



Tax Analytics  
The three-minute guide





# Why it matters now

## **There's a data revolution underway in tax. Are you ready for it?**

Think for a moment about the vast amount of data being generated by your tax organization right now. It's a mountain of data—one that cuts to the very heart of your business.

And it's becoming more accessible than ever. New data standards (like XBRL) are making the lack of digital data, tagging standards, and standard digital transmission a thing of the past. Electronic tax filing is becoming the default in several countries. Now the question is: What can you do with that data?

# Why tax analytics

## No place for data to hide

Tax analytics has quickly emerged as an essential component of many advanced tax management approaches. Tax benchmarking, trend and data analysis, and predictive analysis are all approaches being used by tax leaders around the world to gain deeper insights into their tax processes and profiles.

Of course, analytics itself isn't new. But analytics capabilities have advanced significantly in a very short amount of time, making it easier to glean insights from vast amounts of information. Just as important, it's easier to disseminate those insights to the appropriate people in the organization on a timely basis.

Combined with the explosion of digital tax data underway today, tax analytics may be impactful for the tax team.

# The potential benefits

## **Analyze your risks**

Tax analytics can help organizations create a benchmark of their tax profiles to compare against publicly available data of similar organizations, helping management to analyze tax risks.

## **Reduce errors**

Potential tax errors may become more visible when benchmarking is used. Tax analytics can highlight out-of-place numbers, signaling the need for further analysis.

## **Find tax-saving opportunities**

Tax analytics can help organizations analyze and identify opportunities that could reduce their tax liabilities.

## **Cut administrative costs**

Tax analytics may help streamline and automate tax processes that are repetitive and manual.

## **Invest more wisely**

Analyzing the impact of business decisions through tax analytics can help organizations become better informed about future investments.

# What to do now

## **Organize the data**

An organization needs to collect, integrate, and standardize its data so it can be effectively analyzed. Without all the information at hand, you won't be getting the full picture.

## **Get interactive**

Organizations can use tax analytics to more deeply analyze their operations for potential tax savings.

## **Look across the enterprise**

Tax analytics can provide pattern recognition, tax data visualization, and predictive capabilities to find tax commonalities across activities and communicate tax process improvements. This should improve collaboration among an enterprises' tax professionals, helping them focus more on finding tax planning opportunities.

# Time's up



Almost every organization can use tax analytics to potentially gain savings, cut costs, reduce tax risks, gain tax process efficiency, and enhance tax compliance. Organizations should start small and then analyze larger datasets across the enterprise.

Tax analytics can not only help organizations improve their current tax profile, but it may also prepare them for future scenarios.

To learn more about how to get your tax analytics initiative off to a smart start, please contact:

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