

# INDIRECT TAX

## Compliance



## TRANSFORMING VAT COMPLIANCE

Demands around VAT compliance are increasingly complex in today's changing environment. While every business has its own unique in-house process around VAT compliance, common issues are data integrity, risk management, responding flexibly to changing regulation and succession planning.

There are growing regulatory and professional business risks for those companies who get it wrong. Many companies are finding that their tax experts are consumed by managing the manual aspects of the compliance process rather than adding value to the business. Developing in-house solutions can be expensive, problematic and outside of strategic core activity. In addition, maintaining up-to-date content and tracking key changes in tax regimes across multiple jurisdictions is arduous.

Thomson Reuters can help you address all these issues with our market-leading ONESOURCE Indirect Tax software.

### HOW ONESOURCE INDIRECT TAX CAN HELP

ONESOURCE Indirect Tax standardises, accelerates and improves the quality of the VAT compliance process reducing risk and cost.

Our modular approach ensures ONESOURCE Indirect Tax flexibility can accommodate your distinct requirements around VAT compliance, while maintaining a robust risk management framework.

It enables automated data collection and entry in a number of ways, helping to ensure data integrity from numerous data sources.

We maintain and update the latest tax rules allowing you to focus on your indirect tax compliance rather than the implications of changing regulations.

Using our solution maps your in-house knowledge into the compliance process reducing human risk and assisting with succession planning.

ONESOURCE Indirect Tax also offers the option of a fully hosted solution to minimise any impact and cost on your in-house IT function.

### ONESOURCE Indirect Tax has been successfully implemented in organisations looking to:

- Demonstrate a robust process to address senior accounting officer (SAO) and penalty risk
- Improve cash flow through accelerating the return process to speed up monthly repayments
- Speed up the reconciliation to general ledger

### BENEFITS TO YOUR TAX DEPARTMENT

#### Cost and Cash-flow Benefits

- Clients have reduced compliance costs up to 30% by replacing their in-house technology with ONESOURCE Indirect Tax and reducing internal resourcing requirements

#### Benefits of ONESOURCE INDIRECT TAX:

- Reduced compliance costs
- Increased data integrity from numerous data sources
- Facilitates focus on planning and adding value
- Enhanced risk mitigation
- No need for you to maintain up-to-date content or track key legislation
- Ability to respond flexibly to changing regulation

- Clients in a repayment position have been able to expedite their returns, resulting in a cash-flow benefit of up to R1.5 million
- More time to review data has meant that VAT recovery generally improves
- Clients can focus on planning and adding value as the automation tools offer the potential for reducing re-work and manual intervention

#### Organisational Benefits

- Reduces reliance on key team members understanding the VAT compliance process
- No re-configuration of the financial system or major IT involvement required for integration
- Full Audit Trail
- Addresses board concerns over SAO sign-off for indirect tax processes and provides a robust case for taking 'reasonable care' in the case of errors leading to potential penalties

### ONESOURCE INDIRECT TAX KEY PRODUCT FEATURES

ONESOURCE Indirect Tax is the market-leading technology for VAT compliance:


- A solution with built-in and maintained VAT logic
- Automated VAT returns from data taken directly from financial systems
- Full support for VAT grouping and divisional reporting
- The ability to standardise your bespoke calculations into the ONESOURCE software
- A variety of automation options to suit the needs of your business
- Detailed exception reporting embedded in the ONESOURCE software
- Full audit trail of data from the return back to the source



STANDARD EXCEPTION REPORTS

REPORT NAME	DESCRIPTION
Transactions with no tax code	Lists all transactions with no tax code.
Duplicate invoices (various combinations)	Lists transactions that are duplicates with respect to the parameters selected.
Tax to value discrepancies	Lists transactions where the tax varies from the amount expected per the tax Code.
High value tax transactions	Identifies invoices more than a specified Tax Amount.
Tax only transactions	Lists transactions with a zero Net Amount and a non-zero Tax Amount.
Zero value tax transactions	Lists all transactions for which zero tax was recorded.
Supplies made and not invoiced	Lists transactions that have no Invoice ID recorded.
Gross amount check	List transactions where the recorded Gross Amount does not equal the sum of the recorded Net and Tax Amounts.
Unusual supplier/customer invoices	Shows transactions where the Net Amount payable to the supplier is greater than [X] times the average Net Amount of all AP transactions made to that supplier/customer for that reporting entity.
Hidden tax	Lists all transactions for which no tax is recorded, and the 'Notional' Net Amount (i.e. the recorded Gross amount less the 'Notional' Tax Amount, where the Notional Tax Amount is the amount of tax that would be due on the recorded Net Amount if tax was applied at the specified rate) is a whole number.
Unusual invoice dates	Lists all transactions invoiced on a non-working day (i.e. weekend or public holiday).
Gross amount in round thousands	Lists transactions with Gross amounts that are in round thousands.
Invoices older than user driven date	Lists data where invoice date is greater than user entered date.
Invoice date / posting date / reporting period mismatches	Lists all transactions for which the Invoice Date is not within the period covered by the reporting period to which the transaction has been allocated, and/ or the Posting Date is not within the period covered by the reporting period to which the transaction has been allocated.
Purchase credits with no tax	Lists transactions for which zero tax was recorded.
Supplier/Customer tax codes	Lists the number of times each tax code is used by particular suppliers/customers.
High value sales credits with tax	Lists all credit transactions (inc. tax) that equal or exceed a specified amount.
One-Off Supplier/One-Off Customer	Lists any supplier or customer that only appears once in chosen period.
Tax Code Drilldown	Lists all the transactions for a certain transaction type or tax code.
Totals by Tax code	Lists summary totals for each entity reporting period, grouped by tax classification code.
General audit	Lists all activities users have carried out in the database in a given period.
Tax classification mappings audit	Lists all audited changes to tax classification code mappings.
Turnover Recon	Reconciles General Ledger transaction detail.

**THOMSON REUTERS AFRICA**

 +27 11 775 3000

 138 West Street, Sandton, Johannesburg

 onesource.africa@thomsonreuters.com



**THOMSON REUTERS™**