

Mining & Manufacturing



At-a-Glance

Business Type: Mining & Manufacturing Company

States: 33

Locations: 250+

Invoices/Month: 12,000

Transactions/Month: 31,000

Spend/Month: \$55 Million

TaxView Results

Tax Rule Structure

Situsing Rules	129
Tax Policy Rules	870

Average Monthly Findings

Over Payments	\$ 55,864
Under Payments	\$ 63,933
Total Errors	\$ 119,797

Estimated Monthly Savings

Over Payments	\$ 55,864
Audits Interest	7,672
Audits Penalties	<u>6,393</u>
Gross Savings	\$ 69,929

Less TaxView Fees	\$ 5,605
Net Savings	\$ 64,324

Mining and Manufacturing Company Selected TaxView™ to Replace Manual Sales and Use Tax Audit and Accrual Process

\$64,324 Monthly Savings

Tax Challenges

This mining and manufacturing company utilized a purely manual process for reviewing and validating sales tax paid on purchases. In addition, the tax team also had to perform a manual audit of use tax accruals each month. The tax department was time-constrained and feared their next round of audits would bring significant assessments with large associated interest and penalties.

Need to Gain Efficiency and Confidence in Sales and Use Tax Calculations

The mining company realized its manual indirect tax audit and accrual processes were extremely time consuming and did not provide confidence the business was safeguarded from audit risks. The priority was to automate the entire process to gain efficiencies in the review of vendor paid sales tax and the coding associated with accruals.

TaxView Solution

To address the client's tax requirements, DTS created more than 800 tax policies rules specific to both their mining and manufacturing operations. TaxView also provided an efficient manner for the internal tax team to review every purchase transaction made during the month to assess if the taxes were correct. And thanks to TaxView's JE Writer, the company now had an efficient way to review and seamlessly book all identified tax variances before the end of each month.

Quantifiable Results

In addition to receiving an average monthly savings of \$22,000 in tax payments and estimated penalties, the client is now spending a fraction of the time on the monthly close process which includes auditing tax on every purchase transaction. The client also believes their overall compliance has increased significantly which reduces their audit risk going forward.