

# AVIOR DATA

## ALCTAX COMPLIANCE

### Generates Signature-Ready Tax Return from Beverage Alcohol Transaction Data with Extensive Support for all U.S. Taxing Jurisdictions

#### KEY BENEFITS

- ✓ Increases accuracy and filing productivity, and eliminate manual data collection and tax calculation by automating the preparation and filing process
- ✓ Eliminates tax errors and reduce risk of penalties through automated data validation, comprehensive tax content, and timely content updates and implementation
- ✓ Greatly reduces development time and cost through built-in system integration
- ✓ Ensures business agility by making it effortless to expand quickly to new regions, add new transaction types, or support new customer base
- ✓ Minimizes IT costs by eliminating the need for IT development, maintenance, and support for tax reporting

#### BUSINESS CHALLENGE

Beverage alcohol companies operate in a highly regulated industry. Any time a beverage alcohol company - manufacturer, distributor, wholesaler, retailer, or trader - sells or purchases, it may be subject to taxes. Each jurisdiction - city, county, state, and federal - has different rules, rates, and forms for beverage alcohol tax compliance. The complicated laws present a big challenge to companies to stay in compliance and avoid tax errors that affect profit and potential jurisdiction fines and penalties.

Beverage alcohol companies usually have one or more back-office systems which store and process each transaction that is subject to tax. But, most of the time the transaction data doesn't include all the information needed by each jurisdiction's tax return forms and schedules. Also, there are many exemptions and exceptions that need to be considered based on the current status of the parties involved in the transaction. Even if most of the raw transaction data is available in back-office systems, many tax groups still spend a lot of time manually collecting data from multiple systems, extending data, generating schedules, and preparing forms using spreadsheets. These manual processes lower productivity and may cause tax filing errors especially for companies who need to file tax returns with multiple jurisdictions.

Taxing authorities are always changing rules, rates, and forms. In this situation, tax analysts are required to stay up-to-date and change their processes to ensure tax accuracy and timely filing. For companies wanting to expand to new markets such as selling new types of products or do business in new jurisdiction, may also challenge tax departments to make the process changes required, especially if IT support is not available. With tax personnel focused on keeping current and filing on-time, tax managers may find it difficult to allocate resources to other valued projects such as tax analysis or audit response.

#### SOLUTION

Alctax Compliance produces signature-ready tax returns from beverage alcohol transaction data, allowing manufacturers, distributors, wholesalers, retailers, and other filers to automate the whole process of tax filing. Alctax Compliance extracts and converts data from the multiple back-end systems that store beverage alcohol transactions. Utilizing custom rules that include local, state, and federal tax laws; Alctax Compliance determines required taxes, producing returns and schedules for all major U.S. taxing jurisdictions. With hundreds of tax returns and thousands of schedules supported by Alctax results in rapid integration and minimized risk of filing errors.

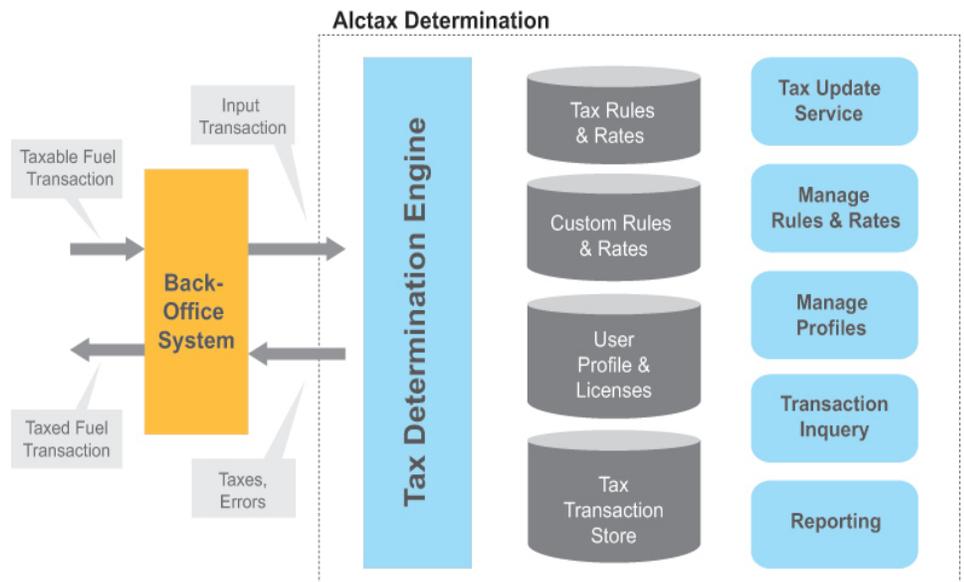
## FEATURES

- ✓ Extensive coverage for U.S. excise and sales & use beverage alcohol transaction taxes
- ✓ Tax updates provides continually updated tax rules and rate
- ✓ User configurable tax rules and reports provides custom tax calculation
- ✓ Error reporting provides detailed tax calculation errors
- ✓ Exemption and exception certificate manager accurately tracks customers tax status
- ✓ Transaction trail to rapidly figure out the taxes and the rules used by tax determination for a transaction
- ✓ Data analysis and reporting tools offer fast information access and audit support
- ✓ Seamless integration to ERP or financial systems



With thousands of tax rates and continued rules changes, this tax determination transparency is clearly provides benefits for IT, Tax Accounting, and customers. IT department no longer needs to develop, maintain, and support complex beverage alcohol tax sub-systems. Tax analysts can stop spending time on monitoring, implementing, and managing support for new tax rules and jurisdictions. Complete jurisdiction support entitles businesses with new agility, empowering easy expansion into new areas, transaction types, or products, without having to worry about the time it would take to develop or upgrade internally maintained subsystems to support new tax rules.

Alctax Determination gives back taxes control to the tax group. With open system architecture, tax rules, rates, exemptions, and exceptions are all managed seamlessly by tax department without IT involvement. Flexible data import capabilities and audit support tools enable the tax analysts to handle any taxes questions that may emerge. Tax department can easily figure out how taxes are calculated, speeding up the handling of customers questions which results in better customer satisfaction.



Compliance Workflow and Architecture