Transform your tax function with modern analytics

For most tax professionals, tax technology consists of one common tool — spreadsheets. For decades, spreadsheets have been the tool of choice for tax professionals doing data preparation, analysis, and reporting. Unfortunately, this tool hasn’t scaled with the requirements and changing regulations. For analysts, even seemingly simple analysis such as tax calculations cannot be adequately prepared and reported in spreadsheets.

With constantly changing tax guidance, growing volumes of data, and increasingly diverse sources of tax data, tax departments are finding it increasingly challenging to keep up with tax compliance requirements and adequately plan for future expenditures. Many tax departments are now finding that maintaining the status quo is simply not acceptable. It’s no longer prudent to maintain outdated spreadsheets of tax data.

Not only does this pose a waste of time in preparation, but it also is a potentially huge risk for the company. Storing critical tax data in a vulnerable format exposes the organization to tax risks if the files are not auditable, maintainable, and repeatable. Having exhausted the limits of spreadsheets, tax departments are looking for innovative solutions for maintaining existing tax data and preparing tax filings for compliance and reporting.

Enter Alteryx — the tax technology solution. With Alteryx, tax professionals no longer must rely on spreadsheets for tax repositories, tax data preparation, and reporting. Alteryx allows tax professionals to bring in disparate data sources, easily prep and blend data, and report out tax filings.

The easy-to-use interface allows for quick updates to complex schedules to ensure that tax filings have the most up-to-date information. Making changes to lengthy schedules, such as depreciation tables, fixed asset rollforwards, or tax credit calculations, can be done quickly and effectively. The drag-and-drop interface of Alteryx also creates easy-to-review, repeatable workflows.

ALTERYX PLATFORM:
- Improves the efficiency, transparency, and accuracy of analysis across the organization
- Delivers both a code-free and code-friendly environment for business analysts and data scientists
- Empowers organizations to build a culture of data science and analytics across departments and skillsets
Tax analysts will no longer find themselves reinventing the wheel every time they are faced with a complex tax calculation or reporting requirement. With Alteryx, the building blocks for tax are all readily available. Tax technologists and analysts can leverage the Alteryx Platform to blend and prep complex, varying data sources, build workflows to perform the necessary analysis, and report out results.

Since fixed asset reports and depreciation schedules are often a key focus of tax reporting and audits, the need for accurate records was essential. Tax departments reliant on spreadsheet technology found themselves frustrated with the limitations of reporting and data maintenance.

With Alteryx, these problems disappear. No longer faced with file size limitations, complex schedules can easily be drafted and maintained on the Alteryx Platform. Changes to the schedule can be made in seconds, not hours, and analysis of depreciation and reporting occurs in a fraction of the time it previously took. With Alteryx, data is not limited. Analysts have their time back to devote to higher analyses, and less time is spent blending and preparing data.

**Simplify Complex Reporting**

Perhaps the greatest source of scrutiny for any tax department is the complex reporting associated with the income tax provision. Requiring elaborate documentation from a few data sources, including ERP data, fixed asset data, foreign tax payments, and historical filings, putting together appropriate documentation for a tax provision is no simple feat.

Historically, many tax departments have relied on spreadsheets as a repository for this tax data and to perform the tax calculations and analyses required for reporting. Unfortunately, as data volumes have become increasingly complex, spreadsheets cannot keep up with the requirements of tax reporting.

The limitations of spreadsheets become readily apparent as they cannot store all critical information, and performing changes to calculations can often lead to file collapses and data errors. With Alteryx, these problems are eliminated.

No longer confined to the row and data limits of spreadsheets, data sources can be brought in, joined, and analyzed for appropriate reporting and documentation. Given the high visibility of income tax provisions, auditors frequently focus on the numbers reported out. When reviewers are trying to make sense of complex spreadsheets, it can often lead to confusion and misinterpretation.

Aberdeen reports that companies that successfully deployed analytics and process automation in their tax compliance process report 85% improved accuracy in reporting and a reduction in audits that led to penalties.

With Alteryx, processes are easily documented and ready for review by auditors and leadership to ensure reporting is accurate and compliant with requirements.
Adopt the Right Technology

Beyond blending and preparing data, maintaining complex schedules within a tax department can be a challenge when faced with the task of explaining analysis to outsiders. Audits of tax data to comply with local, state, and federal regulation are routine. Without the right technology, however, tax departments may find themselves at a loss to explain their reporting results and how they came about their findings. With spreadsheet technology, documentation and “evidence of review” are not readily apparent.

Making sense of the work of analysts is challenging and subject to misinterpretation. With Alteryx, these problems are eliminated. The easy-to-review workflows document the steps taken to prepare analysis. Tax reporting is not only reviewable but repeatable to ensure results can be generated independently from the preparer.

Previously, analysts would spend hours preparing documentation for auditors, but with Alteryx this is no longer needed as workflows are ready for review.

Remove Manual Process and Introduce Automation

Perhaps the biggest benefit of successfully engaging Alteryx in tax processes is removing manual processes and introducing automation. For many tax departments, no tax analyses can occur without incredibly-detailed intervention. Analysts must manually retrieve data from multiple sources, configure data to meet file requirements, and perform calculations on the data files. With any manual process, the risk for error is high. This puts the quality of data at risk and the need for manual reviews as essential to ensure quality of data and reporting.

When tax departments successfully leverage the Alteryx Platform, previously manual processes can be automated with the assurance that calculations and analysis are run correctly. Human intervention (and corresponding errors) are eliminated from the process.

Additionally, the time savings can be tremendous. What would previously take hours of manual analysis can now be done in minutes. Automating allows for better use of analysts’ time and quality review of tax results.

A New Day for Tax Professionals

When tax departments recognize that maintaining the status quo is no longer enough, they are taking the first step towards a data transformation. Recognizing the benefits of tax technology and the power of Alteryx can go a long way in ensuring the long-term success of tax operations.

With Alteryx, the limitations of spreadsheets, complex review, and manual processes are eliminated. Introducing repeatable, auditable, automated workflows can have a tremendous impact on tax organizations and ensure that analysts are devoting their time to critical analysis instead of data blend and prep.