

SAP Profitability and Performance Management

Tax Calculation and Reporting Content

In a nutshell ...

„Tax function automation and simulation has a huge potential.“

99%

automation
potential of Tax
preparation
(*Oxford)

40 %

efficiency gain on
average by using
professional tax
software
(**EY survey 2020)

68%

of companies want
to incorporate more
of their ERP data for
tax activities
(**EY survey 2020)

“The tax function should seek maximum leverage from the financial reporting technology investments made by the enterprise while also using specialized tax technology.”
(**EY 2020)

SAP Profitability and Performance Management Tax Calculation and Reporting content enables you to collect, calculate, report and simulate your direct tax based on highly automated processes.

Why Direct Tax Calculation and Reporting Content?




Fast go live thanks to predefined content structure, example rules and SAP S/4 HANA and SAP ERP integration.



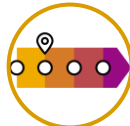
Support for P&L based Timing and Balance based Temporary approach, also combined.



End-to-end integration uses relevant calculation data without redundancy.



Optional result postings into tax and finance ledgers after successful review.



„Single source of truth“ for tax reporting data.

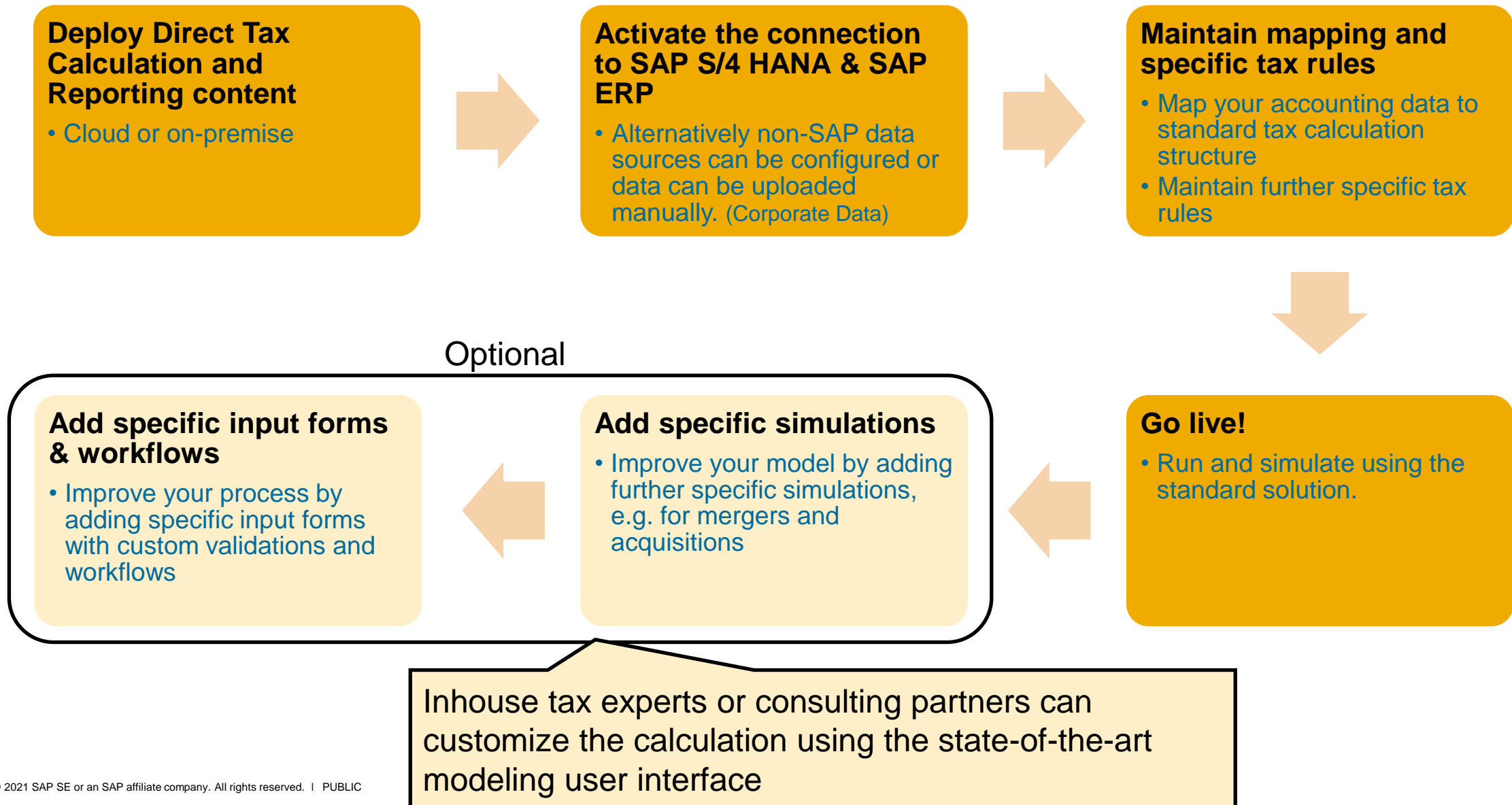


Leverage built-in simulation capabilities for corporate and deferred taxes.



Benefit from high calculation speed even with large data volumes.

What can SAP customers do?



Model

Uses your most trusted data

- Connects to your financial statement item data as the primary source.

Uses best practices tax approaches

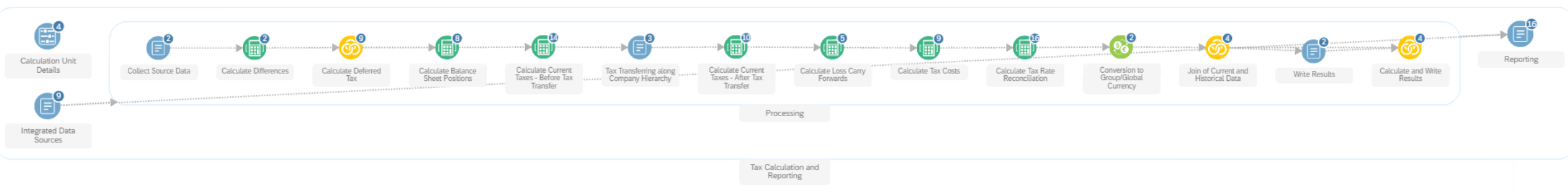
- Uses best practices P&L timing and balance temporary approaches to get reliable results.

Built-in traceability

- Calculates on granular level throughout the whole process.

Ready for actuals and what-if simulations

- Allows to compare actuals and simulation results.



Workflow

Predefined process template

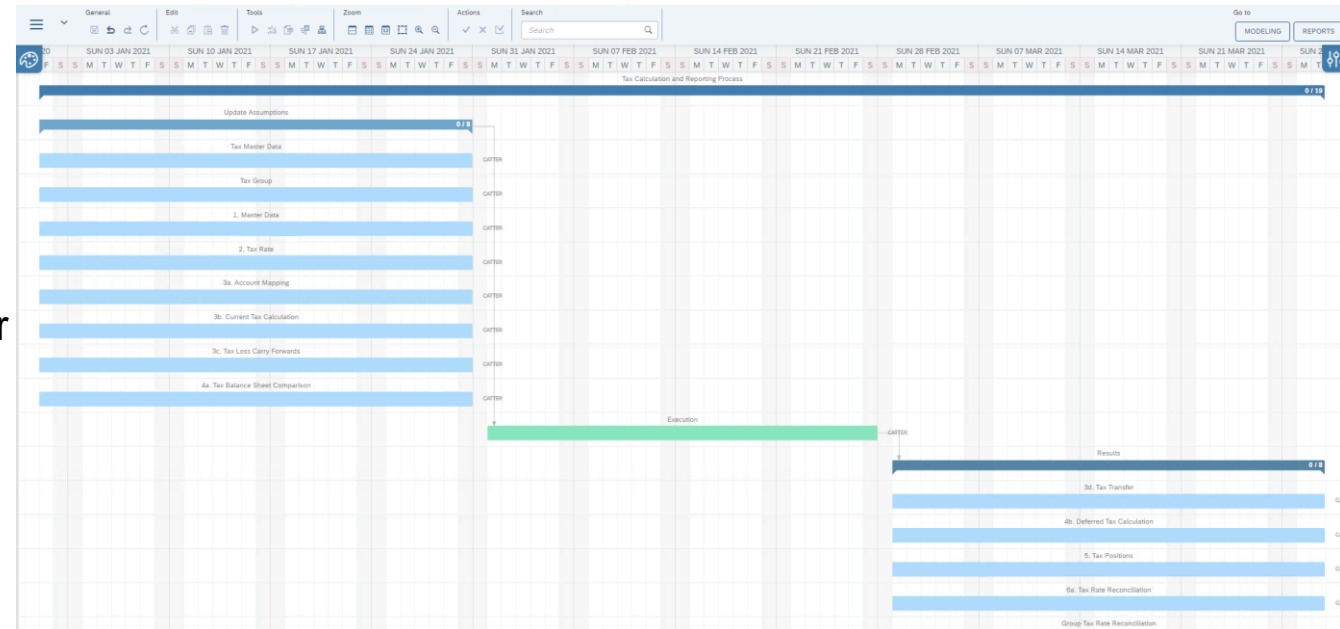
- A predefined process template orchestrates the periodic tax calculation in the company and the teams involved. It comprises all activities with their dependencies and can be easily adapted if needed.

Workflow

- A four-eyes principle workflow can be used to further structure the review process with submissions and approvals.

Traceability and auditability

- The execution of all activities is logged and permanently available for evaluations and audits.



Simulation and Reporting

Predefined reports

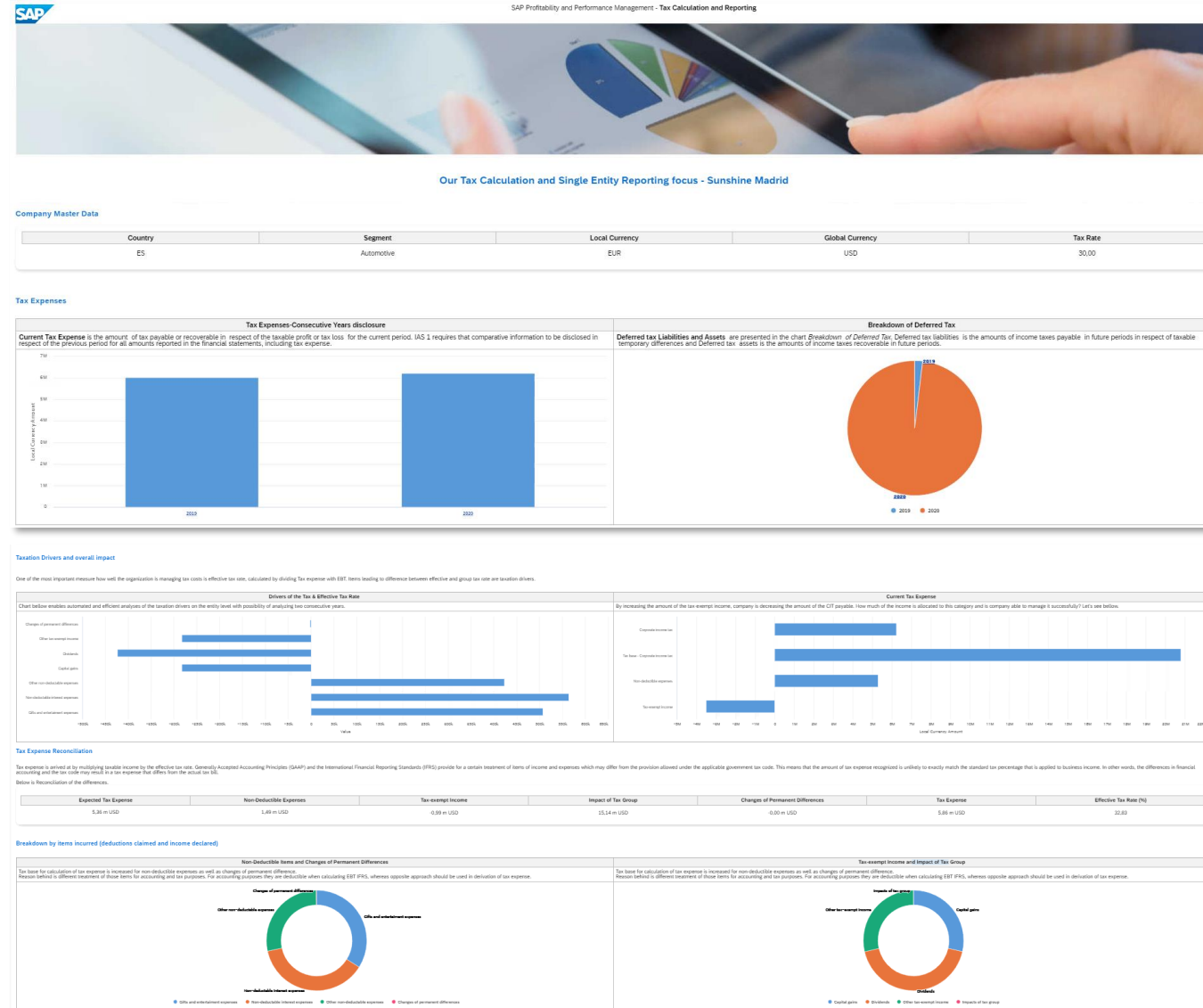
- Predefined results reports include visualizations of calculations in model.

Interactive what-if simulation

- Built-in simulation capabilities allow to calculate the model with different parameters and assumptions.

Ad-hoc analysis

- The Ad-hoc analysis provides pivot tables and charts with powerful drill-down, slice and dice capabilities for large-scale data.



Summary

- The predefined Tax Calculation and Reporting content and the integration of SAP S/4 HANA and SAP ERP ensure a high degree of automation and a short implementation time.
- In the standard case, the integration does not require ERP data redundancy.
- Best practices P&L and balance approaches are used.
- The modern user interface is attractive for tax and finance experts. It is ideal to extend the model without coding.