

Competitive edge

Indirect tax cash-flow opportunities

As indirect taxes are generally calculated on the value of transactions, there are some simple strategies you can use to improve cash flow by managing your indirect tax liabilities better. If implemented appropriately, these strategies could have a significant cash-flow impact for your business

Using GSTechnology®

Many opportunities to identify indirect tax savings involve detailed analysis of very large volumes of data and an in-depth understanding of indirect tax systems, and how they are managed by business. Our GSTechnology® specialist group combines these strengths with our traditional tax technical knowledge, and can help you identify savings through all stages of the full 'record to report' tax cycle.

GSTechnology® can provide many other benefits apart from capturing cash savings through our suite of specialist products and distinct offerings including:

- FAT Testing
- DTect®
- Customs DTect®
- DTect® Online
- GST system reviews
- Input Tax Accelerator®.

Contacts

If you would like more information or have any questions about these opportunities please speak to your usual Deloitte Indirect Tax contact.



Cash-flow opportunities

If you want to improve your cash flow, have a look at the opportunities outlined below:

Indirect tax cash strategies	
Maximising GST recovery	<ul style="list-style-type: none">• Analyse each business area to improve GST recovery• Review GST recovery for financial supplies, e.g. share issues• Analyse GST recovery on employee and petty cash expenditure• Review rounding of transactions for GST purposes• Consider bad debt provisions: Is GST relief sought where applicable?
GST process improvement	<ul style="list-style-type: none">• Review accounts payable processes• Analyse the business model to improve supply chain efficiency• Review compliance processes• Use of import GST deferral.
BAS management	<ul style="list-style-type: none">• Review BAS lodgement processes• Review timing of BAS lodgement and BAS lodgement frequency• Consider GST grouping structure: What works best for cash flow as well as administration?
Invoicing and tax point planning	<ul style="list-style-type: none">• Review of current invoicing timing and methods• Use of recipient-created tax invoice arrangements• Small procedural changes can have a big cash-flow impact.
Fuel tax, customs duty and excise	<ul style="list-style-type: none">• Review product classification and valuation procedures• Consider warehouse arrangements• Enhanced project by-law scheme and tariff concession orders• Consider preferential duty agreements and origin of goods• Fuel tax credit refunds.
Data analytics	<ul style="list-style-type: none">• Duplicate payment analysis• Identify GST AP/AR anomalies (DTect®)• Obtaining cash-flow injection from current AP process (Input Tax Accelerator®).

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