

# VERTEX<sup>®</sup> CONSUMER USE TAX *O SERIES*<sup>®</sup>

## TAX COMPLIANCE INNOVATION WITH VERTEX CONSUMER USE TAX O SERIES

Automating your consumer use tax compliance process with Vertex can significantly reduce the number and complexity of tasks required to assess consumer use tax liability.

Combining the latest technologies with industry-leading tax research, Vertex Consumer Use Tax O Series can provide your tax department with a fully automated and intelligent tax compliance system.

Vertex Consumer Use Tax O Series enhances tax process automation with:

- Intuitive taxability setup through easy assignment to Vertex supplied or user-defined tax rules
- Simplified integration with the financial system using XML for standard data exchange or through Java API
- Flexible deployment options for a full range of environments, including web services
- Advanced technology that allows for easier implementation and maintenance within the corporate IT infrastructure
- Audit trails supporting all tax decisions
- Role-based security to comply with Sarbanes-Oxley
- Customized reporting solutions for meaningful and proactive data analysis



WE'RE CONTINUALLY EXPANDING OUR SOLUTIONS WITHIN AND ACROSS ALL LINES OF TAX.

Income Tax • Sales Tax • Consumer Use Tax • Value Added Tax • Communications Tax • Payroll Tax

## FULL ACCESS TO TAX ADMINISTRATION TASKS THROUGH VERTEX CENTRAL

Vertex Central is the single user interface for you to access all functionality of your Vertex O Series applications, enabling you to approach your day-to-day tax administration responsibilities more efficiently and effectively. From this browser-based user interface, you can identify company-specific taxability for all transactions that are processed.

Other tasks such as rate research, running reports of logged transactions for audit or reporting purposes, or applying monthly data updates can all be accomplished through Vertex Central.



Manage multiple tax types through Vertex Central

## TAXABILITY MANAGEMENT

Vertex provides specific jurisdictional research and automation tools that integrate with your financial applications. These tools provide the:

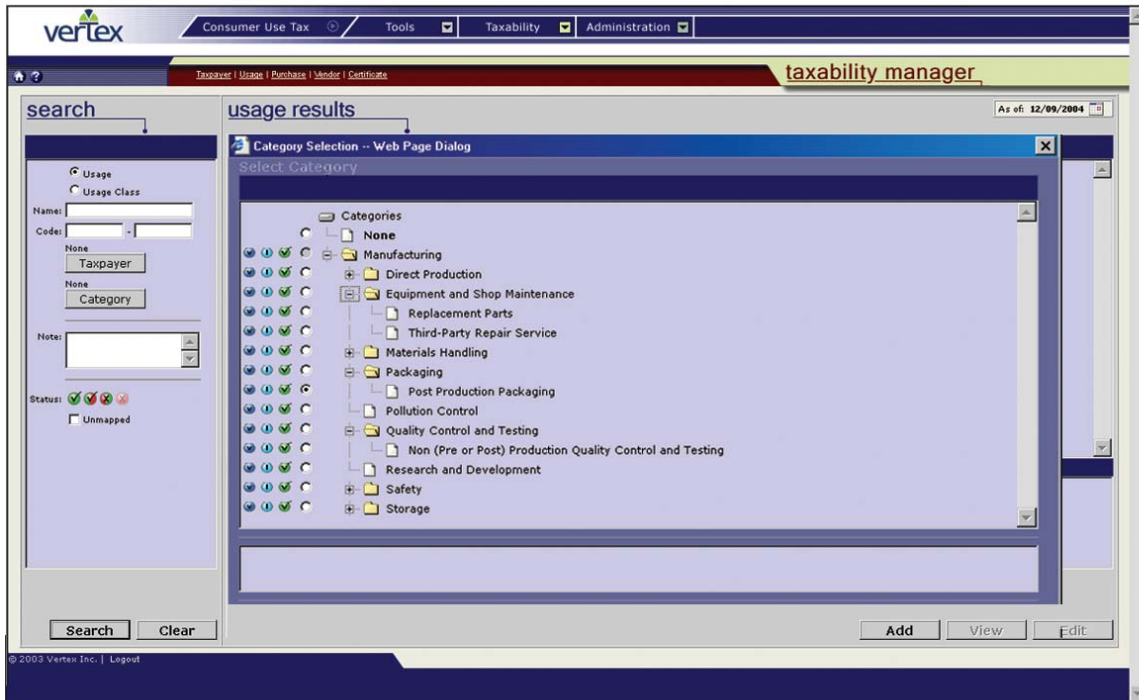
- Ability to reflect all consumer use tax events and associated tax liabilities from routine purchases, ERS transactions, Asset Movement and Inventory Removal
- Confidence that tax decisions remain in the hands of tax professionals
- Centralized access to reporting and audit management data

### Taxability Determination

Eliminating unnecessary overpayments made on exempt purchases is just as important as recognizing those transactions where tax accruals and payments are legitimately due. In either case, consumer use tax directly impacts the bottom of your business. Vertex Consumer Use Tax O Series provides jurisdictional tax research that identifies exempt and non-taxable purchases from two configurable perspectives;

- The “*What*” perspective identifies possible exemptions based on the **actual characteristics** of the goods or services purchased that are specifically defined by statutes as exempt or non-taxable
- The “*How*” perspective addresses the activities and uses of the purchase within your organization and where **certain activities** are defined by jurisdictions as non-taxable or exempt

Data exchanged between your financial application (including general ledger account numbers, cost centers, project numbers, vendor numbers, and product ID's) and Vertex can be mapped to either of these two rule sets, resulting in the return of an accurate tax calculation to your host financial system.



## Comprehensive tax research is embedded within the application

While Vertex provides comprehensive consumer use tax research, all tax rules and rates can be overridden within the software. Additionally, taxpayers may also create their own tax rules that reflect the unique aspects of their business. Recognizing both electronic receipts settlement transactions as well as direct pay permits are also possible within Vertex Consumer Use Tax O Series through simple software configuration options. Using the same tools, both inventory removal and asset movement transactions can be identified and evaluated for taxability. Detailed audit trails supporting all tax decisions are available for both internal and external reporting processes.

## SELF-ASSESSMENT AND VERIFICATION

Vertex will automatically calculate taxes due on purchases and verify these calculations with vendor-invoiced tax amounts. Any differences will be compared with your pre-determined thresholds. Differences falling within threshold levels will result in acceptance of the vendor charged amounts. Vendor charged taxes falling outside the threshold will require further investigation before the vendor is paid. Consumer use tax accruals will be made when vendors have not charged sales or seller's use tax on a taxable purchase. These accruals will be passed back to your host financial application to ensure the integrity of your financial reporting system.

## SIMPLIFIED RETURNS AND REPORTS PREPARATION

The system's Transaction Log maintains a historical record of data that will be used to automate the tax returns process and provide standard transaction summary and detail reports.

The often time-consuming process of filing returns is made easier through an export process that populates summarized transaction data directly into Vertex Sales Tax Returns *Q Series*.™ From this application, state and local tax returns are created with imported data, ensuring consistency of your tax compliance process.

Vertex Central, the user interface for all Vertex O Series products, allows you to view and print transactional tax activity details and other reports. Additionally, through Vertex Reporting and Analysis<sup>SM</sup>, users can seamlessly access advanced and customizable reporting functionality. The tax professional can perform analysis directly on the data while creating charts and pivot tables through custom queries. By understanding and analyzing the tax activity of your organization, you will have the information you need for making critical corporate performance decisions.

## Minimal Effort to Maintain Compliance

Keeping current with the many consumer use tax rule and rate changes can be an arduous task. With Vertex's research staff continually identifying and updating you with monthly changes, you can be confident that your system data is always current. Updates to rates and rules can be downloaded in one step and applied to your system from the Customer Café<sup>®</sup>, located on [vertexinc.com](http://vertexinc.com).

## A Common Integrated Platform

All Vertex O Series transactional tax applications share the Transaction Processing System platform. The Transaction Processing System was developed using the latest in Internet technologies such as Java, Java Server Pages, HTML, XML, and SOAP. JDBC is used for a common interface to multiple databases such as Oracle Database, IBM DB2 Universal Database, Microsoft SQL Server, and Sybase SQL Anywhere. These technologies enable the software to run in a platform independent, web-based environment.

All system functionality can be accessed through Vertex Central from a thin client using only a standard Internet browser. There is no system-specific installation necessary for each user station. All software upgrades and application installations occur through a central system server, reducing the overall cost of ownership for multi-user environments.

The Transaction Processing System architecture supports multiple options for deployment to fit the needs of various operating systems. The architecture allows Vertex O Series products to be deployed on an application server separated from the business system server by exchanging messages over the network. The added flexibility allows for centralized calculation engine deployments, simplifying maintenance of multiple divisions and interfaces to multiple business systems.

## Software Partnerships

Vertex has more long-term partnerships with the leading ERP software companies than anyone else in the industry. Together, we have developed integrated consumer use tax solutions to meet the needs of thousands of mutual customers by enabling them to access and share critical tax information more effectively. This success has established Vertex as the premier tax solution provider and partner - which is why we dedicate more strategic, technical, and service resources to our partnerships and spend more time learning about the needs of our mutual clients than anyone else.

## For More Information

Visit [vertexinc.com](http://vertexinc.com) or contact us at 800.355.3500 for more information on Vertex Consumer Use Tax.

## A Proven Provider

*For businesses that want more effective tax technology solutions, Vertex provides a comprehensive suite of software and consulting services for income tax, sales tax, and consumer use tax that combine Vertex's 25 years of tax technology experience with a fresh approach to tax consulting. Unlike public accounting and audit firms, Vertex is focused exclusively in offering tax technology solutions that are not in conflict with the restrictions of Sarbanes-Oxley.*