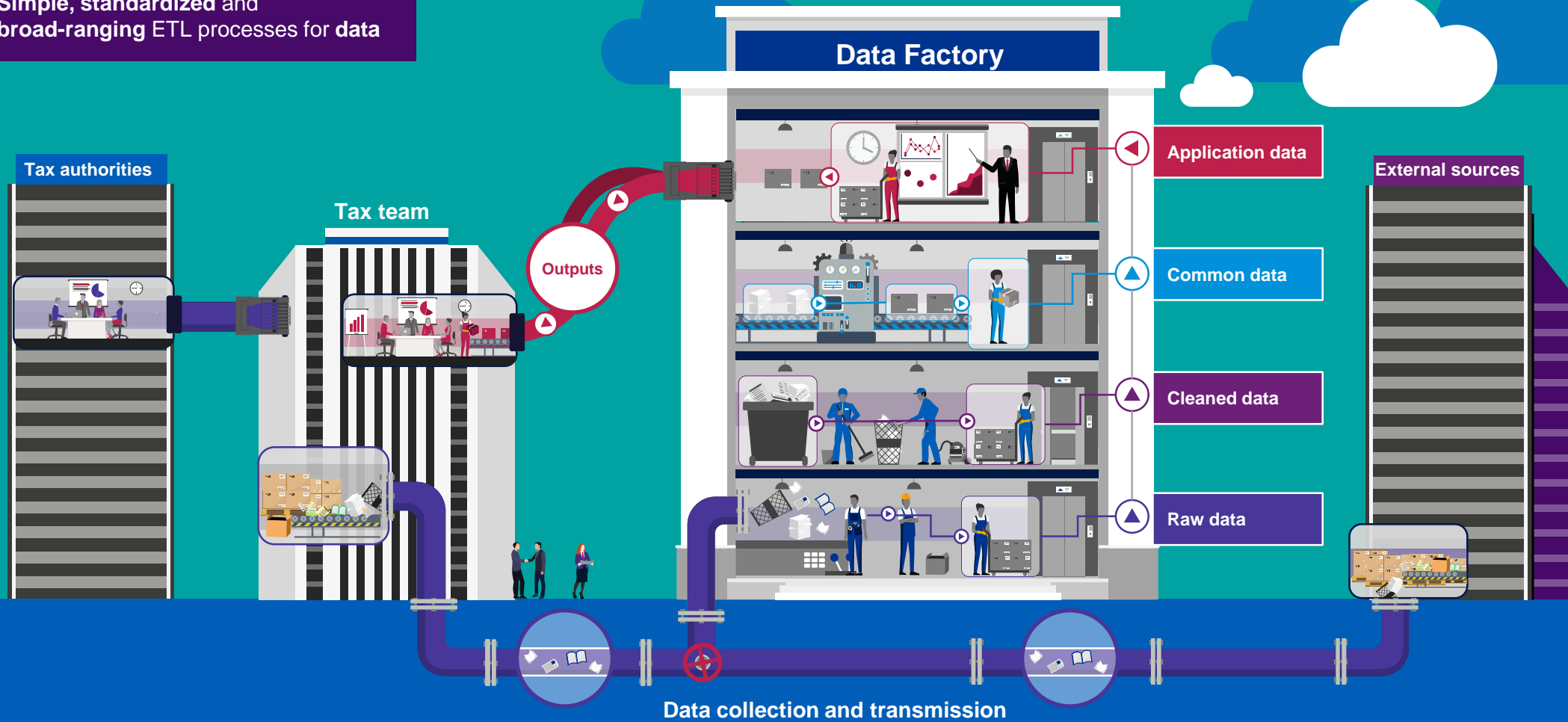
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# Tax data process & opportunities for automation



# Tax data management – What does good look like?

Simple, standardized and broad-ranging ETL processes for data

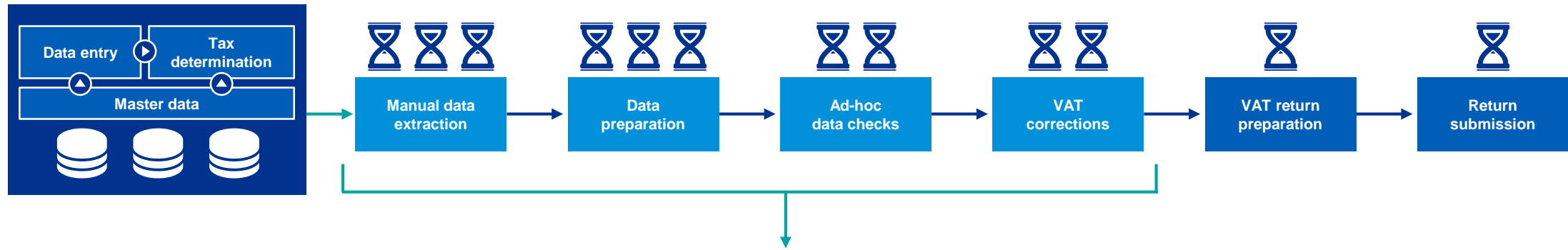


# End-to-end Indirect Tax process & data enablement

- Core processes
- Data management
- Reporting/Insights

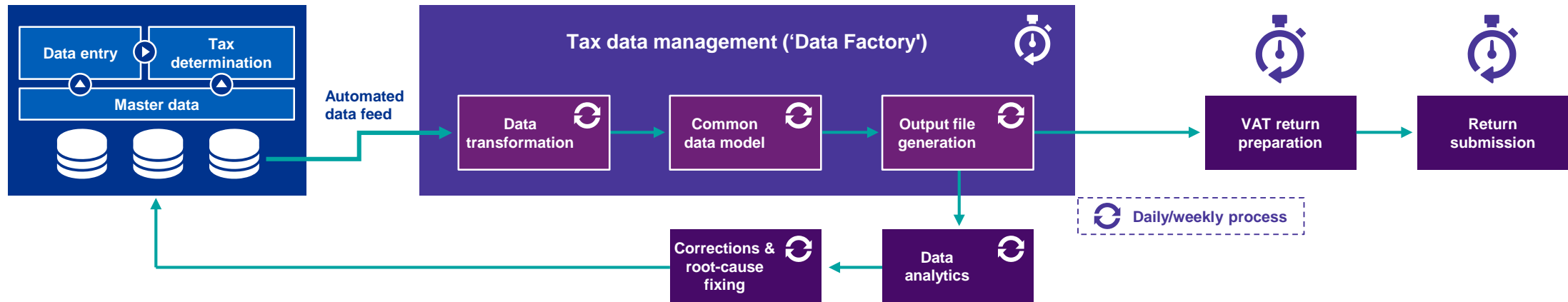
## Traditional end-to-end Indirect Tax process

### ERP/IT System



## Reimagined end-to-end Tax process

### ERP/IT System



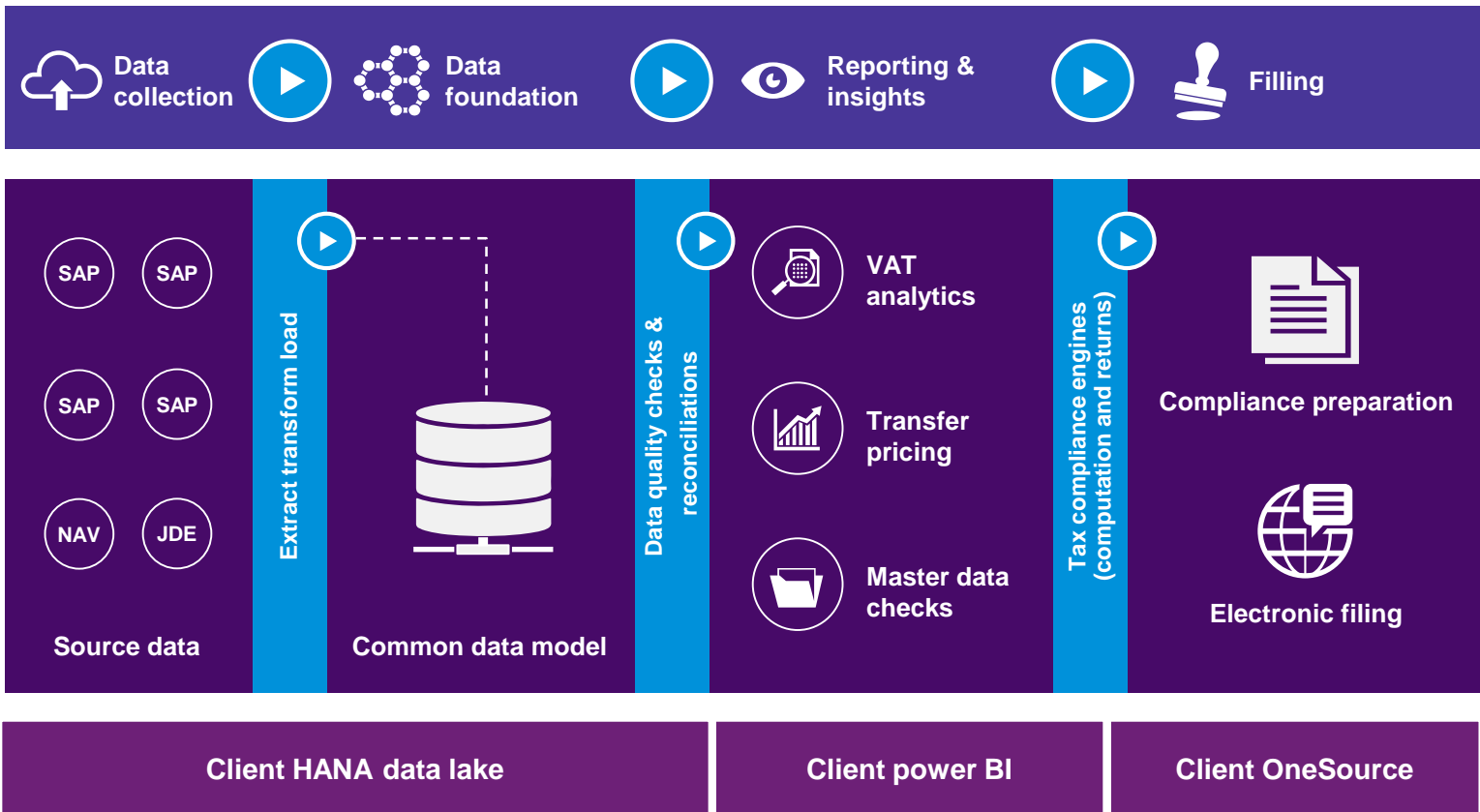
# Indirect tax analytics implementation

## Client issue:

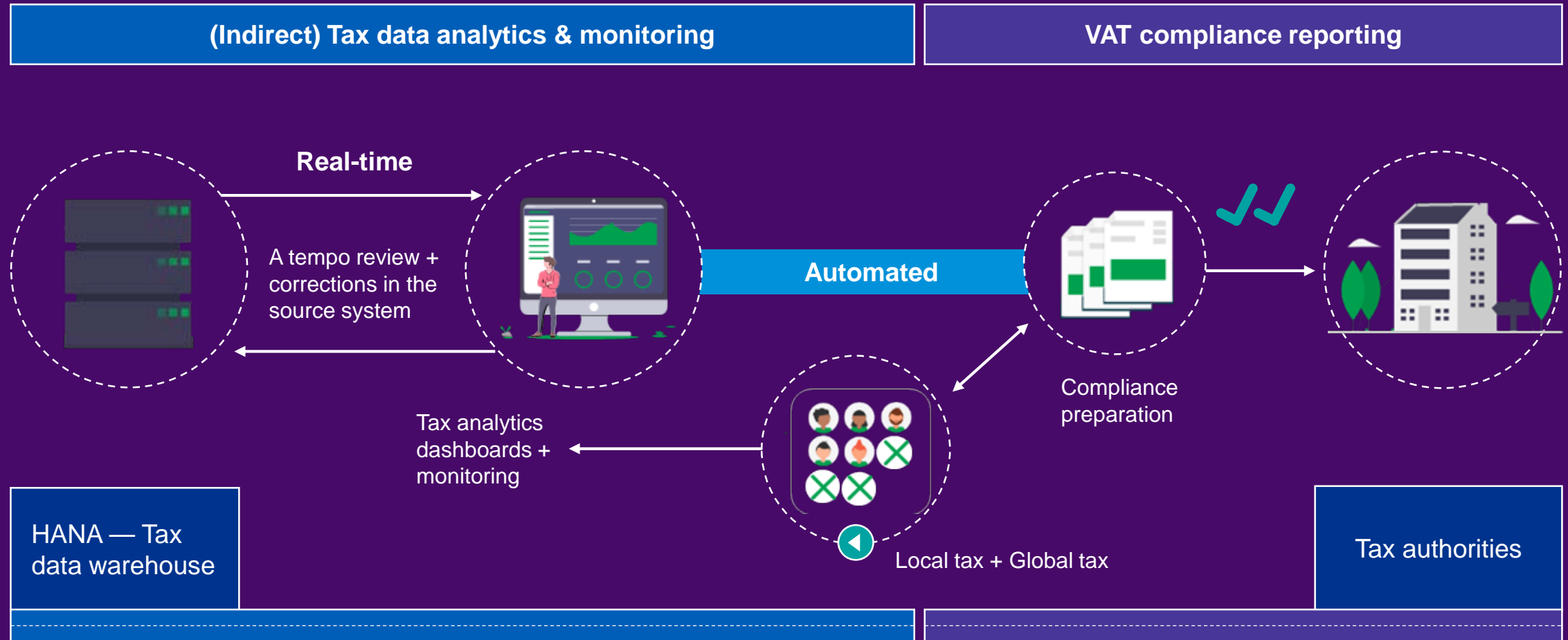
Our client wants to expand the usage of indirect tax data analytics by the business, in order to improve the indirect tax processes within the local teams and the global shared service centers by leveraging their current technology investment in setting up an on premise data lake.

## Scope:

- 20 European countries/registrations
- 25 end-users (1 per country + 5 SSC)
- 10 ERP systems ranging from SAP, Navision and JD Edwards
- 30 VAT & TP analytics

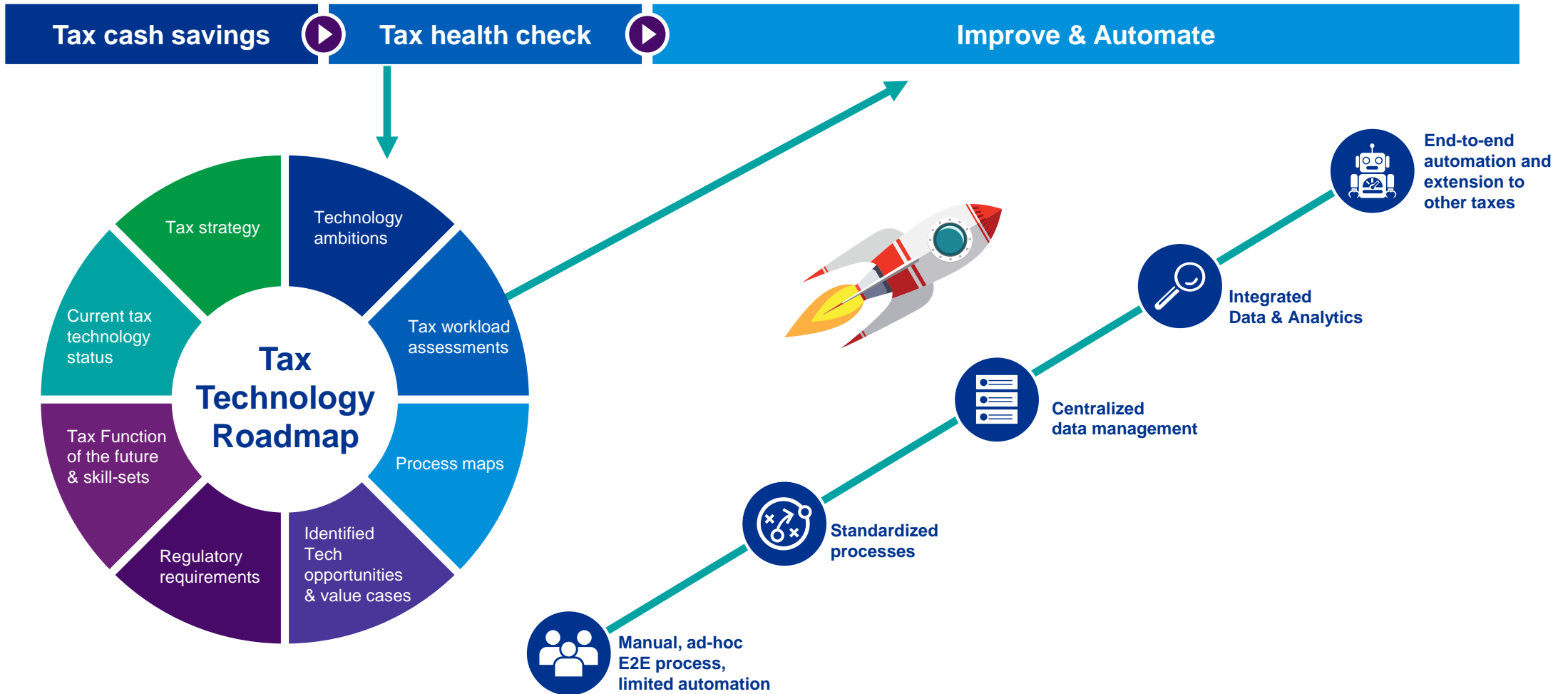


# How this solution streamlines the VAT compliance process





# Cash savings to fund further improvements/transformation





# Questions?



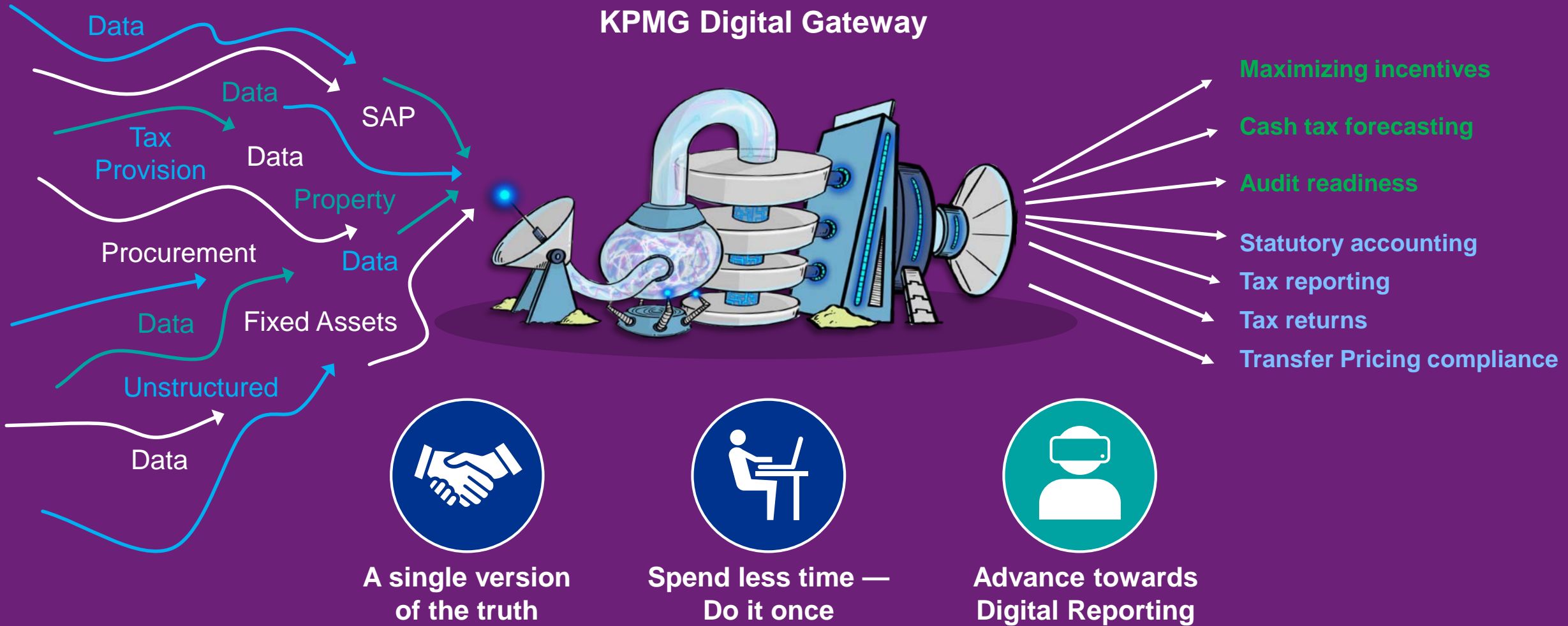


# Wrap up

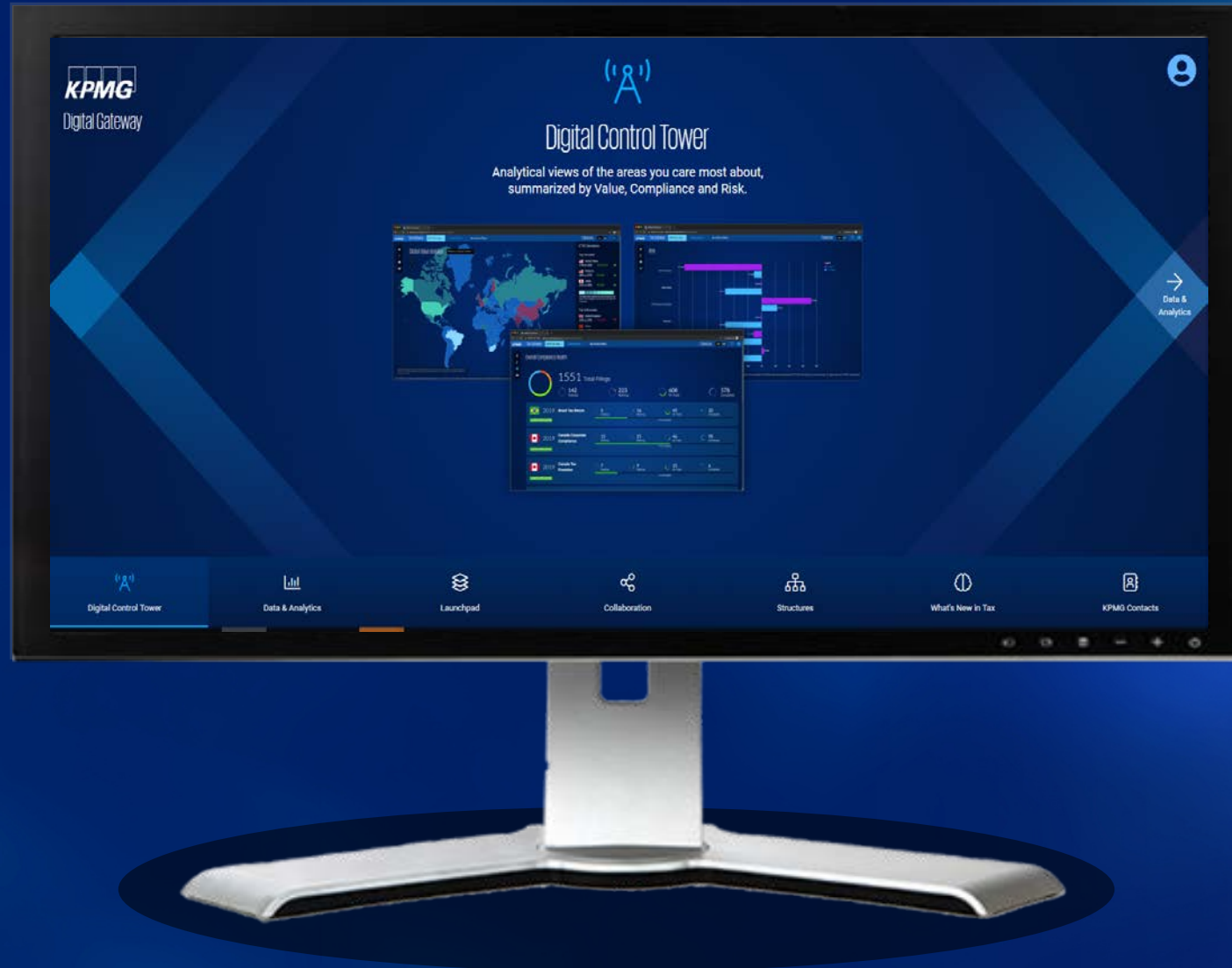


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# What can good look like?

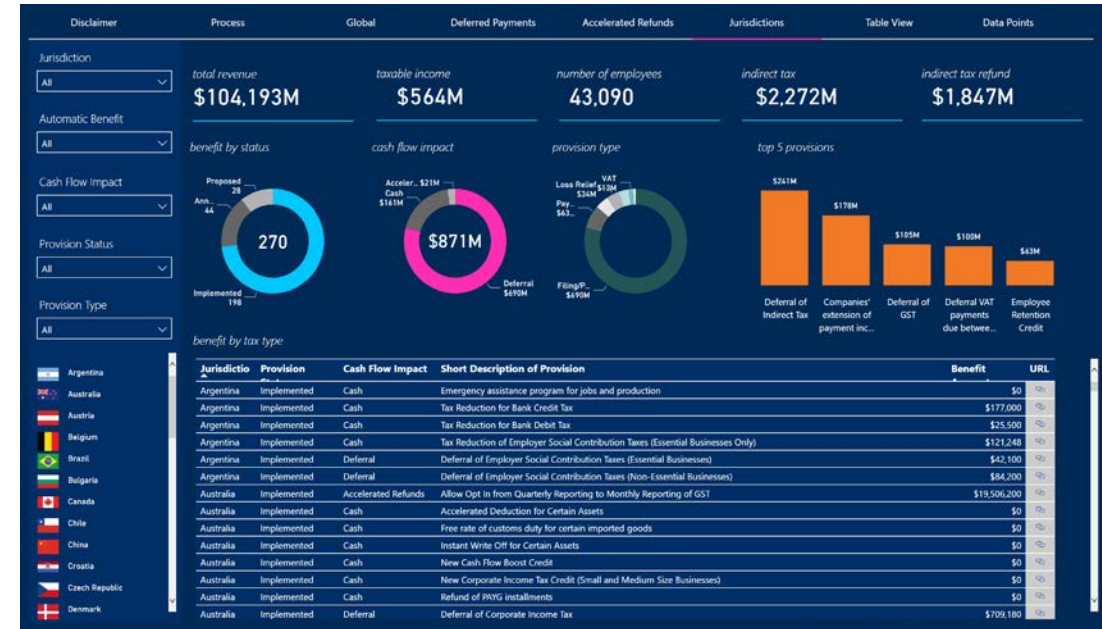


# KPMG Digital Gateway



# A COVID-19 business resilience report

## Example outputs





Thank you





[home.kpmg/socialmedia](https://home.kpmg/socialmedia)



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