



AVALARA TAX AUTOMATION
SOLUTIONS FOR ENTERPRISE COMPLIANCE

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ABOUT AVALARA

Avalara makes tax compliance faster, easier, more accurate, and more reliable for 41,000+ business and government customers in over 75 countries. Tax compliance automation software solutions from Avalara leverage 1,200+ signed partner integrations across leading ecommerce, ERP, and other billing systems to power tax calculations, document management, tax return filing, and tax content access.

Visit avalara.com to improve your compliance journey.

Simplify complex tax processes, improve efficiency, and reduce risk

Larger companies face unique compliance challenges which necessitate robust systems, specialized knowledge, and considerable resources to effectively manage indirect tax compliance.

Regulations are far too rigorous for this work to be done manually. **Many businesses now automate a large number of their financial processes, however basic functionality built into your business systems may not be sufficient to manage more complex compliance requirements.**

Larger organizations, particularly those operating globally, find it's more efficient and less risky to manage tax compliance with specialized software. The key is to find a solution that meets the needs of your business and connects seamlessly into your ERP, financial systems, and applications.





Factors that can complicate transactional tax management



BUSINESS COMPLEXITY

Multijurisdictional operations require navigating a variety of tax systems, laws, and compliance requirements simultaneously. If that extends to international sales, you'll also have to comply with customs duties and trade regulations in addition to indirect taxes, which vary by country. Keeping up with all these systems, rules, and regulations is particularly complex if your supply chain involves the sale and transfer of goods and services across borders. High transaction volume can also exacerbate the risk of tax calculation errors, which can be costly and impact timely payments and reporting.

DIVERSE PRODUCT AND SERVICE OFFERINGS

Selling a range of products and services potentially subjects your business to varying tax rates and rules. Determining the correct tax treatment for each transaction can be difficult if you don't have specialized knowledge or tools to comply with taxability regulations.

TECHNOLOGY AND SYSTEMS INTEGRATION

Tax laws and regulations frequently change. It's key to ensure your tax compliance systems and processes are accurate, up to date, and capable of handling the required data. Mergers and acquisitions can introduce new and varying tax compliance and business license requirements. Integrating the tax compliance systems and processes of acquired entities can be complex and time-consuming.

REGULATORY SCRUTINY

Large companies are more likely to be audited by tax authorities given the significant amount of tax revenue involved. Preparing for an audit necessitates rigorous documentation and record keeping ensuring you can provide a clear audit trail and supporting documentation.

The Avalara advantage

Research by industry experts including [Reuters](#) and [billentis](#) shows that larger organizations benefit from advanced automation technology to manage regulatory changes and complex compliance requirements.

When evaluating solutions, enterprise businesses require the ability to:

1

Comply with the latest tax regulations and updates at the local, state, regional, and national level.

2

Calculate and apply the correct taxes and exemptions to every transaction based on the regulations and requirements for that customer, sale, and region.

3

Streamline preparing and filing tax returns, reducing the time and effort required to generate accurate and timely reports.

4

Integrate with existing ERP and accounting systems to consolidate data from various sources, ensuring consistency and accuracy in tax calculations and reporting.

5

Maintain a detailed and accessible audit trail of all tax-related transactions and documentation to simplify internal and external audits.

“

We needed a software solution that was easy to use, easy to plug in, and had the back-end side of tax compliance Zillow Group needed ... (With Avalara) the implementation was really smooth. Within a couple of hours, we had our development sandbox up and we were evaluating transactions.

– Jason Heckel, Senior Director of Tax, [Zillow Group](#)

Avalara understands these priorities,

which is reflected in the breadth and depth of its product offerings. Specifically, with Avalara, businesses benefit from comprehensive, automated tax solutions that can:

Manage tax across multiple jurisdictions

(local, state, region, country) and regularly update the latest tax laws and regulations to improve compliance. Avalara's extensive tax content engine contains compliance data for sales and use tax, VAT, GST, customs duty and import taxes, and other transactional taxes in more than 13,000 U.S. sales and use tax jurisdictions and more than 190 countries.

Process and track high volumes of

transactions, improving the accuracy of calculation and application of indirect taxes, which includes handling complex supply chains and multiple transaction types.

Seamlessly integrate with commonly used enterprise resource planning (ERP) and accounting software to ensure smooth data flow, minimize manual intervention, and maintain consistency and accuracy across systems. Avalara readily accommodates changes, upgrades, or customization to your ERP as business needs evolve.

Automatically classify products and

services according to the updated tax rates and rules.

Calculate tax in real time at the point of sale or transaction and generate detailed, timely tax reports for compliance and auditing purposes.

Manage customs duties and trade

regulations for cross-border transactions, improving compliance with import/export taxes and related documentation requirements.

Generate a comprehensive audit trail

of all tax-related transactions, providing detailed documentation to support compliance and facilitate audits. Avalara's self-service portal allows auditors to easily pull the information they need to show tax-rate decision rationale.

Scale to accommodate growth, handle mergers and acquisitions, and adapt to changes in business operations and tax regulations.

Provide advanced reporting and

analytics of tax liabilities, compliance status, and potential areas for optimization to assist with strategic decision-making and risk management.

Achieve the highest security and privacy

standards to protect the accessibility and confidentiality of your data. Many Avalara products are System and Organization Controls 2 (SOC 2) Type 1 and Type 2 compliant.



Different by design

When vetting the right technology partner to manage your tax compliance, reputation matters. Avalara's technology, solutions, and business model are different by design. We make it our business to know your business when it comes to tax compliance.

WORLD-CLASS INTEGRATION PARTNERSHIPS

Avalara has more than 1,200 signed partner integrations with leading ERP, ecommerce, point of sale (POS), order management, accounting, and financial systems. Avalara's API can also accommodate custom integrations for legacy systems. Additionally, Avalara's vast global partner network of technology platforms, systems integrators, tax experts, and accountants allows us to serve and support more than 41,000 customers in more than 75 countries.

FEATURE-RICH PRODUCTS AND SERVICES

Decades of experience have gone into perfecting our software and creating an optimal user experience within our applications. Avalara's product suite addresses

compliance requirements across multiple industries and tax types. Premium-level product options provide large organizations with the robust functionality and support they need for complex operations.

EXPERT HELP WHEN YOU NEED IT

Larger companies often engage managed services for support and guidance on setting up tax automation for their business. Many of our enterprise and premium solutions include or offer this option. [Avalara Certified Implementation Providers](#) are also experienced at setting up our products in your ERP, ecommerce, and billing systems. Additionally, our [tax experts](#) can help with audits, risk assessments, voluntary disclosure agreements, back taxes, and other complex requirements.

COMPREHENSIVE COMPLIANCE SOLUTIONS

Avalara offers a variety of additional applications and integrations that can enhance the core functionality of Avalara's tax compliance solutions, allowing businesses to customize their compliance ecosystem further. Augment compliance with industry-specific solutions for enterprise-level operations related to retail, manufacturing, services, beverage alcohol, communications, fuel and energy, tobacco and vape, and lodging and hospitality.

ENTERPRISE PARTNERS

ORACLE®



Real ROI that benefits the bottom line

Avalara commissioned Forrester Consulting to conduct a **Total Economic Impact™ (TEI) study** on the return on investment (ROI) companies might expect by automating tax compliance with Avalara. Forrester interviewed Avalara customers about the ROI they realized from Avalara's solutions and constructed a composite global company and aggregate financial analysis from their responses.

Prior to automating tax compliance with Avalara, interviewees said they experienced difficulty collecting and remitting tax in all jurisdictions where they have nexus due to frequent tax law changes. Study participants also said their businesses faced challenges managing exempt sales and higher audit risk due to incorrect or missing forms when filing returns.

After implementing Avalara, TEI study participants said they were able to more accurately calculate taxes, reduce time and errors filing tax returns, efficiently manage exemption certificates, and prepare for audits, which effectively lowered their organizations' potential liabilities for noncompliance.



THE RESULTS SHOWED THAT ON AVERAGE, AVALARA SOLUTIONS HELPED BUSINESSES

SAVE

34

hours per audit, gaining **85% efficiency** by reducing time spent on audits.

SAVE

510

hours annually on managing and filing tax returns, saving more than **\$83,000** over three years.

SAVE

\$150K

annually by eliminating the need to hire third-party tax consultants.

SAVE

384

hours annually by cutting time spent researching changes to tax rates, rules, and obligations.

Overall, study participants reported that using Avalara's products resulted in a 153% return on investment within a payback period of less than six months.

AVALARA'S ENTERPRISE TAX COMPLIANCE SOLUTIONS



Avalara AvaTax

Avalara AvaTax automates calculations for sales and use tax, excise tax, value-added tax (VAT), goods and services tax (GST), customs duty and import tax, and other tax types. Tax data needed to prove compliance is managed in one platform, with a history of every decision across sales and purchases. All tax rules, configurations, and determinations are managed from this centralized system.

KEY BENEFITS

- Calculate and apply near real-time tax rates based on geolocation, item taxability, and jurisdictional tax rules
- Track nexus from interactive in-app map and get alerts when you're approaching a threshold in new states
- Create and export consolidated reports for sales tax liabilities and exemptions

Avalara Managed Returns Premium

Avalara Managed Returns Premium dedicates tax experts to ensure more timely transactional tax filing and remittance. File returns, remit payments, and manage notices using a single payment solution. Preferred provider support for Streamlined Sales Tax (SST) returns.

KEY BENEFITS

- Access and manage filing schedules and rules for all jurisdictions in one dashboard
- File multilocation returns and remit once for all jurisdictions in a few steps
- Automatically extract and sync sales data from various platforms

AVALARA
PROCESSED MORE
THAN

4.5M

domestic returns
(U.S. and Canada)

AND
MORE THAN

660K

international returns
(Brazil and EMEA) in 2022



Avalara Exemption Certificate Management

Avalara Exemption Certificate Management supports complicated exemption management and high-volume storage of certificates. Configurable options combined with automated workflows simplify and dramatically improve collection, validation, and maintenance processes for your business's exemption certificates. Stand-alone options provide easy integrations to existing third-party tax engines and business applications for unified workflows. Save time preparing for audits and reduce penalty risk.

KEY BENEFITS

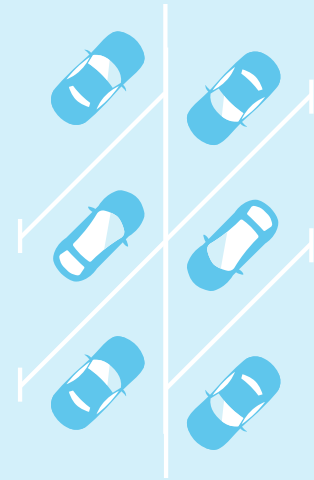
- Reduce the time required to collect, review, validate, and manage exemption certificates
- Minimize the effort to track tax laws and expiry dates
- Automate document validation, data capture and digitalization, and certificate renewal

Avalara License Management

Avalara License Management centralizes all your business licenses, permits, and tax registrations through a single application. Free up internal resources by engaging **Avalara License Managed Services** to handle the ongoing maintenance of your business licenses and keep you compliant. We'll also provide you with 24/7 access to a portal that lets you track the work we do for you on your behalf.

KEY BENEFITS

- Scale for growth to manage thousands of licenses
- Research licensing requirements for your business at federal, state, and local levels
- Simplify and streamline the process for new licenses and renewals
- Assign select portfolio access and ownership to multiple users



Because we run lean here, we didn't want our IT people to take on any part of this system. In the end, we only had to provide our data and Avalara did the rest.

– Heather Parker, Compliance Officer,
[LAZ Parking](#)

Avalara Tax Research

Avalara Tax Research gives you direct access to comprehensive, regularly updated tax research including rates, rules, and regulations for both U.S. sales and use tax and global transaction taxes including VAT, GST, customs duty, and import tax. Insights and explanations are easy to search for, understand, and reference to confidently assist you in addressing tax concerns specific to your organization.

KEY BENEFITS

- Easily search for and find tax information specific to your company's compliance requirements
- Save time, clarify obligations, and reduce errors with comprehensive, regularly updated tax information
- Validate tax decisions with direct access to expert tax researchers

Avalara E-Invoicing and Live Reporting

Avalara E-Invoicing and Live Reporting turns the slow, tedious manual handling of paper or PDF invoices into efficient, automated workflows. Seamless integration allows you to add e-invoicing capabilities or ERP systems and keep them up to date without complex IT projects. Proactively prepare your business to comply with changing legislation.

KEY BENEFITS

- Efficiently exchange invoice data with business partners via national and international networks
- Use a single API to manage the requirements of multiple countries
- Consolidate and centralize e-invoicing and live reporting initiatives

Avalara AvaTax for Accounts Payable

Avalara AvaTax for Accounts Payable connects into your procurement or accounts payable system to automate consumer use tax assessment and compliance. There's no need to rely on complicated or customized integrations for use tax determinations. Built-in tax rates and user-defined rules calculate consumer use tax across multiple locations and complex transactions.

KEY BENEFITS

- Get alerted to overpayments and underpayments of vendor sales tax
- Manage cost centers and purchases to capture tax based on where and how your purchases are used
- Assign thresholds and variance rules to identify high- or low-risk purchases

Avalara Property Tax

Avalara Property Tax centralizes real and personal property tax bills, documents, assessments, due dates, forms, return preparation, and appeals in one secure hub. Avalara Property Tax extracts and validates key data from scanned bills and notices and appends that information to the designated account, which minimizes manual data entry and user errors.

KEY BENEFITS

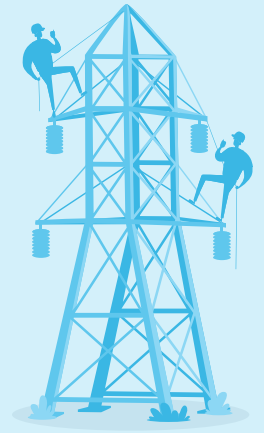
- Prepare returns for all applicable states (50 states for real property and 37 states for tangible business personal property)
- Simplify workflow to speed up the returns process and quickly generate reports
- Reduce overpayments and penalties with built-in due date tracking and reporting

Avalara 1099 & W-9

Avalara 1099 & W-9 gives you a simpler, faster solution to digitally collect W-9s from nonemployees such as vendors, contractors, and freelancers, securely manage their sensitive information, and e-file 1099s and other information returns to the IRS.

KEY BENEFITS

- Go paper free with IRS e-file, recipient e-delivery, e-corrections, and state e-filing in one application
- Flag errors before e-filing to the IRS
- Perform real-time validation of taxpayer identification numbers (TIN)



We needed a consistent, centralized process that was accessible for everyone on the team. With Avalara's help we can do more tasks in less time ... It's a game changer.

– Allyssa DeCenzo, Property Tax Manager, **Comcast**

INTERNATIONAL SELLING SOLUTIONS

Avalara offers [cross-border compliance solutions](#) for VAT, GST, customs duty and import taxes, and related taxes for organizations that transact business globally.



Avalara AvaTax Cross-Border

Avalara AvaTax Cross-Border calculates or estimates customs duties and import taxes for consumer products in more than 190 countries in real time and applies it to the transaction invoice or shopping cart.

KEY BENEFITS

- Minimize surprises for customers by populating cross-border taxes into online shopping carts
- Automatically check for errors or oversights to reduce customs delays
- Charge duties and taxes with greater accuracy using regularly updated information

Avalara Tariff Code Classification

Avalara Tariff Code Classification automates the process for generating mandatory universal 6-digit or country-specific 10-digit tariff codes.

KEY BENEFITS

- Scale product volumes ranging from dozens to millions
- Capture transaction details and provide classification rationale to support audits
- Choose from self-serve or managed solutions to suit your business needs

Avalara VAT Reporting

Avalara VAT Reporting automates VAT calculation, returns preparation, filing, and remittance to keep your company compliant with U.K. and EU rules.

KEY BENEFITS

- File returns in local languages and formats
- Get assistance with payments to tax authorities
- Track deadlines and threshold breaches
- Stay up to date on regional legislation and reporting requirements



IN 2023,
THERE WERE

337

international
rate updates and

6,779

taxability
updates

INDUSTRY-SPECIFIC SOLUTIONS

Avalara's industry solutions are designed to work in concert with core products to augment your ability to meet specialized compliance requirements for these types of business operations.



AVALARA FOR COMMUNICATIONS

[Avalara for Communications](#) is designed specifically for the communications industry to automate tax calculation and manage the preparation and filing of communications tax and sales and use tax returns.

AVALARA FOR HOSPITALITY

[Avalara for Hospitality](#) helps businesses efficiently navigate regulatory requirements for sales and use and occupancy taxes and automates tax return filing and remittance.

AVALARA FOR BEVERAGE ALCOHOL

[Avalara for Beverage Alcohol](#) simplifies the ever-changing license, product registration, and tax compliance requirements for wineries, breweries, distilleries, importers, alcohol retailers, alcohol marketplaces, and alcohol delivery apps.

AVALARA FOR ENERGY

[Avalara for Energy](#) helps oil, gas, and chemical companies, fuel distributors, energy traders, and mobile refuelers navigate excise tax compliance.

AVALARA FOR TOBACCO AND VAPE

[Avalara for Tobacco and Vape](#) helps businesses comply with excise tax, sales tax, business licensing, and PACT Act requirements.

WHY ENTERPRISE COMPANIES TRUST THEIR TAX COMPLIANCE TO AVALARA

Pacon

Growth from acquisitions led Pacon, a leading supplier of educational and art products, to experience more complicated tax requirements. Native functionality in its ERP proved insufficient to the task. “It was difficult to stay on top of all the rate changes in all the jurisdictions,” says Pacon controller Joe Rossmeissl.

A tax expert at Pacon’s audit firm recommended Avalara. After short-listing three solution providers, Rossmeissl and his team ultimately chose Avalara and planned to integrate Avalara AvaTax, Avalara Returns, and Avalara Exemption Certificate Management with its SAP platform. “It does everything we need it to do, is competitively priced, and it looks like a modern app,” says Rossmeissl.

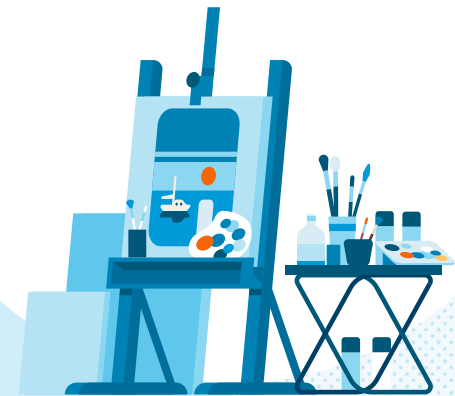
For the implementation, Avalara paired Pacon with DuCharme, McMillen & Associates (DMA) – a partner that specializes in integrating Avalara’s solutions with SAP. Rossmeissl and his team were impressed with DMA’s ability to fit Avalara solutions to Pacon’s specific business needs, including dealing with buying groups and international customer exemptions. “This is one of the easier implementations we’ve done,” says Rossmeissl.

Thanks to Avalara, Pacon can stay on top of compliance.

[Learn More](#)

“The number one benefit is the peace of mind that comes with knowing that we’re doing things the right way. Having our auditors know that we’re running Avalara is a real source of confidence.”

– Joe Rossmeissl, Controller, Pacon



WHY ENTERPRISE COMPANIES TRUST THEIR TAX COMPLIANCE TO AVALARA

Inovonics

Wireless technology manufacturer Inovonics faced complex compliance obligations due to their multistate operations. Like many companies that deal with distributors, Inovonics underestimated where it had nexus and was obligated to register, collect, remit tax, and file returns. A nexus study found the company had tax obligations in 14 more states beyond the six where they were registered.

Furthermore, the company's financial system wasn't up to the task of handling tax compliance effectively. "You really have to stay on top of all your rates and you have to do all the filing yourself," says Andrea Riviezzo, Inovonics controller.

Exemption certificate management was also an issue. "If you have a drop shipment and you put the certificate ID on a customer card, it flows through to wherever they are drop shipping," Riviezzo explains. "So, if they're exempt in California but not in New Jersey, you've created issues there as well."

Inovonics took the advice of a trusted advisor and chose Avalara's comprehensive tax automation compliance suite to automate tax collection on all its sales, file returns in 20 states, and manage exemption certificates.

[Learn More](#)

"The biggest thing Avalara offered us was a complete package, so we didn't have to piece it together. They had the professional services to help us gather those certificates and validate them from the get-go. Anything we needed for sales tax, Avalara had it."

– Andrea Riviezzo, Controller, Inovonics



WHY ENTERPRISE COMPANIES TRUST THEIR TAX COMPLIANCE TO AVALARA

Snowflake

Technology services provider Snowflake faced significant challenges with tax compliance due to expansion. Their current system was plagued by high error rates due to inaccurate address validation and inefficiencies, which was time-consuming for the company's billing team to fix.

"We realized that our billing team was maintaining our tax engine and conducting research and mapping far outside their primary scope," explains Ricardo Rodriguez, Snowflake's senior manager of indirect tax.

As global operations grew, the existing setup struggled with the complexity of diverse tax regulations across multiple jurisdictions. Snowflake urgently needed a more robust, streamlined, and scalable tax solution that would prevent operational bottlenecks and maintain compliance effectively.

Recognizing that Snowflake needed a solution that could support its internally developed tax web services without the need for customizations or significant custom rules or overrides, Riaan du Preez, senior director of financial systems, turned to Avalara for answers.

Avalara developed a real-time integration with the company's existing back-office systems that supports both goods and services and improves accuracy in tax calculations. By streamlining its ability to automate tax calculations across multiple jurisdictions and update invoices in real time, Snowflake can operate more efficiently and grow globally without adding risk.

[Learn More](#)

"Avalara has significantly reduced manual tasks, errors, and custom, complex regulations for us, minimizing the time our team spends maintaining data workflows."

– Ricardo Rodriguez,
Senior Manager of Indirect Tax,
Snowflake





Ready for a tax compliance solution that can keep up with your business?

Connect with an Avalara sales professional to explore how our automated, cloud-based global tax management solutions can save your organization valuable time, reduce costs, decrease risk, and increase efficiency. Ask about curated product bundles that will provide maximum compliance coverage in line with growth goals.

Disclaimer: Tax rates, rules and regulations change frequently. We hope you find this information helpful, however, this resource is for informational purposes only and does not provide legal or tax advice.