

## Avalara Tax Compliance Suite

### Get sales tax compliance right

Getting sales tax right is easier said than done. With the changing and staggeringly complex nature of tax regulations, businesses risk either non-compliance if they're not paying attention, or inefficiency if they're not automating their business processes.

Businesses must determine each product's taxability and apply the proper rates for the applicable jurisdictions — all of which are subject to change. Compliance also requires understanding complex nexus obligations, validating exempt transactions, maintaining accurate records, and, most importantly, filing sales tax returns accurately and on time.

And it's only getting harder. The rise of untaxed internet sales has led to gaping holes in state revenues. The U.S. Government Accountability Office estimates states are losing up to \$13 billion per year in uncollected tax from ecommerce sales. To address the loss, states are adopting aggressive new regulations and adding auditors to help increase sales tax revenue.

That's the bad news. The good news: **the Avalara Tax Compliance Suite** has helped over 20,000 businesses address growing tax complexity with technology instead of human resources.

- **Accuracy:** Avalara tracks rules and rates, actively managing sales tax compliance across all sales channels, improving accuracy and reducing audit risk.
- **Efficiency:** Avalara automates sales and use tax calculation, exemption certificate management, and return preparation and filing — saving resources for more strategic projects.
- **Integration:** Avalara provides over **600 prebuilt integrations** to current business applications (see diagram below), speeding implementation without disrupting business processes.

### Avalara Tax Compliance Suite Integration



### Sales and use tax calculation

- Maintains tax rules and rates, eliminating tax research and tax table maintenance
- Validates addresses and uses mapping technology to improve accuracy over ZIP+4 rate determination
- Supports VAT and GST determination for global tax calculations
- Provides built-in sales tax history reporting
- Integrates with ERP, POS, ecommerce, billing, and CRM applications for fast deployment

### Exemption certificate management

- Collects, stores, tracks, reports, and analyzes exemption certificates
- Applies or exempts sales tax based on exemption status
- Integrates with ecommerce or POS checkout process to capture certificates at point of purchase
- Automates collection via mail or email campaigns

### Managed returns filing

- Manages monthly tax prep, filing, and payments
- Handles responses to tax notices from tax authorities
- Simplifies treasury management with a single ACH transfer to cover all sales tax liabilities

## Sales and use tax calculation with Avalara AvaTax

Avalara AvaTax maintains tax rules and rates and fully automates tax determination to help businesses manage compliance and mitigate audit risk.

- **Jurisdiction assignment:** AvaTax validates the full address and uses mapping technology to match it to predefined tax regions for U.S. states, U.S. local governments, and other countries. AvaTax determines the proper jurisdiction for sales, use, and VAT tax calculation and reporting.
- **Global coverage:** Avalara tracks tax rules and rates across the U.S. so you don't have to. Avalara also supports European VAT, India GST, full compliance in Brazil, and tax calculations for countries around the world.
- **Cloud deployment:** Internet-based service delivery provides a scalable solution that supports growth without IT bottlenecks.
- **Comprehensive reporting:** A library of sales and consumer use tax reports summarize transaction history for return preparation, reconciliation, tax analysis, and audit readiness.

## Exemption certificate management with Avalara CertCapture

Avalara CertCapture collects and manages resale and exemption documents. Exemption status is used in AvaTax to provide a tax exemption only when a valid, active certificate is available.

- **Exposure analysis:** CertCapture detects and reports on certificate expiration. It automatically triggers requests for updated certificates.
- **Certificate requests:** CertCapture automates individual or bulk requests for updated certificate information. Customers can easily find their certificates online or submit new ones by uploading a file or taking a picture with their mobile device. For ecommerce or retail checkout, certificates can easily be created at the time of sale.
- **Secure storage:** Centralized storage and easy certificate retrieval improves audit readiness.

## Managed returns filing with Avalara Returns

Avalara Returns improves efficiency and compliance by handling monthly sales and use tax preparation, filing, payment, and notice management on behalf of businesses. Avalara Returns helps lower filing costs, reduces errors, and allows tax teams to focus on more strategic projects.

- **Liability worksheet:** Stay in control through easy review, reconciliation, and approval of tax liabilities prior to filing.
- **Single source of payment:** Simplify accounting and treasury management with a single ACH transfer to a secure account covering all sales tax liability.
- **Returns archive:** Easily access current and previous years' information to support compliance with government records retention requirements.

"Since implementing Avalara AvaTax, we've halved the time we spend filing, reporting, and calculating sales tax. We were able to remediate \$8 million in back tax in 20 states quickly and start charging sales tax as soon as we received our VDA rulings."

**Marisa Massey, Controller**  
**Bazaarvoice**

"Preparing financial statements, providing financial analysis, running the department... these all had been put on hold for sales tax. With Avalara, it's a night and day difference."

**Jim Stuckey, CFO**  
**Cram-A-Lot**

"Exemption certificates are the same thing as cash money; missing an exemption certificate can cost you thousands of dollars in an audit. We decided on Avalara CertCapture."

**James Palmer, Tax Manager**  
**Northern Tool & Equipment**



815-893-6618  
Ask@PeopleSenseERP.com  
www.PeopleSenseERP.com

780 McArdle Dr. | Unit D  
Crystal Lake, IL 60014