




VAT determination: How confident are you in your data?

Compare your current VAT determination state with VAT determination: **Great**

SOVOS



Accurate VAT determination is foundational to tax compliance. That means that tax authorities are increasing their requirements for immediate, digital, paperless, and of course accurate, reporting. Is your business ready for the challenge, or likely to be challenged?

Use this self-assessment checklist to scrutinize your current VAT determination posture and capabilities and determine whether Sovos holds the solution you need to create a stance that's fit for purpose in the face of strengthened global VAT regulations.

Is your business registered for VAT in every market you operate? How do you currently ensure you understand and comply with the differing VAT rates and exemptions as well as staying on top of regulation changes in each market?

How Sovos helps:

Sovos VAT Determination – VAT ID Validator increases your VAT compliance while reducing your manual VAT number verification. This SAP-certified add-on provides you with qualified retrieval, validation, and storage of your VAT ID validation results via official national tax authority and EU databases. It smooths your transactions across borders and keeps you fully compliant within them.

What is your current process for analysing and determining when VAT should be charged or reclaimed across differing jurisdictions? How do you stay abreast of VAT implications based on customer and supplier locations and manage cases where multiple regulations apply?

How Sovos helps:

The Sovos VAT Determination – Monitoring and Reporting module provides efficient, transparent, and correct identification of VAT determination across all your supply chain transactions, including VAT ID checks. With it, you'll get every transaction right, every time, across every location.

How manual are your current VAT determination processes? With any manual activities, how do you safeguard against errors? Have you considered the time and cost savings, and overall lower risk that an automated process could bring?

How Sovos helps:

Integrated within and integral to Sovos VAT Determination are two key elements:

1. Our tool for checking of your master data that automatically finds and flags any errors for VAT reconciliation.
2. Advanced VAT reports for any additional data queries you have or receive, in addition to VAT analytics capabilities.

As a result, your VAT teams can easily identify the insight and unlock the potential value hidden within your master data, while ensuring the constant validity of that same data.

With any automated processes in your VAT determination, how much additional effort—e.g., custom coding, ongoing IT maintenance, finance team supervision—is required in getting the processes to a workable state and keeping them there?

How Sovos helps:

Sovos VAT Determination provides a powerful suite of secure and SAP-certified add-ons that automate your VAT determination. It removes the need for ongoing customization and constant supervision within your VAT-related tech stack, simplifying your master data maintenance, and mitigating the compliance risks caused by inaccurate data.

Have you established a comprehensive VAT risk management strategy, either locally, or globally? And do all your offices maintain a clear and consistent VAT-related audit trail? I.e., if a VAT dispute arises, or an audit is requested, can you easily find every relevant transaction?

How Sovos helps:

As governments becoming increasingly present in your data, the Sovos VAT Determination – Monitoring and Reporting module minimizes your audit risks by continually comparing your general ledger and account balances with postings against specific tax codes. The depth of its monitoring and reporting also significantly reduces your risk of penalties from incorrect filings.

The four SAP-certified add-ons within the Sovos VAT Determination suite are tailored for even the most complex of supply chains and designed to give you confidence in every transaction and tax decision.

- **VAT Determination** – Sales
- **VAT Determination** – Purchasing
- **VAT Determination** – Monitoring and Reporting
- **VAT Determination** – VAT ID Validator

Select and integrate your choice of the available modules into your VAT determination processes to:

- Reduce your operational burden in establishing and maintaining your VAT determination tech stack
- Minimize audit and incorrect filing risk
- Achieve advanced reporting and analytics capabilities on validated master data
- Lessen the friction while increasing the compliance of your cross-border VAT determination