

The Growing Convergence of Finance and Tax – and What It Means for the Future of Tax Technology.

Planning Ahead for Tax Performance Management.

Executive Summary

Times have changed for corporate tax and financial executives. Once considered more of a departmental reporting function, the tax impact of both actual and forecasted financial results is now a key point of integration between two historic neighbors – finance and tax. In fact, despite efforts to comply with Sarbanes-Oxley, accounting for income tax remains the leading cause of SOX 404 deficiencies, comprising 24% of overall deficiencies in 2008, according to a recent KPMG tax study.

Corporate tax and financial executives must now deal with increased board visibility and SEC scrutiny on the financial reporting of income taxes and related internal controls. At the same time, they are now faced with global accounting standard changes that could match, and for some companies exceed, the SOX-related workload. Couple this with chronic talent shortages and reduced timelines for corporate closes, and the pressure on tax departments has never been greater.

Today's reality is that tax reporting requires the same level of transparency and integrity as financial reporting. Considering that tax is typically one of the largest expenses on corporate income statements and that the effective tax rate is much more volatile than in the past, finance and tax must now live virtually in the same house. The result is a major transformation in not only how tax gets its job done, but when, and by whom.

Because of these trends, the bar has been raised significantly on corporate tax operations – most notably in the area of global accounting for income taxes. As demands continue to grow, today's array of departmental tax technology solutions simply won't be able to provide the necessary control, transparency, efficiency, and management capability needed to meet new demands.

These departmental point solutions for provision, compliance, and data management, even when loosely connected together with portal technology and custom integrations, end up creating disparate sources of data, require manual spreadsheet workarounds, limit scalability across a global enterprise, and are prone to audit exposure.

In addition, these products are oriented toward supporting a single department rather than the whole enterprise – when many companies must deal with increasingly global operations with multiple locations, ERPs, and jurisdictions to manage. For this reason, enterprise-level automation, process improvements, and training innovations will be required to address the current and upcoming challenges facing corporate tax departments.

As the leader in global tax technology solutions, Vertex believes that these changes are inevitable and that a new class of

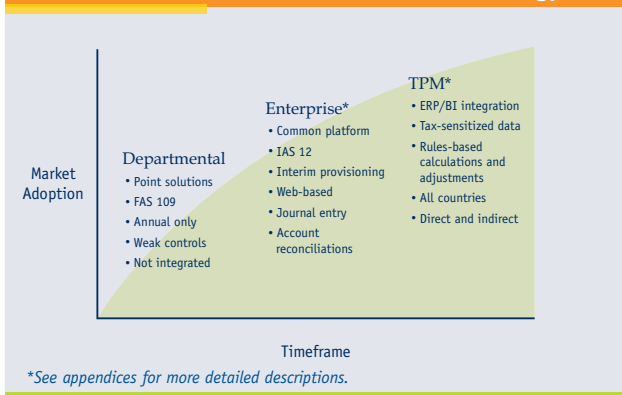
enterprise-level tax systems is emerging that when combined with process and resourcing improvements, create a new industry category called Tax Performance Management (TPM).

Solutions that enable TPM process all tax types on a single, integrated web services platform that's tightly integrated with Enterprise Resource Planning (ERP) and Corporate Performance Management (CPM) systems. TPM addresses the whole spectrum of managing direct and indirect corporate tax performance from financial reporting to compliance, planning, and defense – all on a global basis.

The goal is simple: reduce the operational complexity of managing all aspects of the global tax process and build tighter integration between financial and tax data so that tax professionals can focus on higher-value planning and risk management activities, and CFOs can see effective tax rates and cash taxes in real-time. This is a state where, when the books close, tax closes with the accuracy required for financial reporting and tax compliance – and with complete transparency and significantly reduced audit risk.

By tightly integrating ERP financial applications with enterprise tax solutions, companies like Vertex have successfully transformed indirect taxes like sales, consumer use, and Value Add Tax (VAT) from an overwhelming process and reporting effort to a seamless, automated, and efficient process. The end result is a function that is under control from a tax governance and risk management perspective.

The Evolution of Direct Tax Technology



Today's departmental tax technology point solutions are no match for the increasing demands being placed on corporate tax departments worldwide. Looking ahead, the consolidation of ERP financial applications and business intelligence solutions enables a new class of enterprise tax management solutions that, when combined with process and resourcing improvements, create a new industry solution category called Tax Performance Management (TPM).

With regard to income taxes, Vertex believes a trend will emerge where global companies will begin to move from today's departmental tools to more enterprise-level solutions, and finally to TPM solutions. These advanced tax solutions based on an open architecture employ technologies that will provide a common tax management and planning platform that is tightly integrated with a corporation's enterprise-wide financial operations.

This paper introduces the concept of Tax Performance Management, explains how today's multinational corporations will benefit from emerging enterprise-class tax solutions, and provides guidance to tax professionals, CFOs, and CIOs who need to plan ahead for technology investments and meet the tax challenges of the future.

The Problem with Status Quo Tax Processing

For years, tax has been the unknown "black box" within the corporate finance function. But with the release of regulations such as Sarbanes-Oxley – combined with a host of other changes, such as FIN 48, e-filing mandates, and ever tighter closing deadlines – corporate tax departments face unprecedented pressure and scrutiny. In response, tax departments have scrambled to implement and document exhaustive internal controls and provide transparency into the inner workings of global tax processes, calculations, and assumptions.

As difficult as the past few years have been, Vertex anticipates new trends that will challenge the people, processes, and technology of tax departments in equally far-reaching ways:

- **Effective tax rates are becoming more volatile.** As a result of FIN 48, the accounting and transparency of the quarterly income tax provision is causing increased volatility in effective tax rates. That means potential surprises which could adversely impact earnings per share. Changes in effective tax rates could stem from any number of factors, including:
 - The jurisdictions in which profits are determined to be earned and taxed
 - Adjustments to estimated taxes upon finalization of various tax returns
 - Changes in available tax credits
 - Changes in the valuation of deferred tax assets and liabilities
 - Changes to or the interpretation of global tax laws
 - The resolution of tax audits

- **Global tax complexity and workloads are increasing.** The effects of globalization have really just begun. As businesses continue to expand internationally, regulators are following suit. For example, the United States SEC and FASB are working hand-in-hand with the International Accounting Standards Board to develop International Financial Reporting Standards (IFRS) that will soon come to the United States. These new accounting standards will impact every aspect of what tax departments do. Because it's a significant change in financial accounting – the starting point for most global tax calculations – tax departments will have to change their tax processes, systems, and calculations used to calculate the global provision and file tax returns. And as companies expand internationally, tax departments also have to understand the local country accounting implications and the impact on in-country and consolidated provisions.

- **Global information sharing between tax authorities is increasing.** Countries are sharing information more than ever before and learning to extract "information" from the reams of unstructured data available to them via electronic filing (e-filing). To further increase data transparency and sharing, country tax administrators are looking to begin tagging data via XBRL as well as creating new, common taxonomies or structures of accounts for corporate filers that will drive financial and tax reporting for these countries. As they develop common electronic data reporting, Vertex expects that governments will develop more advanced analytics to uncover tax issues and ask harder questions. For corporations, these trends will increase audit defense time and effort and take staff away from higher-value efforts, such as tax planning and risk management.

- **Chronic talent shortages make it harder than ever to hire and retain top tax talent.** Over the next decade, Vertex expects that the retirement of experienced professionals will shrink the pool of global finance and tax talent considerably. Because tax workloads are also increasing, the global tax risk of today's multinational corporations will also rise. They will not have the resources needed to ensure compliance with new jurisdiction laws, handle cross-border tax disputes, accurately account for global income taxes, and create tax plans that minimize the global income tax burden.

These trends represent both a challenge and an opportunity for corporate tax departments. They will challenge companies to gradually leave behind the inefficiencies and risks associated with departmental solutions, manual processes, and spreadsheet-based tax processing – and push them into the future of enterprise-wide, automated global tax management that is synchronized with finance and supports the entire tax life cycle, from gathering data to generating returns.

ERP-Finance Technology Foreshadows Future of Tax Technology

Over the past 15 years, many finance departments invested significantly in ERP-enabled process improvements. To address the limitations of ERP systems for data analysis and reporting, finance organizations then implemented corporate performance management (CPM) and business intelligence (BI) solutions that sit on top of ERP systems.

These enterprise-level solutions helped finance departments centralize global data, automate consolidations, implement controls, create detailed audit trails, and gain complete visibility across the enterprise for better budgeting, planning, forecasting, and decision making – activities required to not only comply with Sarbanes-Oxley, but also drive better business performance. As a result, finance departments:

- Are far less burdened by manual activities associated with gathering data from global entities in order to perform consolidations
- Have access to real-time, global data required to perform critical tasks and provide decision makers with insight needed for better decision making
- Have streamlined processes and controls to increase efficiency and minimize business risk
- Have CFO dashboards offering real-time access and analytics to financial reports and projections on a pre-tax basis

It's no surprise that global businesses now consider ERP, CPM, and BI solutions from companies such as IBM, SAP, and Oracle as essential strategic infrastructure. Yet during this transformation, tax was often overlooked or made a low priority.

But times are changing, and finance and tax executives are beginning to see tax as an enterprise rather than a departmental process – one that is a natural extension and part of global finance operations. Why?

- First, data management issues and inefficient manual processes mean weak internal controls as revealed by SOX 404 audits
- Second, tax errors are the cause of effective tax rate surprises, which get the attention of analysts, shareholders, and the board
- Third, these issues result in missed tax savings opportunities and time, energy, and money wasted on extracting and sensitizing financial data for tax – scarce resources that could be used to find savings opportunities and lower effective tax rates; given that tax is typically one of the largest expenses on most corporate income statements, executives appreciate the need for better tax planning and real-time visibility into the key drivers of tax expense

- Fourth, in today's SOX world, without an enterprise approach to tax, tax executives and CFOs can't go before executive boards with confidence and say, "Tax is under control – there's no risk of meaningful surprises"

The Great Integration Debate: Platform versus Portal?

To realize the benefits of Tax Performance Management, it will require that:

- All applications and analytics access data from a database populated from ERP and finance systems
- All applications provide a consistent user interface for all tax types
- Users enter information once and apply to many types of tax management solutions
- Data is always current

This is only possible when the tax technology solution has been architected to leverage data and technology that runs on a common platform, and all applications are designed to work together.

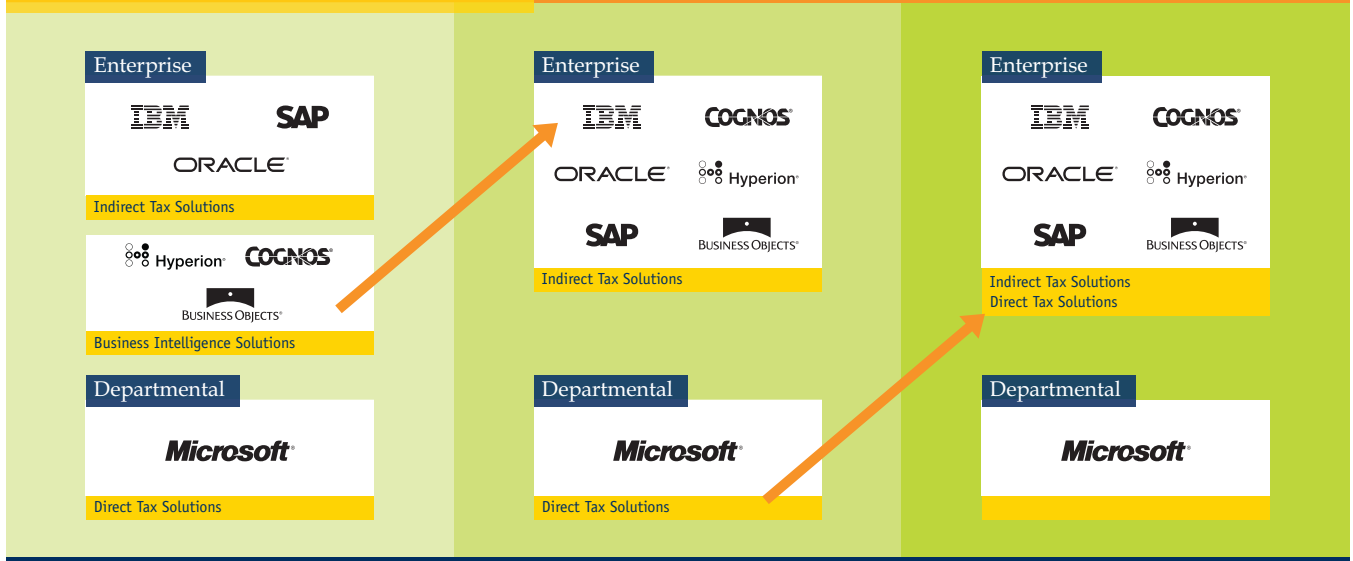
Most vendors today are taking a buy-and-integrate approach and then using portals to put a "band-aid" over fragmented applications and databases. This approach will not enable the visibility, auditing capability, and forecasting analysis required to meet future tax requirements.

In addition, tax departments will often have to rely on stale data, as point product databases have to be manually refreshed rather than updated in real time. Over time this approach will create a giant "black box" for tax processing that will not be transparent, efficient or sustainable.

While a portal allows for the presentation of data in a common place, it doesn't enable the integration of data that is passing between and among finance and tax systems, nor does it support creating tax calculations in real time.

A portal merely patches together data outside of host system environments, creating the illusion of integration without actually achieving it. The bottom line is portals do *not* enable reporting and analysis based on truly integrated and reliable data.

Tech Industry Transformation



Major ERP vendors like SAP, Oracle, and IBM have each acquired leading CPM and BI vendors, such as Hyperion, Business Objects, and Cognos. While indirect tax solutions such as Vertex O Series have been tightly integrated with ERP solutions for more than a decade, Vertex predicts that direct tax solutions will become more integrated with ERP and finance software to enable automation and transparency in a similar way – and ultimately move organizations away from stand-alone, departmental tax solutions.

Vertex believes that these drivers, combined with the recent ERP/BI consolidation, will lead to a convergence of finance and tax in the coming years. Over the past few years, the major ERP vendors have each acquired leading CPM and BI vendors, such as Hyperion, Business Objects, and Cognos.

Also, web-based indirect tax solutions such as Vertex® O Series® have been tightly integrated with ERP solutions for more than a decade. They leverage real-time ERP data to drive seamless, automated calculations and processing of sales transactions, as well as VAT supply inputs and outputs.

With emerging web services platforms and BI tools now part of the product mix, Vertex predicts that the next convergence will involve the integration of income and all other tax applications with ERP and finance software to enable automation and transparency in a similar way – and ultimately move organizations away from stand-alone, departmental tax solutions.

Moving Beyond Departmental Tax Solutions

While departmental income tax solutions have standardized – at least in part – how tax provisions and returns are calculated and managed, they are showing their limitations. Consider, for example, how global provisions are calculated and reported for today's large, multinational corporations. These spreadsheet-like, departmental provisioning solutions weren't built for global, enterprise-scale use because they are:

- **Annual only:** Most solutions do not support the interim provisioning process pursuant to APB 28 and FIN 18 (in the U.S.) or IAS 34 for companies reporting under IFRS;

the interim provisioning process and accounting standards are different than the annual provisioning process and standards, and they are gaining importance and visibility as auditors become more knowledgeable about how to audit global tax provisions

- **U.S.-focused:** These solutions were only designed to comply with U.S. accounting standards. For U.S. and non-U.S. multinationals listed on foreign stock exchanges – and who must report based on IFRS or other non-U.S. GAAP standards – these solutions are not suitable; as a result, these companies are forced to use Excel or build an in-house proprietary solution to augment their commercially available, departmental software
- **Built with weak controls:** Departmental solutions, like their spreadsheet predecessors, provide insufficient data management and data integrity between the book or GAAP trial balances and those used for the tax process; they provide no way to enforce accountability for those providing the data needed for the tax process; as a result, compensating controls must be instituted, which decreases the efficiency and efficacy of these tools
- **Not integrated with ERPs:** These early solutions are unable to automatically import timely trial balance information – which is a must when calculating accurate provisions in the short amount of time allotted for this task
- **Weak in analysis and reporting functionality:** Companies increasingly need full, drill-down, and slice-and-dice analysis into the details behind their consolidated tax disclosures – but departmental tools don't provide this functionality
- **Insufficient in data detail:** Businesses also need detailed data to support a timely and accurate tax return that can

be primed from the provision; departmental solutions only gather the data needed to complete the provision, leaving reams of supporting data to be gathered after the fact to complete the return; often, adjustments made in the heat of the quarterly provision process are not adequately reflected in the source transaction data, creating significant internal challenges for employees preparing the return; tax professionals spend significant time resolving these challenges rather than performing higher-value tax planning and tax risk management

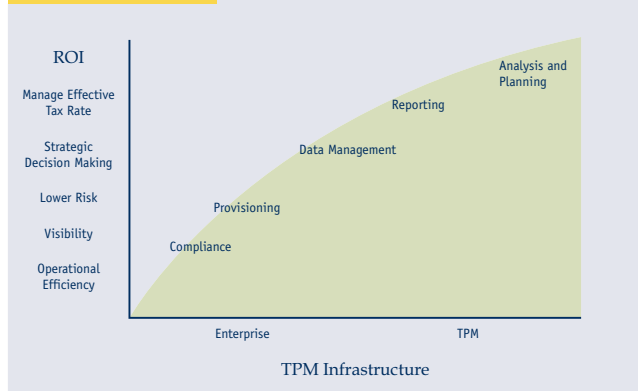
Because of these weaknesses – and the historical lack of investment in automation and tax process improvements – the existing talent pool is necessarily focused on and bogged down by manual processes to comply with the global tax return workload and the complex task of financial reporting of income tax.

The Next Evolution in Tax Performance Improvement

Working with customers and thought leaders across the industry, Vertex has identified a significant gap in tax technology – the need to bridge tax processes and enterprise financial processes and related access to data. Without optimized tax processes, a consolidated view of tax data, and robust analytical tools, tax is not in a position to deliver optimal strategic value.

To fill this gap, Vertex anticipates a natural evolution of tax technology from departmental, point solutions to more integrated, enterprise-level solutions as part of a broader tax industry movement – which Vertex refers to as Tax Performance Management (TPM).

Benefits of TPM Infrastructure Investments



As Tax Performance Management evolves over the next few years, mature enterprise tax management solutions, along with process and resource solutions, will help tax departments deliver more strategic value to their companies.

Enterprise tax solutions that enable TPM will address the whole spectrum of direct and indirect taxes from accounting for income taxes to compliance, planning, and defense.

The goal is simple: reduce the operational complexity of managing all aspects of tax and build tighter integration between financial and tax data so that tax professionals can focus on higher-value planning activities. Vertex sees the emergence of these solutions as inevitable and is committed to leading the industry in this direction.

From a technology perspective, enterprise tax management solutions will feature a single, global platform that combines ERP, CPM, and BI data management and reporting capabilities with global tax provisioning, compliance, and tax planning

A Model for Success: Vertex and ERPs Partner to Tackle Indirect Tax

Companies using Vertex O Series – an example of an enterprise-class, web-based tax application that’s seamlessly integrated with ERPs – have saved millions of dollars and achieved outstanding process efficiency as a result. The software directly accesses data in real time from over 75 of the leading ERP systems – including SAP and Oracle.

Using this data, Vertex O Series solutions fully automate indirect tax calculations using a database-driven calculation engine containing comprehensive transaction tax rules for over 9,000 jurisdictions worldwide. Global users can access all functionality through the standard web browser, as the application is built using broadly adopted, proven technologies such as Java, HTML and XML, and SOAP. Vertex O Series features a service-oriented architecture for maximum flexibility and low total cost of ownership (TCO).

These technologies allow all Vertex O Series tax modules running on the platform – including the sales, consumer use, and VAT tax modules – to function as services to any ERP or financial system, as well as to enable global users to access the software via a standard web browser.

Using this type of enterprise-class application for indirect taxes, companies can fully automate tax processing and gain complete transparency into tax processes – which reduces audit risk and frees staff up to perform better tax planning.

solutions for end-to-end global tax process optimization. They will share a common user interface and leverage a unified database that centralizes all tax-related data pulled from ERP and financial systems. Users will be able to enter data once and use it from anywhere in the world.

As this platform evolves over the next few years, businesses will realize increased business value. Early enterprise solutions will deliver greater operational efficiency and visibility and reduced tax risk. As enterprise tax solutions mature they will equip organizations to make more strategic tax decisions to better manage their effective tax rate and cash taxes in real time on an ongoing basis.

Transforming Direct Tax Processing

As the evolution toward TPM occurs, companies can expect to realize the same benefits of performance management solutions in direct tax processing as they have in finance and with indirect tax solutions like Vertex O Series – especially in the area of global provisioning and the management of effective tax rates and cash taxes.

Specifically, companies will have end-to-end automation of the corporate tax workflow such that when accounting closes, tax closes with the accuracy required to file all jurisdiction's tax returns. Income tax accounting and reported tax disclosures are timely, accurate, auditable, and explainable.

The first step is gaining control and confidence in the global provision. For example, Vertex offers an enterprise tax accounting system designed to support both decentralized and centralized computation and recording of global tax provisions in compliance with the internal control standards of Sarbanes-Oxley, Canadian MI 52-109, and other countries' securities regulations.

A web-based solution, Vertex® Provision Global Tax Office™ (GTO) is a truly global tax accounting solution that addresses both interim and year-end provisioning. Vertex's global provision solution enables enterprise wide standardization and optimization of the tax accounting process, greatly enhancing efficiency and effectiveness.

Preparing for the Future

Admittedly, TPM sets what may seem like lofty expectations. However, changes already underway in the IT industry indicate that these achievements are not only possible, but inevitable. These changes are providing the IT infrastructure to deliver the enterprise quality, integrated financial and tax solutions required to enable the realization of Tax Performance Management.

Tools are beginning to emerge that can better enable the process and data integration needed to leverage the global financial data in these systems to the accounting for income tax and tax compliance processes. Equally important, migration to SOA-based web services is inevitable in enterprise businesses today.

Standardized Direct Tax Processes in a TPM World

- The real-time import of each legal entity's local statutory ledgers, as well as their statutory-to-reported GAAP adjustments ledgers in both functional and reporting currency
- The calculation of local statutory and statutory-to-reported GAAP, book-to-tax differences
- Robust analysis and reporting functionality for global tax provisions that allows slice-and-dice and complete drill-downs into the details of the consolidated provisions by legal entity or jurisdiction
- The reporting of all required disclosures via the income tax note to the financial statement both at a summary level and detailed level by legal entity and by jurisdiction
- The export and priming of each legal entity's tax return data from current provision data regardless of the brand of returns software deployed
- The return to provision or book-to-file true-up for every tax return filed
- The proposed tax journal entries to each legal entity's general ledger
- The roll-forward and reconciliation of each legal entity's income tax account balances in its general ledger to the calculations in the enterprise tax solution sub-ledger
- The ability to engage in tax planning via a suitable what-if analysis of the company's global tax position
- The complete support of tax defense processes and related information needs on a consistent basis across borders, among all tax authorities, and for multiple periods

The only question is whether tax departments will be prepared to use this transition to their advantage.

In light of these trends, how can tax departments and other executives plan ahead for TPM? As organizations make decisions about new tax technology, they should:

- **Automate Provision with Vision:** The pressures of developing accurate and timely provisions are an immediate reality for both tax and finance, and can impact the effective tax rate and therefore investor relations, so automating this process now is a necessity. But what tool to use? Look for a web-based solution that can handle global tax accounting standards and addresses both interim and year-end provisioning. Vertex Provision GTO is the most advanced provision solution on the market today and is a strong first step toward Tax Performance Management.
 - **Get closer to IT and finance:** Tax executives need to work more closely with the chief financial officer and controller and better understand the finance department's IT strategy. In most cases, finance has a technology roadmap – and tax isn't on it. Tax executives need to understand where finance is heading, get on their roadmap, and develop a complementary IT roadmap. If the tax department is too overwhelmed with daily activities to engage in strategic planning, they should consider selective outsourcing to free up resources.
- Similarly, tax needs to work more closely with the IT department. To do this, tax departments need to understand their company's overall technology roadmap, and then move to tax technology that aligns with IT plans and architectures.
- **Be alert for key IT triggers that signal a move to web services and SOA:** Building a strong relationship with the CFO and the CIO can provide you with insight into their plans

to move to a web services platform. As these moves are being considered, it is important to present the case for tax being included upfront in the process. IT and finance have roadmaps for their technology upgrades that are carefully considered and prioritized. If necessary, leverage success stories from colleagues at other companies about the risks of not being proactive in dealing with tax risk. Waiting until a significant material weakness or audit occurs is too late.

- **When purchasing new tax software, look for solutions that are compatible with web-based applications and service-oriented ERPs:** When deploying true, web-based tax products, organizations are laying the foundation for TPM. The choices made today will impact the tax department's ability to add value to the business.

For example, Vertex offers an enterprise tax accounting system designed to support both the decentralized and centralized computation and recording of global tax provisions in compliance with the internal control standards of Sarbanes-Oxley and Canadian MI 52-109. A web-based solution, Vertex Provision GTO is a truly global tax accounting solution that addresses both interim and year-end provisioning.

- **Be proactive:** Tax is the largest expense on most corporate P&L statements. Tax professionals are often resistant to change – saying that they can't move to new technology because they can't afford disruptions in their schedules – but failing to do so exposes companies to significant risk. Today, 24% of material weaknesses are related to tax – weaknesses that can be addressed by moving to enterprise tax solutions.

For More Information

In addition to the *"Convergence of Finance and Tax"* opinion paper, Vertex features two related industry studies:

- *"Tax Performance Management Survey Report: Focusing on the Strategic Value of Tax,"* which features perspective from CFOs and Tax VPs on the benefits and barriers to enhanced tax performance
- *"Tax Process Survey Report: Insight into Today's Complex Tax Environment,"* which benchmarks current tax processes, related performance, and on-going challenges to enhanced performance

Both studies are free and available at vertexinc.com.

Vertex encourages you to visit the Tax 2.0 portal where you can interact with tax industry leaders and contribute to the effort to shape the future of the industry – please visit tax2point0.com.

For more information about our leading enterprise global tax solutions – including Vertex Provision GTO, the premier global provision solution in the industry, and Vertex O Series, the leading enterprise transaction tax solution in the industry – please visit vertexinc.com or call 800.355.3500.

Appendix

Enabling Technologies for Direct Tax

As summarized in the following tables, Vertex has developed a long-term technology roadmap to document the underlying technology needed to enable the transformation of direct tax solutions from departmental to enterprise solutions. Initial enterprise solutions will focus on simplifying the provisioning process and integrating with global compliance – with special emphasis on global provisioning.

More mature, next-generation solutions will deliver true, enterprise-class tax solutions by optimizing tax data management – beginning with a centralized tax data repository – and then exploiting this data through advanced reporting, data analysis, and planning functions. As a result, tax departments will be well-positioned to develop sophisticated tax plans that will keep effective tax rates and cash taxes to a minimum.

Tax Performance Management Technology Platform

Characteristic	Highlights
Tight linkages to ERP and BI software	Tight integration with ERP software, enabling TPM solutions to pull real-time enterprise data into tax software for provisioning and other activities. This will enable tax departments to grab data electronically rather than send out spreadsheets to collect data.
Tax-sensitized data	TPM will take corporate data and make it tax friendly. Tax departments will be able to bring forward tax-relevant, tax-sensitized data and confidently apply tax rules in accordance with appropriate accounting standards and tax laws.
Rules-based tax calculations and adjustments	Ability to centrally store and automatically apply a base set of pre-packaged tax rules (kept current by tax software vendors). As standards and regulations change (such as the introduction of IFRS or jurisdictional tax law changes), TPM solutions will enable enterprises to easily incorporate rule changes into the software, where they would automatically be applied. They will also support client-defined overrides.
Coverage for all countries	Support for all country tax laws and regulations, down to local jurisdictions, to automate the application of the correct tax rules in all global locations and the use of applicable accounting standards.
End-to-end support for direct and indirect taxes	Provide a single platform that handles all direct and indirect tax processing to reduce the total cost of ownership, maintenance, and upgrades; improves quality and consistency of data; and leverages staff skills across tax types.

Enterprise Tax Technology Platform

Characteristic	Highlights
An enterprise solution with a single user interface	One user interface for the major tax types of the typical global enterprise, including income, sales, consumer use, VAT, payroll, and property taxes.
A common platform and database for all tax types	Unified database (and preferably the same database used for financial reporting and corporate consolidations) that houses all of the required financial (GAAP) and tax data, by legal entity, by jurisdiction, by year for all entities, jurisdictions, and years open to the statute of limitations for all major tax types including income, sales, use, VAT, payroll, and property taxes.
IFRS and IAS 12 support	In addition to FAS 109 and FIN 48, it will have built-in support for IAS 12 and IAS 34, making conversion to the international accounting standard for accounting for income taxes faster and easier for U.S.-based companies.
Interim provisioning functionality	A truly global, web-based provisioning architecture that powers the first dual-ledger provisioning solution (stat to IFRS to tax, or stat to GAAP to tax). The software will provide interim provisioning functionality in accordance with APB 28 and FIN 18, as well as IAS 34 on a centralized or decentralized basis, plus UI personalization that's sensitive to different roles and users.
Web-based architecture	Native, web-based architecture that allows unlimited scalability and anytime, anywhere access needed to support operations for all of the major tax types managed as part of an enterprise, global tax function.
Tax journal entry and account reconciliation capabilities	Support for automated tax journal entries and tax account roll-forwards and reconciliations, enabling tax professionals and auditors to see, for example, if the beginning balances tie-out to the last period end balances that they previously audited, or that the current period provisions in each account agree with those calculated by the company.
IT independence	Ability for tax departments to access the data they need for reporting without having to go through IT. Equally important, they will enable tax professionals to make changes to the tax application or tax reporting system directly from their desktops.

Vertex Headquarters

1041 Old Cassatt Road
Berwyn, PA 19312

Phone: 610.640.4200

Toll-free: 800.355.3500

Fax: 610.640.5892

vertexinc.com

© Vertex Inc. All rights reserved. Vertex, the Vertex logo, Where Taxation Meets Innovation, O Series, and Provision Global Tax Office are all trademarks of Vertex Inc. All other trademarks are used for identification purposes only and are properties of their respective owners.

10.08

