

Tax Implementation Questionnaire

Taxware Implementation and Planning Service (TIPS) Questions for Intranet & eCommerce Implementation

TaxAutomation uses this Questionnaire as a guide to collect vital customer information critical to successfully satisfying Company's requirements.

Technical Issues

- What versions of ERP (ie. SAP) and Taxware will be installed?
- What operating system, NT or Unix? If Unix, what version?
- What security/access will with implementation team have?
- Who will be doing the development work? (i.e. Internal IT department, TaxAutomation, Outside Consultants)
- What transactions are used relevant to tax?
- How many interface points will be needed from the host system to Taxware? (ie. sales order, invoicing, credit/debit memos etc).
- How many simultaneous users? How many application servers?
- What is the expected volume? How many transactions (invoice or order line items) will be processed each day/hour/month? What is the potential peak volume?
- If this system is used for procurement, will Purchase Orders be used? What percentage of A/P transactions will be using PO's?
- Are orders entered internally or externally?

Tax Implementation Questionnaire

eCommerce Implementation

- What Web application server are you using?
- What operating system, NT or Unix? If Unix, what version?
- What programming language is your application written in?
- What database are you using?
- Will there be any firewalls between the Web Application server and Taxware?

- Do you have the following fields available in your current system?
 - REQUIRED
 - Ship-To City, State and Zip (only 5 digit zip used for US or 6 digit for Canada)?
 - Base Amount?
 - PREFERRED
 - Ship-To Geo Code (2 digits or a place holder for the 2 digit geo-code in the ship-to address table)?
 - Ship-From City, State and Zip and place holder for Geo Code?
 - POA (Point of order acceptance) City, State Zip and Geo Code for Vendor location where order is accepted?
 - POO (Point of order origin) City, State, Zip and Geo Code for Vendor location where order is received?
 - Place holder material/service master record for Taxware product code (5 digit)?
 - Merchant "Company ID". This corresponds to each legal or reporting entity?
 - Material or Service ID?
 - Customer Number (up to 20 char)?
 - OPTIONAL
 - Customer Exemption Certificate Number (up to 30 char)
 - Customer Exempt Reason Code (2 digit code)
 - Material or Service grouping or classification.
 - Business location (ship from plant) code or ID.
 - Freight and/or handling charges.

Tax Implementation Questionnaire

■ STORING DATA FROM TAXWARE

- Total tax amount.
- Total tax rate.
- Optionally, up to 6 levels of tax rates and amounts.
- How many interface points will be needed from the host system (eCommerce) to Taxware?
- If Taxware will reside on a separate server, what is the reliability of the network? Do we need to incorporate error handling and/or transaction reprocessing in case of network interruptions?
- Is real time tax calculation required or batch calculation or both?
- What is the expected volume? How many transactions (invoice or order line items) will be processed each day/hour/month? What is the potential peak volume?
- Is this system used for procurement or customer sales?
- Are orders entered internally or externally?

Tax Issues

GENERAL TAX QUESTIONS

- Is the tax department centralized or decentralized?
- What tax type is being implemented? (i.e. Sales Tax or VAT Tax)
- If VAT taxes are not required for the initial implementation, will they be required eventually?
- Does your tax department perform tax research or will assistance be needed?
- Are you registered to collect Canadian GST/HST/PST taxes?
- How many plants? Are cost centers tied to physical addresses? How defined are G/L expense accounts? Can expense accounts or cost centers be used automating tax?
- What percentage of customers are repeat customers? Are all customers saved internally or only high volume and/or repeat customers?
- How many customer master records are currently on file?
- Do process any "internal" sales? Are these considered tax relevant?

Tax Implementation Questionnaire

SALES TAX

- How many separate legal or reporting entities will be using the system?
- If sales tax, in how many states do you file?
- How many potential ship-from locations are possible? Will this system be used only for tangible personal property or also for services?
- How many states are you registered to collect sales tax? How many states are you registered to collect seller's use tax.
- Are there any potentially exempt products or services currently being processed? Do you have any electronic lists of "potentially" exempt products or services?
- Do you keep track of customer exemptions? Are certificates stored and managed in one physical location? Do you have any electronic list of exempt customers?
- Yes / No
- How many exemption certificates are currently on file?
- What types of exemption certificates are most common? (ie. resale, manufacturing, government etc)
- Does your company have unusual taxability issues related to goods or services sold?

SALES TAX REPORTING REQUIREMENTS

- Is this system going to be used for tax calculation only or also for compliance and reporting? If used for reporting, will you need to merge other external system's transaction data?
- The following questions only need to be answered if compliance reporting is in the scope of this project:
 - How many state and local forms do you file each month?
 - Is the filing centralized or decentralized?
 - What system are you currently using for returns (manual, Vertex Quantum Returns, RIA InSource, CorpSales or other?)

Tax Implementation Questionnaire

VAT TAX

- In how many countries are you required to file returns?
- How many potential ship-from locations are possible?
- What returns are you responsible for filing? (VAT Return, VIES Return, Intrastat Report)
- Do you have commodity codes that will need to be mapped?
- Approximately how many product will need mapping?
- Does your tax department perform tax research or will assistance be needed?
- Is your company only doing business in the EU, European Union?
- What types of cross border transactions will you encounter?

Future Implementations

- How many other systems may require tax calculation?
- What types of systems may be relevant to future tax compliance (internal billing, e-commerce, etc)