Smarter Sales and Use Tax Automation

Telecommunications

TaxView™ Helps West Coast Wireless Communications Company Correct Complex Situsing Issues with Big Savings

$458,942 Monthly Savings

At-a-Glance

Business Type: Wireless Communications

States: 41

Locations: 2,000+

Invoices/Month: 9,400

Transactions/Month: 34,000

Spend/Month: $208 Million

TaxView Results

Tax Rule Structure

Situsing Rules	4,038
Tax Policy Rules	794

Average Monthly Findings

Over Payments	$ 331,671
Under Payments	$ 610,962
Total Errors	$ 942,633

Estimated Monthly Savings

Over Payments	$ 331,671
Audits Interest	73,315
Audits Penalties	61,096
Gross Savings	$ 466,082
Less TaxView Fees	$ 7,140
Net Savings	**$ 458,942**

Tax Challenges

This telecommunications company has several thousand locations in which they make monthly purchases. Yet, regardless of where the transaction took place, vendors consistently charged them tax based on their corporate headquarters address. This created a huge sales and use tax issue that needed to be reconciled. The company had at least two people working every day of the month trying to manually straighten out their tax calculations and report their true tax liability on time.

Why Traditional Tax Engines Didn't Work

In an effort to fix their sizable situsing problem, the company tried a variety of automation solutions, including one of the leading traditional tax engines. However, due to the complexity of their location table, none of these alternatives proved to be a viable option. The client needed a solution that would allow multiple points of information to drive the specific location for each purchase. That's where TaxView came in and shined.

TaxView Solution

In just four weeks, the DTS team was able to analyze the company's transaction data and build a rule structure to drive accurate taxing. The team applied our Proven Rules Methodology to create over 4,000 situsing rules (using as many as six different data elements) in the TaxView software to determine the specific location for each purchase. Then almost 800 tax policy rules were created to allow an accurate validation of vendor charged tax on every purchase and/or the ability to take advantage of allowed exemptions.

Quantifiable Results

With TaxView, this client found that vendors were greatly overcharging tax and their manual reviews weren't adequately covering lower dollar, high volume transactions. With this visibility, they could reclaim tax over payments, make corrections for the future and realize an average monthly savings of more than $500K. TaxView also enables the internal team to complete the monthly accrual process in as little as three to four days, reporting liability on a regular monthly basis.

ΔDTS ®
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Ready to get your indirect tax right?

Let us bring accuracy and simplicity to your sales and use tax filings.
To learn more about TaxView contact us at **info@dtstax.com** or **1.678.566.3740**.