



## VAT Data Analytics Reducing exposure to indirect tax

---

The VAT world is ever-complex and ever-changing. With rates reaching 27 per cent in some countries and new tax requirements continuing to roll out around the world, exposure to VAT can grow quickly without a cohesive tax strategy. So it's vital a company can turn its VAT data into quality business information. Deloitte's VAT Data Analytics solution enables managers to do just that. The benefits go far beyond avoiding stiff penalties: increased cash flow and revenues, reduced audit risk, streamlined processes and a protected bottom line.

### **Decreasing the burden, increasing the return**

It's inevitable. When a business grows, so does its indirect tax burden. In fact, VAT can be the largest proportion of a company's tax bill. Yet multiple IT systems, incompatible local processes and numerous tax regimes and rates make it tricky to keep pace with compliance regulations, let alone identify cost-saving opportunities. Opportunities that bring in significant money. Effective VAT management relies heavily on the availability of tax information and a proactive approach. And that means being able to extract data from any ERP system, collate it and then analyse it in a format suitable for the company's decision makers.

### **Using data strategically**

Deloitte's VAT Analytics solution is a new approach to indirect tax management. It uses sophisticated technology to mine and analyse tax data, enabling you to better understand your company's VAT position and to make more informed decisions. Tax benchmarking, trend recognition and predictive modelling let you identify significant overpayments, streamline tax processes and forecast significant exposures for a multitude of local jurisdictions. In other words, you can identify opportunities to reduce your company's global VAT liabilities, driving down the need for external working capital.

### **A complete overview to focus on what matters**

Deloitte's VAT specialists capture data from various sources and load it into a specially designed VAT data analytics solution. Dashboards then allow you to view the analyses in a variety of colourful and user-friendly formats. You can zoom in on country or sector data, drill down to individual tests and reference transaction details. This means you can ensure compliance, focus on major costs drivers and develop a VAT strategy on a local and global basis. Deloitte's VAT Analytics solution offers the possibility to:

- Monitor VAT compliance, drill down to invoice level and learn what transactions go wrong, so improvements can be made very effectively and needed amendments are known
- Immediately have information on clear mistakes; divergent VAT rates, strange posting dates, wrong tax codes, etc.
- Identify cash-flow opportunities by spotting opportunities in supply chain management
- Have a measure of control on a periodical basis; tests can be bookmarked in order to swiftly run pre-selected tests
- Centralize and standardize VAT processes in shared service environments without losing grip on VAT compliance
- Make trend analyses and supply chain analyses; where am I shipping most of my goods, where are my customers, what is the ratio between local sales, export sales, intra-EU sales?

### **Why Deloitte?**

Deloitte brings together first-rate tax technology capabilities and extensive local tax expertise. Its professionals use their knowledge and world-class software to develop best practices and proactive tax planning. What's more, its suite of tax analytical solutions allows Deloitte to be your single, co-ordinated provider of tax information, from transfer pricing and payroll tax to customs and corporate income tax. For businesses operating in the US market we have a Data Analytics module for sales and local tax.

### **We'd like to hear from you**

Contact us today for a free demonstration of our VAT Data Analytics:

#### **Jan de Clercq**

jadeclercq@deloitte.nl

+31 (0)88 288 6953

+31 (0)6 1312 7504

#### **Marjolijn van der Wal**

mavanderwal@deloitte.nl

+31 (0)88 288 7622

+31 (0)6 8355 5372