



Tax Controversy Manager

Leading edge technology that can save you time and resources

Your opportunity

Preparing for and managing tax examinations is growing more difficult every day. The enforcement environment demands more information in a shorter response time frame as global tax authorities streamline processes and expand resources. Federal, state/province, and local tax enforcement is on the rise — as is the sophistication of these tax authorities. Also, other reporting requirements — notably transfer pricing disclosures, U.S. rules around Sarbanes-Oxley, and global developments around uncertain tax positions and other tax-related contingency reserves — challenge companies to be timelier, precise, and more transparent than ever with regard to tax accounting and compliance.

Many issues complicate the processes of preparing for and managing tax authority examinations, including the volume and scope of the examinations, as well as the related supporting information associated with them. A multinational company today may be involved not only in a number of tax authority examinations within the headquarters-based country, but also may face global transfer pricing challenges and other international tax controversies as well. Collectively, these enforcement activities frequently encompass multitudes of examination issues, require responses to hundreds of tax authority information requests and proposed adjustments, depend on thousands of supporting documents, and cover multiple examination cycles at once.

Never before has it been so important to be efficient, accurate, and consistent in the way you manage your global tax examination processes. Traditional approaches used by tax department resources such as spreadsheets, network drives, binders, and file cabinets cannot keep pace today or in the future.

It is time for a change. Deloitte can help.

Approach

In response to the growing complexity of tax examinations, Deloitte member firms developed an innovative global tool, **Tax Controversy Manager (TCM)**. TCM is a Web-based technology that enables you to manage the data flow prior to and during tax examinations, as well as to track and retain the various sources and types of information needed to prepare for future tax controversies.

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This robust process-driven technology is also designed to help you manage the processes and documentation surrounding your tax department's projects, such as tax planning and analysis. As an integrated package that resides on your database and Web servers, TCM's broad capabilities include:

- Examination management and planning
- “What-if” scenario support
- Project and tax records management
- Management and tax authority status reporting
- A consistent workflow methodology
- Document access control and preservation
- Robust search and automated email alerts
- Local country data formatting
- Administration, user management, and security

With relational database technology and a central, context-sensitive document repository, TCM addresses issues raised by the volume of data and documents needed to respond to information requests and proposed adjustments. Once the sources of information for exam purposes are identified, that information — and associated documents — can be uploaded into TCM where it is stored for easy access and retrieval by authorized personnel. The tool facilitates effective control over information before, during, and after an exam; and provides a platform to monitor compliance with related requirements for tax examinations.

“Why not introduce the same type of rigor into your tax examination readiness and management processes?”

TCM helps you develop a detailed examination plan, monitor the issue resolution process, track due dates, workflow activities and assignments, and provide email notifications for close-to-due and past-due items. Project management at this level means faster responses to assigned information requests, proposed adjustments, and other activities, more efficient use of your tax department resources, and greater consistency in the information provided to tax authorities. TCM also facilitates the processing of supporting information, such as filing amended state/province returns based on federal examination adjustments — another area of improved consistency and time and resource savings.

As a Web-based tool, TCM is easily accessible to anyone with appropriate authorization and an Internet connection. This means your tax department staff members will have access to critical information regardless of where they are located or when they are working.

Additional capabilities of Tax Controversy Manager include:

- Executive dashboards provide real time knowledge sharing and vastly improved visibility of global tax audit status and metrics
- Report generation for informed discussions with tax authorities, including information requests, proposed adjustments, and exam analysis.
- Data sharing with third-party applications to do “what-if” scenario modeling so you can perform tax liability calculations and compare and analyze the as-filed, as-agreed, and as-proposed results.
- Data sharing with tracking applications to facilitate tax-related contingency reserve computations after tax authority settlements.
- Data sharing with applications to facilitate state/province amended return filings, such as Deloitte’s State RAR Technology in the United States.

TCM capabilities in conjunction with the support of Deloitte member firms’ Global Tax Controversy Management specialists can help you with virtually any aspect of the tax examination processes — from pre-examination through an examination itself and to post-examination; including tax authority account resolution, tax, interest and penalty computations, and process and technology services.

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Deloitte member firms’ Tax Controversy team members provide knowledgeable and experienced support for examination readiness, exam management consulting, consulting on reportable transaction disclosure compliance, tax information reporting, appeals, and more.

The Deloitte difference

Even well-equipped, highly organized, and diligent tax departments can “hit the wall” when it comes to managing tax controversies in the current environment. Most companies today rely on technology to improve productivity, workflow, and internal controls throughout their organizations. Why not introduce the same type of rigor into your tax examination readiness and management processes? Now you can with help from Deloitte member firms’ Global Tax Controversy Management specialists and Tax Controversy Manager. Deloitte member firms offer:

- One of the largest global networks of tax controversy specialists, with senior professionals dedicated to analyzing and resolving tax controversy issues across the world.
- Diverse backgrounds, including former senior tax authority executives, tax authority litigators, and private industry executives, as well as tax technology specialists and tax professionals with numerous years of experience specializing in tax controversy practice and procedure.
- Deloitte member firms’ innovative, Web-based Tax Controversy Manager software for end-to-end support of your examination readiness and examination management processes.
- Coordinated approach with Deloitte member firms’ Tax Management Consulting groups to focus on worldwide tax record retention, integration of the tax examination process with other tax processes, and increased knowledge sharing across an enterprise.
- Access to Deloitte member firms’ global network of leading tax technical and tax accounting resources, as well as the knowledge and experience of over 170,000 dedicated worldwide professionals.

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