

SOLUTION BRIEF

5 Ways Alteryx Simplifies Tax Apportionment

Ensuring compliance and accuracy in tax allocation across multiple jurisdictions

Automated Tax Apportionment

- A more efficient apportionment process can lead to:
- **30-50% reduction** in time spent on manual tax calculations.
- **2-3 weeks saved** across the tax lifecycle, improving efficiency.
- **60% reduction** in tax compliance workloads, increasing visibility

How a Top 10 Accounting Firm Used Alteryx to Automate Tax Compliance ►

Tax apportionment is a complex process that requires businesses to allocate taxable income across multiple jurisdictions, each with its own evolving regulations. Manual processes and disconnected financial systems make it difficult to ensure accuracy and compliance, often leading to errors, delays, and increased audit risks. Relying on spreadsheets and outdated methodologies limits visibility into tax liabilities, making it harder to optimize tax positions and meet reporting deadlines.

With Alteryx, tax teams can automate data preparation, apply jurisdiction-specific formulas, and generate audit-ready reports with ease. By integrating financial and tax data from multiple sources, Alteryx enables faster, more accurate apportionment calculations while reducing manual effort. Organizations gain greater compliance confidence, enhanced visibility into tax obligations, and the ability to adapt quickly to regulatory changes—all within a streamlined, repeatable workflow.

Find out more today at www.alteryx.com

Common Challenges

This solution solves the following key challenges in tax apportionment:

- Siloed Data – Hard to integrate financials across jurisdictions
- Complex Rules – Varying tax laws and apportionment formulas
- Manual Errors – Spreadsheets increase compliance risk
- Limited Visibility – Delayed insights into tax liabilities

5 Myths About Tax Apportionment

1. Tax apportionment formulas are uniform across all states.
2. Only large corporations need to worry about tax apportionment.
3. Apportionment only considers where a company's sales occur.
4. Once set, apportionment formulas remain constant over time
5. Apportionment is straightforward and doesn't require specialized knowledge..

Master tax apportionment and compliance with Alteryx—unlock efficiency in these five critical areas.

- **Data Collection & Integration:** Tax apportionment relies on data from various financial systems like ERP, tax software, payroll, and sales platforms. These systems often operate in silos, causing inconsistent formats, missing data, and manual extractions. Without a unified dataset, tax teams spend hours reconciling discrepancies and risk reporting errors that can trigger audits. Alteryx automates data collection and blending across sources like SAP, Oracle, QuickBooks, or custom tax software. Say goodbye to spreadsheets—Alteryx standardizes and cleanses tax data, providing a single source of truth for accurate apportionment.
- **Apportionment Factor Calculation:** Different jurisdictions use formulas like the three-factor model (sales, payroll, property) or single-sales factor formulas, which are often complex and subject to frequent changes. Alteryx simplifies this process by automating tax calculations and quickly adapting to evolving state, federal, and international regulations. With reusable, customizable tax formulas, teams can swiftly update methods to reflect new rules, ensuring compliance and accuracy without the need for manual recalculations.
- **Tax Rate Application & Liability Estimation:** After determining apportionment percentages, tax teams must apply the correct jurisdictional tax rates. States and countries vary with flat rates, graduated brackets, or sector-specific rules. Using the wrong rate can mean penalties or overpayments. Alteryx applies the latest tax rates automatically based on location, entity type, and industry, ensuring accurate liability tracking and removing guesswork.
- **Adjustments, Deductions & Compliance Checks:** Tax compliance isn't just about calculating liabilities—it's about finding deductions, credits, and double-taxation agreements that reduce tax exposure. Many organizations miss tax-saving opportunities or risk noncompliance due to jurisdiction-specific complexities. Alteryx automates checks for deductions and credits, flags optimization opportunities, and ensures organizations avoid double taxation.
- **Reporting & Audit Readiness:** Tax authorities require clear documentation and audit trails to verify apportionment accuracy. Yet, tax teams often rely on static spreadsheets and disconnected reports, making it hard to justify calculations and respond to audits. Alteryx automates tax reporting, creating detailed, repeatable reports with full transparency into calculations, source data, and tax rules.

What You Will Need

- **Financial & Tax Data:** Sales revenue, Payroll expenses, Property valuations, Tax statements by jurisdiction.
- **Jurisdictional Tax Rules:** Apportionment formulas, Tax brackets, Exemptions, Industry-specific policies.
- **Compliance & Audit Requirements:** Tax filing deadlines, Record-keeping standards, Audit documentation, Historical data tracking.
- **Regulatory & Legislative Updates:** Changing tax laws, Jurisdiction-specific requirements, Double taxation agreements.

What Alteryx Provides

1. Automates workflows from data access to applying apportionment formulas and generating tax reports.
2. Cleans and prepares tax data efficiently, ensuring accuracy across jurisdictions.
3. Uses AI to accelerate workflow build time, improve explainability, and enhance compliance insights.
4. Integrates financial and tax data from diverse internal and external sources for seamless apportionment.
5. Empowers advanced tax analytics, improving accuracy, audit readiness, and decision-making.

Alteryx platform system requirements

For a complete list of system requirements and supported data sources, visit

<https://www.alteryx.com/products/alteryx-platform>

“This powerful automation transformed what used to be hours of intricate manual work into an efficient process. The improvement has not only unlocked invaluable time for our team but has also infused consistency into every aspect of our process.”

Juliana Maia
Senior Manager of Tax
Technology
Baker Tilly

About Alteryx

Alteryx offers an end-to-end, analytics platform which empowers people to break data barriers, deliver insights, and experience the thrill of getting to the answer faster. Business analysts and data scientists alike can discover, share and prep data, perform analysis, and deploy and manage analytic models. Enterprises all over the world rely on Alteryx to deliver actionable insights daily.

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