

A U.S. Manufacturer Multiple Companies... One Secure Solution for Tax

Operating multinationally, and with a growth strategy focused on acquisitions, the “Company” has numerous organizations and subsidiaries in the fold, plus many business units, groups, and locations. They needed a standardized, user-friendly compliance solution to achieve consistency and accuracy across the board—while maintaining maximum security.

The Company handles tax system administration centrally from their headquarters. Currently, all business units use CSC Corptax® Compliance to produce a consolidated Form 1120 with over 300 entities. Corptax efficiencies let them analyze return detail by business group one month earlier than before. According to the Tax Reporting Manager, “This permits more in-depth reviews and increases the accuracy of our compliance. We estimate we save at least 120 hours annually from this process change alone.”

Further, the ability to share data electronically among its many locations without relying on paper files gives managers the flexibility to “analyze data as we’re accomplishing other tasks.”

Using Built-in Security Options

The Company’s frequent acquisitions and associated new personnel, along with its huge volume of tax data, made data security paramount. The Tax Software Analyst and Tax Software Administrator needed the ability to establish controls and prevent changes.

To increase security, they launched an initiative to establish protocols and use security controls available within Corptax. They started with several goals:

- Allow users to see only what they need to see
- Limit exposure to risk
- Distinguish between active and inactive entities, showing only active
- Control items that affect consolidations
- Allow items to be locked down upon completion
- Protect prior year data from changing

Corptax system functionality made it easy to add and remove users from groups and grant entity and functional access to users, as needed. By adding a date code prefix to each entity name, it was easy to see and remove inactive entities.

Client Profile

Among the largest organizations in America, the Company is involved in a variety of global manufacturing businesses.

Business Situation

Since 2003, the Company has invested in multiple acquisitions—resulting in diverse tax processes and methods. It needed a user-friendly way to standardize compliance across the board, better manage entities, and establish stringent security controls without adding cost.

Solution

All business units, groups, and locations use Corptax Compliance for state and federal income tax returns. To improve security, the Company launched an initiative to establish protocols and use security controls available in Corptax solutions.

Results

Standardizing and centralizing the compliance function furnished a higher level of consistency, accuracy, and timeliness—saving time, decreasing risk, and increasing confidence. Using security controls in Corptax Compliance and Corptax Entity Management made it easy to protect information throughout the tax lifecycle and ensure privacy of each business unit.

CLIENT SUCCESS STORY

A U.S. Manufacturer

Corptax Entity Management enabled every business unit to use the same standardized views and data-controlled fields. Full administration rights were limited to select users, and amount keys were removed to prevent accidental postbacks of amounts and to protect data integrity for audit.

According to the Tax Software Analyst, "We use functionality within Corptax to protect our information throughout the tax data lifecycle, so our federal consolidated return remains intact and data integrity is true. We lock down state returns when they're done, and we lock down state apportionment as well. And we can make state adjustments without impacting federal information."

Trusted Data, Today and Tomorrow

With Corptax security measures in place, the Company can pull data and know it's correct. Data from prior years is preserved and audit-ready. The ability to lock data and limit who can change numbers once data is rolled forward helps maintain integrity, decrease risk, ensure privacy, and build confidence.

To sum it up, "Through each step of our tax process, we have good data. We don't worry about it moving, or worry about re-reconciling information; it stays true. There's nothing additional that we have to do—it's all done through the Corptax functionality available to us."

Results At-A-Glance

- The consolidated compliance process for all nine divisions saves 120 hours per year
- Review and analyze business group returns four weeks earlier, increasing compliance accuracy
- Use controls within Corptax to improve data security company-wide—at no additional cost
- Increase quality of information used for federal consolidated and state returns, state apportionment, and audits

"The efficiencies we've gained with Corptax have far outweighed the cost."

—Tax Software Analyst



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800.966.1639

