

ADP Sales Tax Service



Single-vendor,
End-to-end Solution
Manages Calculation,
Return Filing, and
Remittance to State and
Local Governments

When it comes to sales and use taxes, businesses are faced with a number of significant challenges: keeping track of thousands of ever-changing tax rates; calculating sales and use taxes based not only on product categories but also where products are being bought and sold; completing tax forms; and making tax payments on time. Now there's a better way. Automate the entire sales tax function – from calculation of sales and use taxes and forms completion to the actual transfer of funds to various state and local revenue departments.



Introducing the ADP Sales Tax Service. With this new service offering, ADP gives you the opportunity to outsource another business process, freeing your tax and finance people to focus on higher level functions and make more concrete contributions that will aid your company's growth and success. The ADP Sales Tax Service takes the tedious and time-consuming process of sales tax compliance and turns it into a fully automated solution.

Benefits of Using the ADP Sales Tax Service

Tax Calculation

- Use ADP proven tax engines – Taxware Enterprise or the Sales and Use Tax System – as the front end
- Reduce the total cost of compliance and mitigate risk

- Forecast tax obligations with greater accuracy
- Create defensible audit trails for compliance with Sarbanes-Oxley section 404
- Reduce the scope of audits
- Help avoid costly tax penalties
- Take advantage of tax compliance research in all U.S. and Canadian jurisdictions
- Facilitate tax planning and transaction modeling for more informed decision making
- Integrate seamlessly with existing ERP, financial, and CRM applications
- Copy and share rules between business units
- Support a high degree of customization in tax jurisdictions, geocodes, goods/service codes, entity/use codes, and associated tax rules

Forms Filing

- Timely returns and reports processing
- Forms updated monthly or as needed
- All forms research is in house
- Up to date tracking of electronic forms, Electronic Data Interchange (EDI), and Webfile responsibilities
- Frees tax and accounting staff to focus on key business initiatives

Payments

- Timely Payments – Automated Clearing House (ACH) or check, reduced risk of penalties and interest
- Completely automated processing through ADP Money Movement Services
- Comprehensive management of liabilities – no worry that something has not been paid
- Notice Handling

Available Only from ADP

The ADP Sales Tax Service is the total tax solution that companies have been waiting for. While you host the tax engine, ADP hosts and completely automates the forms completion and money movement activities. There are three steps involved in the solution:

- Tax calculation is performed using Taxware Enterprise or the Sales and Use Tax System
- Data is automatically populated onto tax forms
- Custody of Funds is transferred to ADP and money is securely transferred to state and local revenue departments

Product Taxability Matrix

Included in this service is ADP's Product Taxability Matrix, a proprietary database containing rules for thousands of unique, real world situations including full and partial exemptions, special rates, caps and thresholds. It also contains more than 2,000 product and service classifications, as well as all U.S. and Canadian sales and use taxes, to ensure the most accurate tax payments. You can easily map your company's products to the matrix and add customized product codes unique to your business. The rules database, of particular value to retail customers, handles a variety of retail-specific situations, including:

- Bracket taxing
- Coupons and refunds
- Enhanced jurisdiction verification
- Delivery charge taxability
- Delivery method taxability
- Mapping of Stock Keeping Units (SKU's) to applicable tax rules and rate
- Monthly rate updates
- Rental taxes
- Tax holidays
- Tax returns
- Urban enterprise zones
- White goods fees

An Industry First

World class tax content. Automatically populated tax forms. Transfer of tax funds to individual state and local governments. It's an end-to-end solution from one of the most trusted names in business. ADP is the company that moves more than \$1 Trillion dollars in payroll and payroll tax revenue per year and we're now applying our money movement expertise to sales and use taxes.

Today ADP

- Serves more than 585,000 clients in 31 countries around the globe
- Pays 1 in 6 U.S. workers and 33 million people worldwide
- Provides over 50 million workers with one or more of our services
- Over 80 percent of the FORTUNE 500 companies and over 90 percent of the FORTUNE 100 use at least one of ADP's services
- Electronically moved over one trillion dollars in client tax, direct deposit and related client funds
- Stands as the only information technology company and one of only a handful of global companies with a "AAA" rating from the leading investment ratings agencies

Today National Account Services:

- Delivers World Class Service resulting in over 90% retention and an average tenure of more than 15 years
- Ranked first on Workforce Management's Large-Market End-to-End Outsourcing List (March 2008)
- Approximately 1,000 associates, including 25% of our Solution Center employees, hold industry certifications
- 50% of the 7,000+ associates in NAS are in direct client service roles