

A Consumer Products Corporation Upfront Analysis Allows Downstream Ease

Facing tax complexities typical of a large and diverse organization, the “Company” licensed CSC Corptax® Compliance and Corptax Office to drive tax efficiencies, and engaged Corptax Professional Services at the outset to examine current processes and re-engineer process workflow.

Using different accounting systems, the Company prepared two separate company trial balances that encompass multiple business units. During implementation, Professional Services worked collaboratively with the Company to determine the most effective way, (e.g., by product line, functional group, specific account numbers, or a combination), to import these trial balances to prepare legal entity financial statements.

Upon implementation, the Company has one consistent reporting package which provides continuity to analyze M-1 calculations, plus accuracy and uniformity across all companies. The flexibility to create customized trial balance accounts allows the Company to run various calculations without further manipulation of data. This saves time and lets the Company identify and run calculations on specific trial balance accounts, such as Intercompany Charges.

Professional Services also helped the Company create custom entity groups, including a mixed insurance entity group. In addition, Professional Services established an e-file process to prepare consolidated and combined state returns when a different legal entity is the filing parent company, or when the entire consolidated group is not included in the state filings.

From Three Days to Ten Minutes

Historically, it took the Company multiple days to prepare intercompany calculations in Excel®, and book reclasses and/or adjustments were entered manually. During implementation, the Company created Corptax Office templates to pull out accounts required to perform intercompany calculations—and push them back into Corptax using a book adjustment code. The process now takes ten minutes. And using these Corptax Office templates year after year will save time going forward.

“The proven accuracy of Corptax calculations not only saves time and effort—it enables the tax team to set and meet all compliance deadlines—reducing stress and instilling confidence.”

— Tax Manager

About the Company

A world leader in consumer products sold in 160 countries, Corptax client (“Company”) nets sales of more than two billion dollars, annually.

“This collaboration has yielded an accurate and efficient reporting process.”

— Tax Manager

A Consumer Products Corporation

A Streamlined State Return Process

Previously, finalizing state returns required manual input which demanded additional levels of review. After finalizing the federal compliance account mappings, the Company researched various state mappings, using Corptax Connect, to build state apportionment and modification templates that allowed amounts to flow to the appropriate lines in the state returns. This means few-to-no changes to finalize the state returns. It also cuts the timeframe and budget for completion and review by more than half.

The Company previously engaged multiple third-party resources on a full time basis for a six-month period to co-source federal and state returns. The efficiencies Corptax Office added to workpaper preparation, along with improved accuracy, cuts co-sourcing needs to one part time resource for a three-month period, and the Company looks to reduce co-sourcing even more.

It's Good to be Green

A near paperless environment also saves time and cost. Corptax solutions allow the Company to review all returns online, letting them track versions and review comments on a shared drive. Plus, the Company e-files all returns where possible, and only prints required signature pages. Printing returns to PDF allows the Company to retain all returns electronically, without needing to scan every page.

Results At-A-Glance

- Produces one consistent reporting package which provides continuity to analyze M-1 calculations, plus accuracy, and uniformity across many companies
- Reduced a multiple-day process to ten minutes using Corptax Office to pull accounts required to perform intercompany calculations and push them back into Corptax using a book adjustment code
- Automates amounts to flow to the appropriate lines in the state returns for few-to-no changes to finalize them, cutting the timeframe and budget for completion and review by more than half



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