

Consumer Products

At-a-Glance

Business Type: Consumer Products Manufacturer

States: 17

Locations: 250+

Invoices/Month: 20,000

Transactions/Month: 73,000

Spend/Month: \$327 Million

TaxView Results

Tax Rule Structure

Situsing Rules	108
Tax Policy Rules	678

Average Monthly Findings

Over Payments	\$ 152,873
Under Payments	\$ 297,585
Total Errors	\$ 450,458

Estimated Monthly Savings

Over Payments	\$ 152,873
Audits Interest	35,710
Audits Penalties	<u>29,758</u>
Gross Savings	\$ 218,341
Less TaxView Fees	\$ 11,000
Net Savings	\$ 207,341

Midwest-based Consumer Products Manufacturer Selects TaxView™ to Fix Tax Issues Revealed by Audit Assessments

\$207,341 Monthly Savings

Tax Challenges

This 100 year old consumer goods company, with a common household name, realized it had a sizable sales and use tax issue as a result of state audit assessments. Previously the company relied on custom programming of their ERP system to comply with its purchase-side tax requirements, but realized this was not a viable solution. This approach made it impossible to keep up with their changing business practices or the state tax rules.

Why a Traditional Tax Engine Wasn't the Correct Choice

As a result of significant audit and reverse audit findings, the company decided it was time to integrate an on-premise tax engine to assist with indirect tax compliance issues. However, due to the rigidity of the interface, the exorbitant cost and massive time commitment to implement, they quickly realized that a traditional tax engine wasn't the correct choice for them.

TaxView Solution

When the consumer goods company was introduced to the TaxView Audit and Accrual Solution, it found the implementation time and costs were significantly less and the software's flexibility was a much better fit for its complex sales and use tax requirements. DTS built over 100 situsing and 670 tax policy rules to allow the company to identify and correct tax errors that were regularly occurring by its vendors and its ERP system. The company also saw the benefit in TaxView's more reasonable cost model and the value of having a dedicated Account Manager. This tax professional is at their disposal to help with build new tax rules, determine monthly tax accrual entries and correct tax errors.

Quantifiable Results

TaxView has allowed the company to regularly identify and correct their tax over and under payments, saving them an average of \$207,000 a month in tax recovery and associated audit interest and penalties. The company also indicated they no longer needed to continue their time consuming, costly reverse audit cycles going forward.