

Vendor payables

Deloitte's Global Information Reporting ("GIR") practice is a multi-disciplinary group comprised of professionals with extensive tax technical, process and technology knowledge and experience. We work closely with you and your organization to understand your processes and procedures, look for opportunities to streamline workflows, and assist in configuring and deploying the systems necessary to meet documentation, withholding and reporting requirements established by federal, state & local regulators.



Paving the road to compliance —Smart solutions for global information reporting



Deloitte service highlights

Accounts payable services provided by our GIR team include:

- Gap analyses to review accounts payable process and procedures
- Training to accounts payable and other key departments for ongoing compliance
- Revise and update vendor onboarding procedures
- IT systems enhancements
- Vendor remediation
- Tax technical support
- Outsourcing of documentation validation and/or reporting
- Tax examination support



Why Deloitte?

By reducing manual tasks and addressing risks, Deloitte's GIR team can provide strategic value to organizations, by delivering:

- A focused and flexible approach to assist with your organization's particular needs and circumstances
- The ability to integrate tax technology, tax technical and operational challenges into pragmatic solutions
- A globally connected, multidisciplinary team with technology and tax technical skills including deep industry knowledge and insights into key regulatory trends affecting information reporting
- Established Centers of Excellence involving integrated teams in the US and India that are experienced in engagements of all sizes
- A view into the latest technologies and software products, plus insight on how they work in different finance and tax environments



Why now?

- Tax regulators are focusing more on the procedures that retail organizations put into place to address withholding and reporting requirements related to vendor payables. They have made significant investments in the area of enforcement and have increased penalties for failure to comply.
- The recent transitional relief issued with respect to FATCA specifically excludes relief for non-compliance with the rules governing withholding and reporting in the vendor payable area. The IRS has stated that in order to show good faith effort for FATCA, retailers need to be in compliance with their current obligations.
- Non-compliance can result in significant penalties as well as reputational risk.



What is the impact?

- Organizations need to develop technical expertise to comply with complex and changing federal, state & local regulations impacting withholding and reporting.
- Retail organizations are required to have processes and procedures to collect, validate and maintain documentation from vendors which may have an impact on their down stream payment processing systems.
- Organizations must also collect and store payment transaction data within an ERP system for tax reporting purposes, and interface this data with a third-party tax reporting tool for printing, mailing, and electronic filing with multiple tax reporting authorities.
- Organization must have the ability to integrate tax technology, tax technical and operational challenges into pragmatic solutions.



Who can benefit?

- Retail organizations that make payments to foreign and domestic vendors.
- Accounts payable and treasury personnel



Contacts

Denise Hintzke
 Managing Director
 Global FATCA Tax Leader
 Deloitte Tax LLP
 +1.212.436.4792
 dhintzke@deloitte.com

Marijo Lalley
 Senior Manager
 Deloitte Tax LLP
 +1 617 437 2578
 mlalley@deloitte.com