



## **VAT Review Smart** Identifying Risks and Opportunities

April 2017

# VAT Review Smart

VAT Review Smart provides a consistent diagnosis of VAT opportunities and risks across multiple jurisdictions. The technology is scalable and can be applied to almost any size of business, from global organizations looking for true cross-jurisdictional comparability to small businesses operating in a single jurisdiction.

## Our approach

By leveraging VAT Review Smart and our network of highly experienced VAT professionals, you should be able to:

- Identify potential VAT planning opportunities and risks for evaluation and prioritise their potential business impacts along with necessary compliance process changes.
- Analyse VAT planning opportunities and risks.
- Establish effective global VAT operations to help address tax authority inquiries and avoid unnecessary VAT costs.

## Key features

VAT Review Smart contains databases of questions authored by Deloitte VAT specialists from around the world. The question banks are designed to collate the necessary information to provide an evaluation of the current-state position of your business with respect to VAT.

Questions are grouped into easily divisible chapter headings, such as VAT compliance, VAT treatment of sales, purchases and recovery of VAT, thereby allowing the appropriate personnel to complete only the sections they are responsible for.

The question banks are iterative and cumulative so that the tool only asks users relevant questions. For example, if you do not supply goods, the solution will only ask questions relevant to suppliers of services.

The questions and reports are designed for effective benchmarking between different entities and jurisdictions so that your business can identify areas of effective practice that you may want to replicate, as well as common risks that you may want to address.

## VAT Smart Report

### Key Findings

A tax risk and opportunities report containing key findings and an analysis of each plot on the heat map, including a description of the risk and recommendations from Deloitte VAT specialists

### Heat Map

An interactive heat map that plots the findings of each review, grouping those findings according to whether they represent VAT planning opportunities or tax risks and whether they require immediate action or further consideration

### Knowledge and procedures model

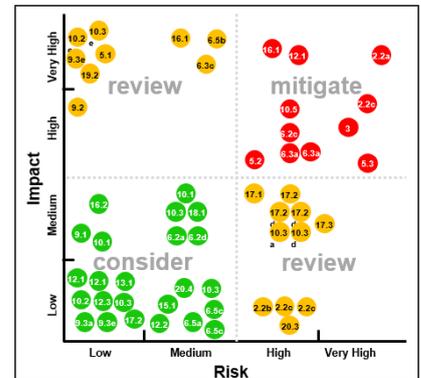
VAT Review Smart also contains a knowledge and procedures model that asks a number of questions aimed at examining the integrity of processes, controls, and tax management.

The report in this section offers a visual representation of the current state of your VAT compliance processes and related controls and recommended actions associated with them.

Results, covering each of the areas on the model, are presented as either green (monitor), amber (evaluate and review), or red (mitigating action needed). The result is a highly visual and interactive insight into your business' VAT control framework.

Knowledge & Procedures			
<b>Overall management</b>			
Tax strategy (2.1)			
Roles and responsibilities (2.2)			
Automation and ERP (2.3)			
Organization and resources (2.4)			
Compliance (2.5)			
Risk management (2.6)			
<b>Departmental matters</b>			
	Awareness	Analysis	Review
Accounts Payable (2.7)			
Accounts Receivable (2.8)			
Finance/Tax Department (2.9)			
<b>Risk score guide</b>			
Green	Low risk	Mostly best practice	
Amber	Medium risk	Some room for improvement	
Red	High risk	Action needed to improve	
<b>Awareness:</b>		Measures the extent to which the department/function is aware of relevant tax technical issues.	
<b>Analysis:</b>		Assesses the ability of the department/function to analyse data for tax purposes.	
<b>Review:</b>		Considers the extent to which the department/function's tax decision-making is reviewed both within and outside the department/function.	

### Knowledge and Procedures Model



### Risk/Impact model

## Contact us:

**Pascal Brennan**  
**Partner Indirect Tax**  
 Tel: + 353 1 417 2433  
 Email: [pabrennan@deloitte.ie](mailto:pabrennan@deloitte.ie)

**Alan Kilmartin**  
**Senior Manager Indirect Tax**  
 Tel: + 353 1 417 3630  
 Email: [akilmartin@deloitte.ie](mailto:akilmartin@deloitte.ie)



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

At Deloitte, we make an impact that matters for our clients, our people, our profession, and in the wider society by delivering the solutions and insights they need to address their most complex business challenges. As one of the largest global professional services and consulting networks, with over 244,400 professionals in more than 150 countries, we bring world-class capabilities and high-quality services to our clients. In Ireland, Deloitte has over 2,300 people providing audit, tax, consulting, and corporate finance services to public and private clients spanning multiple industries. Our people have the leadership capabilities, experience, and insight to collaborate with clients so they can move forward with confidence.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.