



VAT COMPLIANCE

for enterprise companies

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DISCLAIMER

Tax rates, rules, and regulations change frequently. Although we hope you'll find this information helpful, this guide is for informational purposes only and does not provide legal or tax advice.

Introduction

Enterprise companies operating in markets with VAT systems need robust, scalable solutions and specialised expertise to manage evolving obligations efficiently and reduce operational risk.

Governments worldwide are mandating e-invoicing and real-time data reporting through Continuous Transaction Control (CTC). CTC models allow tax authorities to receive and review tax data near to or in real time, providing them with deeper insight into transactional data and economic trends. For enterprise companies, this increases the complexity of managing VAT compliance. The challenge only grows with each new market entered or acquisition made, often straining internal resources and systems.

As the VAT and e-invoicing landscape evolves, automation isn't just a handy tool but a strategic necessity.

The right automated solution that can integrate into your existing ERP and financial systems can help your larger enterprise:



Manage international tax compliance across multiple markets and regularly update to the latest regulations to effectively maintain your compliance.



Scale as you grow by adapting to new compliance requirements as you handle mergers and acquisitions, with minimal disruption to business operations.



Process high volumes of transactions as well as transaction types in multiple locations without slowing performance or adding compliance risk.



Leverage advanced reporting and analytics of tax data and compliance status. Drill-down audit trails and executive-level risk dashboards allow for strategic decision-making.

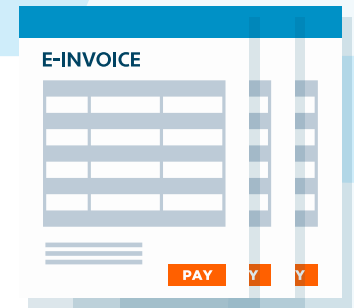


Calculate tax rates in real time at the point of sale and with greater accuracy, to give your customers a better and more transparent buying experience.



Accelerate implementation and shorten user-training time through prebuilt ERP connectors and role-based onboarding.

Adapt to global VAT rates, e-invoicing mandates, and keep pace with evolving business requirements



VAT rules are not uniform across borders. Each country with a VAT system has its own rates, rules, exemptions, and invoicing formats. Even within a trading bloc or customs union – such as the European Union (EU) – member nations are free to set their own rates and rules, and can therefore have different requirements, formats, deadlines, and filing frequencies.

Like VAT, e-invoicing is also not standardised globally. A rapidly growing number of countries have mandates in place, but the rules and thresholds vary. Even within one country there could be different rules based on business relationships, i.e., business-to-government (B2G), business-to-business (B2B), or business-to-consumer (B2C) transactions.

Countries may also have mandates in place for certain types of transactions, but not others. For example, Belgium currently has an e-invoicing mandate for B2G transactions, and one planned for B2B in 2026, but nothing for B2C. The respective thresholds for the mandated transactions also differ. In such instances, the mandate rules could change further depending on industry or sector. There may also be exemptions for certain types of businesses.

Countries are also not unified on e-invoicing formats or technical specifications. Most countries with mandates in place require businesses to issue XML-based structured invoices. However, some countries require hybrid formats, such as Factur-X in France or ZUGFeRD in Germany.

Adding to the complexity, some countries mandate real-time reporting (such as Hungary). Furthermore, e-invoicing platforms and networks aren't consistent. Though Peppol adoption continues to grow, some countries utilise their own bespoke or government-maintained platform.

Keeping up with – and having solutions for – diverse global requirements that frequently change and require updating is a major operational challenge for enterprise companies. Failing to comply can result in e-invoice rejection, delayed payments, disruptions to business operations and supply chains, and even financial and/or legal penalties.

How Avalara can help

Avalara can help simplify global VAT and CTC compliance with solutions that are built to scale with your business as it expands across regions, markets, and regulatory environments. Avalara eases growing compliance burdens by automating VAT calculation and reporting across multiple markets, keeping you up to date with regulatory changes and evolving CTC requirements, such as e-invoicing mandates or the obligation to report tax and invoice-related data in real time, and issuing compliant e-invoices in the required formats of the relevant market, including XML, Factur-X, ZUGFeRD, and more.

Avalara's cloud-based compliance solutions can integrate with your existing ERP and financial systems, leverage real-time reporting and invoice clearance capabilities where required, and reduce risk by maintaining audit-ready compliance records, giving you the infrastructure needed to scale globally without compromising compliance.



WHY IT MATTERS TO INTERNATIONAL FINANCE LEADERS

A globally scalable, cost-effective solution is better suited to international expansion, and more efficient than a tactical or reactive approach to compliance.



WHY IT MATTERS TO OPERATIONS LEADERS

The operational burden of managing mandates in diverse markets can be eased, and the risk of invoice rejections and supply chain delays is reduced.

Enable consistent operations across your teams by managing international tax compliance from a central platform

Enterprise companies operating across borders and making or planning to make acquisitions must find a way to ensure their operations are consistent across teams in multiple locations. Collaboration is key to achieving this at scale. When teams and departments are located in different countries or regions, they can become siloed – especially if different languages and time zones are involved. Disparate systems and processes can negatively affect efficiency, hinder collaboration, and lead to data and goal conflicts when trying to cohesively manage international tax compliance obligations.

Widely adopted ERP systems are not always equipped to handle the region-specific nuances of VAT compliance and the e-invoicing requirements of all the markets where you operate. As a result, businesses may have to resort to purchasing, implementing, and maintaining local solutions with custom integrations for each market, and relying on local service providers or government portals that can be outside their control.

SUCCESS STORY



“We have affiliates in many countries in which we trade, and each of these has its own instance of SAP. This means each instance would have had to be tailored to manage the local VAT rules. Trying to collate that in a number of different languages to ensure a seamless solution would have been a major task ... one of Avalara’s most appealing benefits was that they cover all the countries where VAT is either in place or being rolled out, so we don’t have to worry about localising the outputs for different formats, rules, and filing regimes. It was the perfect answer all rolled up into one effective box.”

– Jos Verheijen, Indirect Tax Manager,
NSE Products Europe

[Get the full story](#)

How Avalara can help

Avalara enables you to centralise and unify your global compliance strategy across your business network, wherever your teams are located. Whether you're consolidating operations after an acquisition or coordinating global teams, Avalara helps you maintain compliance without sacrificing control or efficiency. As you continue to expand, you can easily add new regions or tax jurisdictions to the Avalara platform. Your global teams can report tax data more accurately and efficiently and standardise tax compliance policy.



WHY IT MATTERS TO COMPLIANCE LEADERS

Centralised control over international tax obligations helps to ensure a uniform tax compliance policy, reduces reliance on fragmented local solutions, and makes it easier to respond to new compliance challenges with greater visibility and consistency across markets.



WHY IT MATTERS TO IT LEADERS

Disparate systems with custom integrations can be burdensome to maintain. A cloud-based platform offers a more manageable, scalable architecture, and helps to avoid ERP limitations.

Support efficient use of business resources for managing tax compliance

Expanding into new regions brings new opportunity and revenue, but acquiring new tax obligations can increase the compliance burden and take up more of your time and resources. New markets come with new VAT registrations, local filing requirements, and e-invoicing requirements. The problem multiplies if your teams lack local tax knowledge, language skills, and technical expertise when it comes to e-invoicing specs and protocol.

Relying on manual processes to meet these demands can quickly strain day-to-day operations, increase the risk of errors, and consume valuable time that could be better spent on strategic initiatives. The challenge only grows as e-invoicing mandates

expand globally, each with its own formats, platforms, and deadlines. Growing demands and obligations can cloud your priorities and make your original business goals harder to achieve.

To cope, some companies turn to local consultants or third-party service providers. While this can fill short-term knowledge gaps, it can also create fragmented processes across your business network, reduce your visibility and control over your compliance status, and increase long-term costs and reliance on external resources.

Even with software in place, teams can face challenges of manual data patch-ups and long waits for vendor updates, which can have unexpected costs attached.

SUCCESS STORY

GLAMIRA

“Using Avalara gives us the reassurance that all our VAT returns will be filed on time. We don’t need to worry about the different deadlines, different attitudes of local tax offices, different languages or requirements in each country, or translating tax notices to ensure we are compliant. Now that we have expert support from Avalara, we can focus on other important things, safe in the knowledge that we’re not at risk of international VAT fines or penalties. If we need to register in a new territory, Avalara will take care of it for us.”

– Mag. Mitat Gürkan, International Accounting Manager, Glamira

[Get the full story](#)

How Avalara can help

Avalara helps you reduce the operational burden of growing tax obligations by freeing internal resources from manual tasks, maintaining consistent compliance processes across your global business units, reducing dependency on external providers, and allocating human resources to where they're most needed and can perform their most valuable work.

By centralising tax compliance through a scalable, cloud-based solution, Avalara helps your business reduce overheads, protect margins, and operate more efficiently – turning compliance from a cost centre into a competitive advantage.



WHY IT MATTERS TO FINANCE LEADERS

Manual compliance processes and reliance on consultants can hit profit margins. Avalara's connected VAT and E-Invoicing and Live Reporting solutions help control costs, improve efficiency, and simplify compliance across global markets.



WHY IT MATTERS TO OPERATIONS LEADERS

By freeing internal resources and relieving operational strain caused by compliance tasks and lack of specialised knowledge, bottlenecks can be reduced and optimal performance maintained.

Automate use tax compliance and reduce risk

The risks of noncompliance with global VAT and e-invoicing rules are significant, including: disruptive audits, reputational damage, financial penalties, disallowed VAT deductions, shipping delays, customs holdups and rejections, invoice rejections, unhappy customers and business partners, and more. Compounding the risk are the evolving rules mandated across all global regions. Manually managing this environment is unsustainable at scale. To remain competitive, businesses must take a proactive and technology-led approach.



How Avalara can help

From a database of content for 190+ countries that includes compliance data and customs and import taxes, Avalara can give you more accurate tax calculations for all your transactions and help prevent downstream compliance issues. 150+ validation checks can detect errors before filing, so you can file with confidence and submit VAT returns, Intrastat, EC Sales List, sales and purchase ledgers, SAF-T, and other related reports in the correct format and language every time.

Avalara solutions are designed to integrate with your existing ERP, ecommerce, and accounting platforms to ensure smooth data flow, minimise manual intervention, and maintain consistency and accuracy across your business. You can minimise manual data handling, reduce inconsistencies and data mismatches, and ensure your tax content is up to date and applied consistently across systems.



WHY IT MATTERS TO TAX LEADERS

Validation checks, accurate tax content, and multilingual filing capabilities support global audit readiness and reduce compliance weak spots.



WHY IT MATTERS TO FINANCE LEADERS

Automation supports proactive risk mitigation, cost efficiency, and global consistency, aligning with broader financial goals.

Avalara solutions

Without automation, enterprise businesses can struggle to calculate taxes correctly, collect taxes, and file within deadlines in all the markets where they have obligations.

Avalara streamlines your international tax compliance management, helping you achieve a higher level of accuracy in the calculation and collection of taxes, reduce risk, make the best use of your resources, and meet your filing deadlines.



AVALARA E-INVOICING AND LIVE

REPORTING helps you to comply with Continuous Transaction Control (CTC) requirements in various countries and automate the time-consuming and error-prone manual processes in your finance departments. This centralised, cloud-based platform enables efficient transmission of e-invoice data to tax authorities and smooth exchange of e-invoices with business partners via both national and international networks. By shifting from manual tasks to automated workflows, you can increase operational efficiency and reduce compliance risks. A single API gives you the flexibility to handle diverse country-specific requirements and adapt quickly as e-invoicing mandates evolve.

AVALARA MANAGED VAT REPORTING

helps simplify global expansion by providing expert guidance through the VAT registration process and fully preparing and managing your ongoing VAT return reporting. Our team stays up to date on changing rules, prepares and submits your returns, and handles tax authority communications – so you can meet local obligations with confidence and free your internal teams from day-to-day compliance tasks.

AVALARA VAT REPORTING streamlines the process of reconciling, preparing, and generating VAT returns across multiple jurisdictions. It helps in-house teams stay compliant with local reporting rules and formats, manage country-specific thresholds and deadlines, and reduce manual work – while maintaining full control of the filing process.

AVALARA AVATAX VAT DETERMINATION

helps businesses apply the right VAT treatment on every transaction – automatically and in real time. Whether you're expanding into new markets or navigating complex international rules, AvaTax enables accurate VAT determination, supports invoice-ready tax calculations, and ensures that your business meets local and international requirements with confidence.

AVALARA AVATAX CROSS-BORDER helps scale international growth by automating the assignment of Harmonised System (HS) and Tariff codes with AI-powered accuracy. Businesses can provide real-time customs duty and import tax calculations to reduce the chances of added costs at the border, and provide an optimised Delivered Duty Paid (DDP) buyer experience.

By combining highly accurate tax calculations, unmatched tax content, flexible integration, and global expertise, Avalara enables your enterprise company to navigate the complex and ever-changing VAT and e-invoicing compliance landscape with confidence. With critical compliance processes automated and centralised, you can focus on growth and hitting your goals, while operating efficiently and gaining a strategic edge.

Learn more about how Avalara VAT solutions for enterprise businesses can simplify and streamline global tax management and compliance.



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 1,400+ 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.