

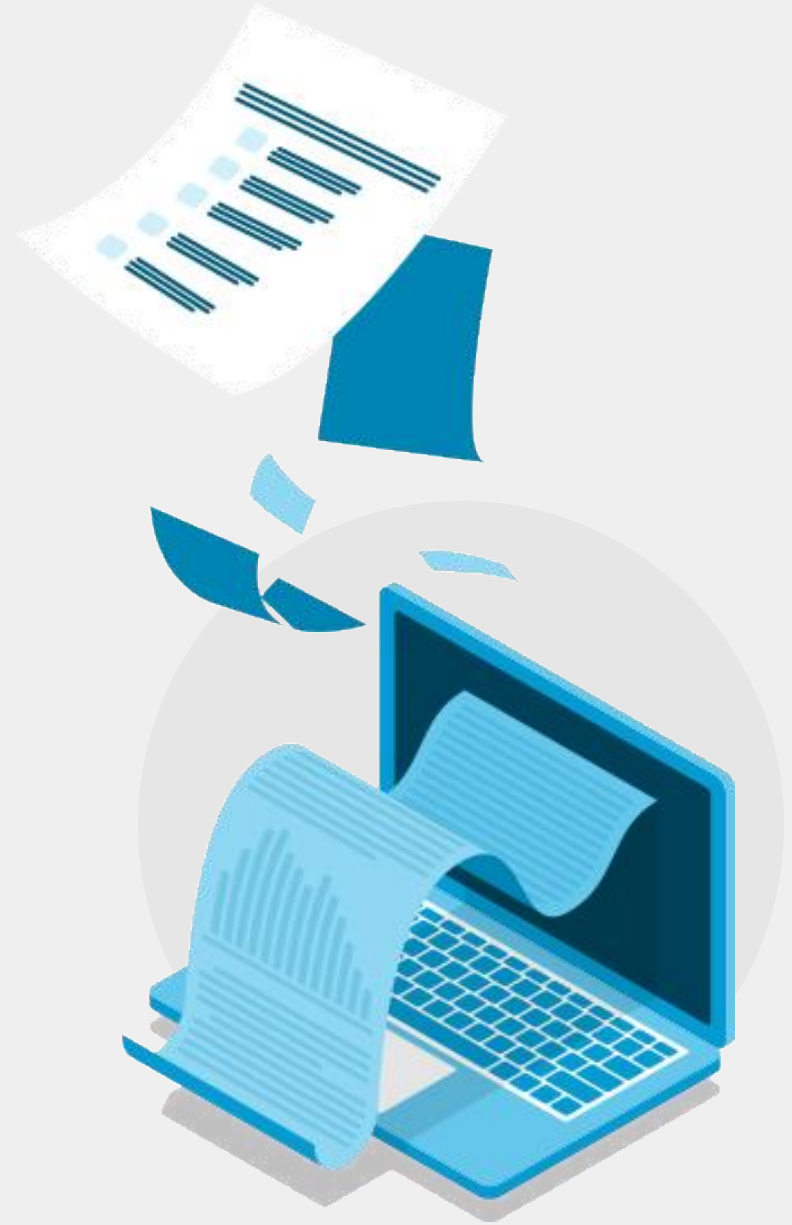


From complexity to clarity:
Avalara and SAP Power Future-Ready
Operations for Indirect Tax with Agentic AI

2026

Disclaimer

While we hope you'll find this discussion helpful, this session is for informational purposes only and is not legal or tax advice.



Avalara

Safe harbor statement

This information is Avalara's confidential information. Materials are solely for use in this context and are not approved for further distribution. This document describes Avalara's intentions as of the date of drafting and may include descriptions of product functionality or technology that are not currently available. Avalara reserves the right to change the functionality, release dates, technology, initiatives, and plans described herein without notice or duty to update.

Meet your presenter



Christian Jensen

Senior Director of Strategic Implementation Partnerships, Avalara

Christian.jensen@avalara.com

Christian has led SAP-based tax automation initiatives for nearly two decades, specializing in enterprise indirect tax compliance. He has driven large-scale transformations for global organizations, focusing on scalable tax determination, reporting, and data validation within complex ERP environments. Christian is passionate about bridging tax and technology to help companies modernize processes, improve data integrity, and achieve real-time compliance across jurisdictions.

Agenda

- 1 > Tax compliance challenge
- 2 > AI at Avalara
- 3 > Why Avalara and SAP
- 4 > Q & A



Tax rates,
rules, and
requirements
change often ...

IN 2023, THERE WERE:

11,192

sales and use
tax rate updates
in the U.S.

85,836

taxability updates
in the U.S. and
Canada

98,910

sales tax holiday
rule updates

6,779

international
taxability and
337 international
rate updates

Source: [Avalara Tax Changes 2024: Tax changes for retailers](#)

Our tax content is second to none

Largest repository of structured tax content



9k+

Tax codes



20+

Industries



330+

Categories



30k+

Jurisdictions



82k+

Rates



900k+

Rules



100k+

Tax answers



400k+

Tax laws & guidance



30k+

Tax Q&A database

Four reasons tax compliance keeps holding you back



People

Compliance teams are stretched thin, supporting large numbers of tax types and use cases



Process

Changes in the business can trigger a change in every compliance step



Cost

The cost of compliance continues to increase as businesses struggle to stay compliant



Technology

Finance, accounting, and ERP systems need to be updated and tested with many changes

Ever increasing business challenges

Pain points & needs compounded by economic nexus



Understanding rules & regulations

- Different certs for different exemptions
- Sales and use tax rules vary by state
- Multi-state obligations with nexus



Collection & validation

- Collection can be difficult and cause poor customer experience
- Lack of qualified resources
- Expertise needed to verify



Maintenance & centralized access

- Improper renewal Management = expired certs
- Decentralized receipt & storage = missing or incomplete certs



Audit Exposure

- Reduced compliance confidence
- Financial risk with out-of-pocket taxes and audit penalties

**By valid, we mean that the certificate appears to be on the correct form and filled out completely. We can verify actual information on forms for supported states.*

AI at Avalara



Our vision is to be the **world's leading AI-powered**,
agentic tax and compliance platform delivering
intelligent compliance across **multi-surface** business
ecosystem, embedded seamlessly wherever
transactions, workflows, and decisions occur.



Multi-Surface Intelligence Layer

Part of every transaction and decision surface in the business ecosystem



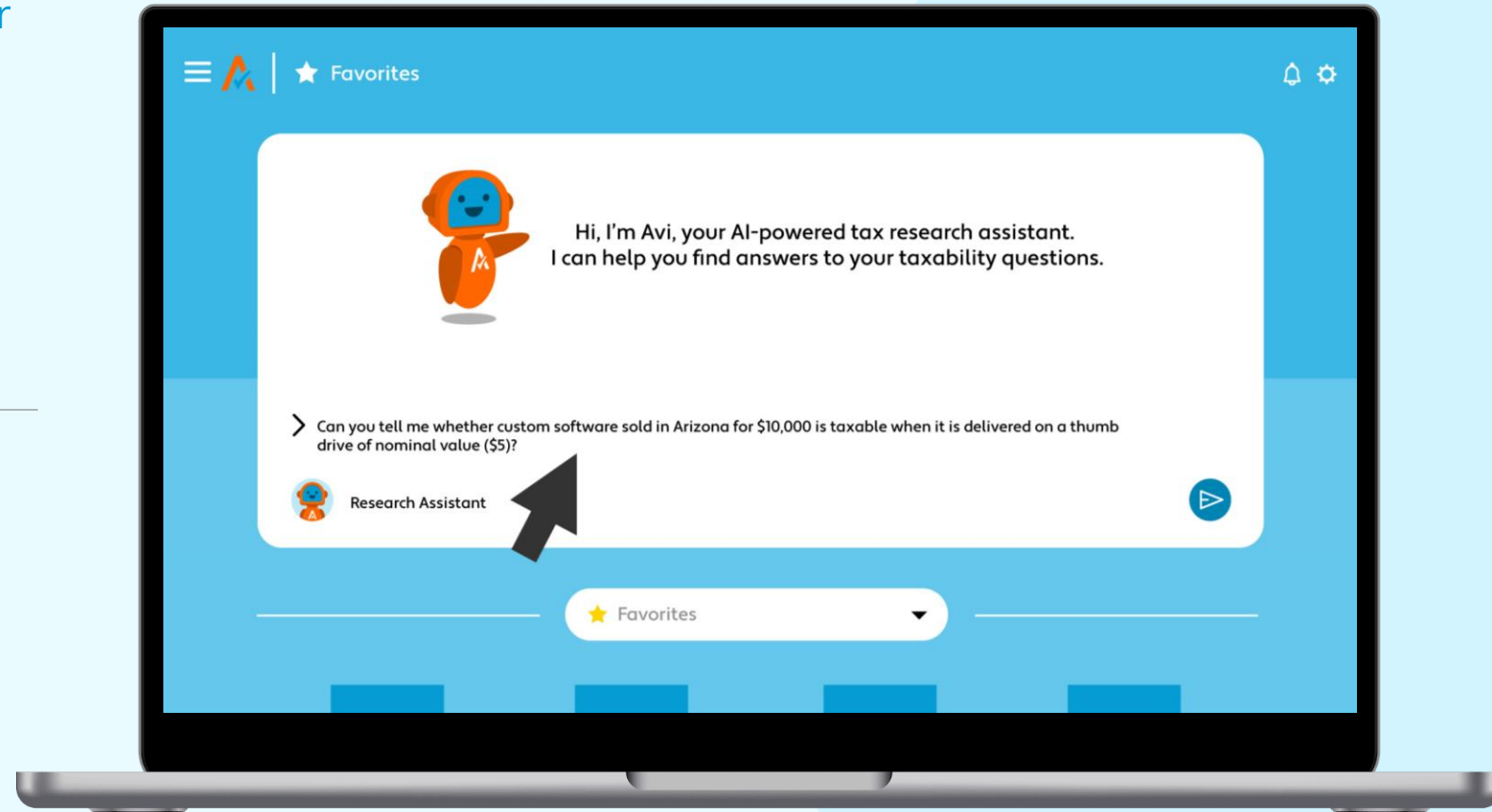
AVI FOR TAX RESEARCH

Your AI-powered research assistant for faster, trusted tax answers

What it is: Avi is Avalara's AI powered intelligent research assistant built into Avalara Tax Research, designed to simplify and speed up your tax research process.

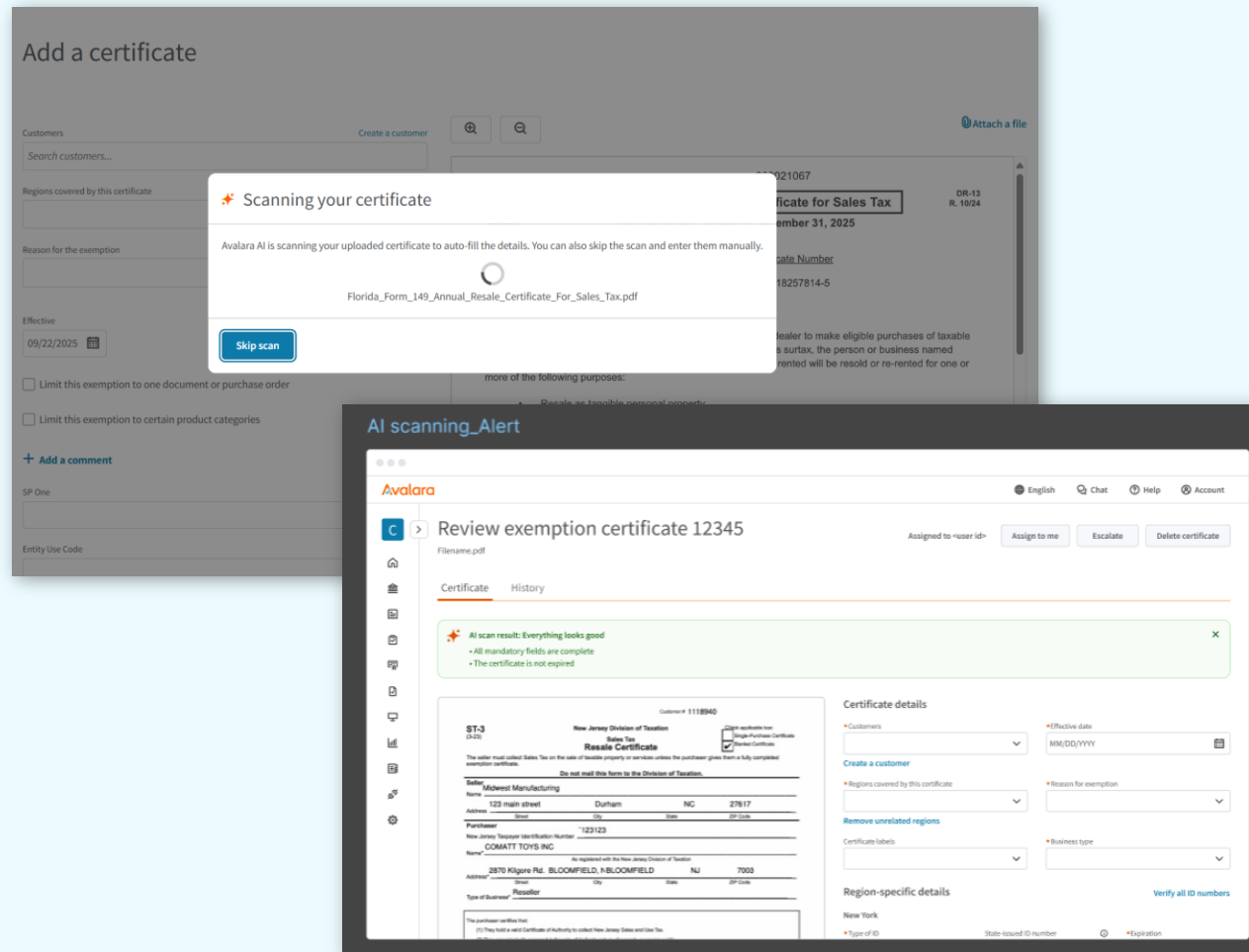
Key benefits:

- ✓ Instant answers in plain language, backed by citations
- ✓ Fewer manual searches, more confident decisions
- ✓ Reliable answers from Avalara's trusted tax content
- ✓ **Now available in the Avalara Portal for ATR subscribers!**



ECM AI-Powered Document Validation

Automates a core part of the compliance life cycle and stay audit-ready



Features

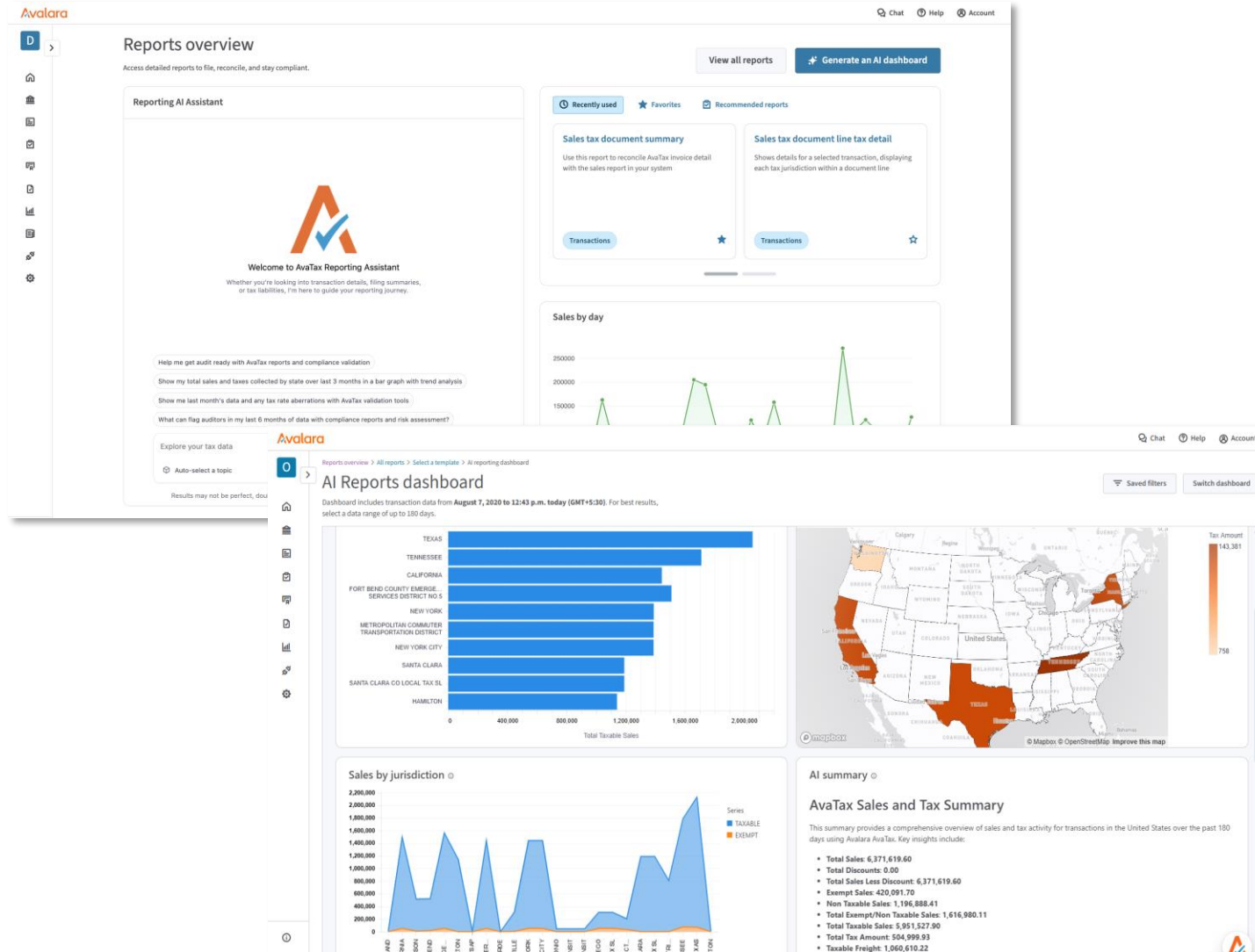
- AI-driven auto-validation of exemption certificates
- Centralized storage and management of all certificates

Benefits

- Reduce Audit Risk – Ensure exemption certificates are always valid and accurate.
- Save Time – Eliminate manual verification and document management.
- Improve Accuracy – Minimize errors with AI-driven validation and tracking.
- Simplify Compliance – Manage all exemption certificates in one unified platform

AI-Powered Custom Reports (Now LIVE)

Simplified navigation and modern UX make reporting intuitive.



- **Custom Report Builder** - Create tailored tax and compliance reports with flexible filters and saved views.
- **Audit-Ready Exports** - Generate detailed configuration and reconciliation reports for compliance audits.
- **Agentic Experience** - Ask questions in natural language and let the system generate, refine, and deliver the exact reports you need.
- **Interactive Dashboards** - Explore trends with dynamic charts, AI summary, drill downs, and jurisdiction level insights.
- **Smart Scheduling** - Automate recurring report delivery to teams with multiple available formats

Why Avalara and SAP



Why Enterprises Choose Avalara for SAP



Operational Agility

Streamline tax compliance to scale faster with fewer resources

Offload the complexity from your SAP suite to reduce custom code, free compute resources and simplify clean core management.

- Automated tax workflows across AR and AP in SAP environments
- Centralized tax logic in the cloud reducing IT maintenance
- Aligned to clean core and RISE strategy with SAP BTP integrations



Strategic Data Management

Ensure tax data is structured, more accurate, and AI-ready

Avalara integrates with SAP BTP and aligns with SAP's AI/ML strategy - so tax data fuels analytics, not audit risk.

- Structured tax data for machine-readability and cross-system linking
- Real-time tax determination and calculation with rooftop-level accuracy
- Feed SAP Joule and other AI tools with consistent, compliant data



Global Control & Risk Reduction

Control compliance risk globally - across jurisdictions and mandates

One cloud-native platform for 190+ countries enables consistent compliance logic across systems, regions and workflows.

- Manage tax types across 190+ countries in a single solution
- Automated tax content and rules updates maintain compliance with latest regulations
- Transactions are logged with audit-ready detail for global reporting

Avalara + SAP

A proven partnership for the intelligent enterprise



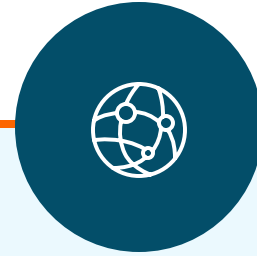
SAP Endorsed App

Premium certified by SAP with added security, in-depth testing and measurements against benchmark results.



Clean core & cloud-native

Avalara delivers lower total cost of ownership and superior maintainability through clean core-focused integrations built on SAP BTP.



One connection, global coverage

Avalara connectors serve as a single point solution - helping unify your tax compliance across regions, systems, and channels with scalable, built-in automation.



Future-forward alignment to SAP

Avalara integrates with the SAP BTP services and data cloud delivering preconfigured data to align with SAP's AI and data strategies.

The Compliance Challenge in SAP Environments

The hidden cost of bad compliance data

Disconnected Compliance Creates Risk

Compliance complexity creates:

- Increasing global tax challenges and audit exposure
- Manual workflows that lead to errors and delays
- Disconnected tax systems that create inconsistent logic

Poor data integrity limits:

- Strategic value from SAP investments
- Visibility across finance, ops, and audit workflows
- Efficiency due to fragmented, hard-to-maintain integrations

Structured Compliance Data Powers AI and SAP Value

It's not just a compliance issue - it's a data problem

Modern SAP environments need compliance data that is:

- ✓ **Accurate** (audit-ready)
- ✓ **Real-time** (live tax rates, transaction context)
- ✓ **Structured** (machine-readable and linked across systems)

Avalara transforms tax compliance into usable, intelligent data.

Powering AI-Driven Insights with **Trusted Tax Intelligence**

Avalara provides the compliance data quality, real-time accessibility, and intelligence that SAP's Joule needs to deliver trustworthy, business-context-rich AI insights.



Tax Content

Avalara's comprehensive, regularly updated geography content and structured tax content fuel every calculation to determine taxability and apply more accurate rates for millions of products and services.



Tax Calculation

Avalara automates sales and use tax with rooftop accuracy, GST, VAT calculations as well as specialty tax types and industry-specific functional taxes with a single solution.

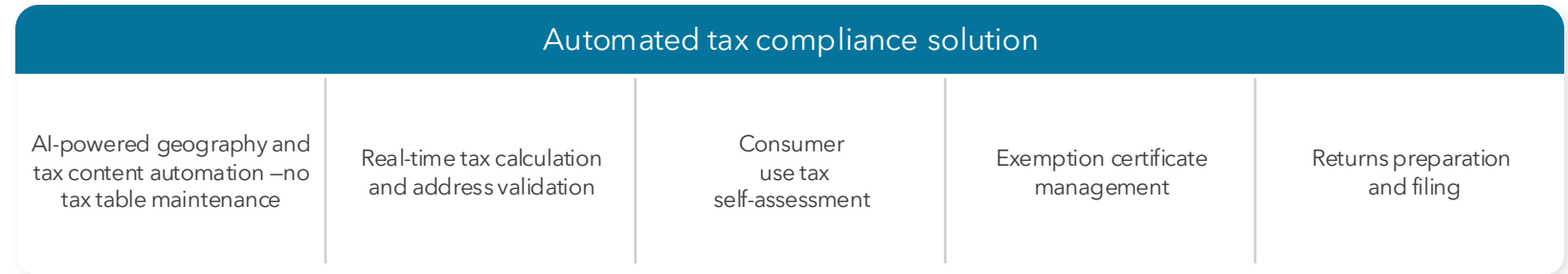
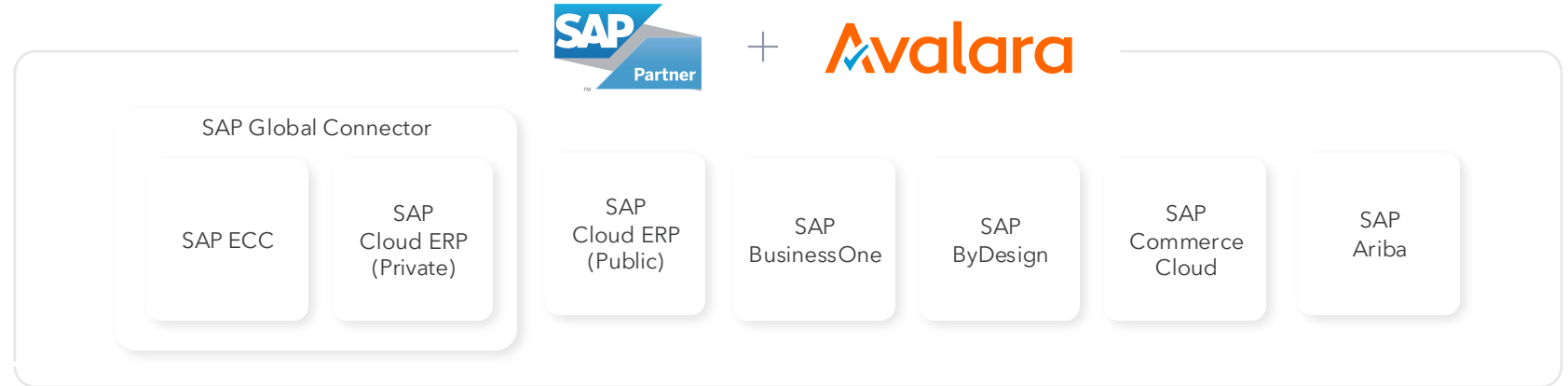


Tax Reporting

Avalara's advanced reporting and returns services provide a complete tax compliance solution, reducing risk and strengthening governance to meet global fiduciary obligations.

SAP Integration

Our solutions work with hundreds of popular platforms and tools, including the most important ones—the applications your customers use



Learn more about the integration at Avalara.com →



Benefits of single BTP integration

1

Subscribes to SAP's Clean Core Principles

Allows ERP to progress

Avalara improves offering with no deployments

2

Fully aligned with SAP BTP strategy

Single integration point for all of SAP

Safest place to integrate

3

Co-innovate with SAP customers

Common tools/language

Multi-party innovation future



Increase

- FTE productivity



Reduce

- Cost of change
- IT spend
- Time to deploy



Improve

- Operational efficiency
- Implementation speed of change requests
- Control over program budget

Enterprise cloud-based solutions for seamless tax compliance

Born in the cloud over 20 years ago, Avalara helps thousands of enterprise companies, including over a third of the Fortune 1000*, achieve tax compliance with its suite of multi-cloud solutions



RELIABLE

The AvaTax platform ensures efficient global tax compliance, empowering enterprise businesses to operate anywhere, anytime.

- ✓ Built-in **active-active** failover ensures 24/7 tax calculation for your business.
- ✓ Global engineering centers actively monitor cloud services to ensure uptime & optimal performance

SECURE

Avalara is committed and dedicated to security, to protect your data and reduce risks.

- ✓ AvaTax global platform has achieved SOC 2 Type 2 compliance
- ✓ Continuous monitoring between product, cloud and IT security teams
- ✓ 24/7 threat response crossing all Avalara networks

SCALABLE

The AvaTax Platform is built to be your scalable solution for tax compliance anywhere in the world.

- ✓ Over 54 billion AvaTax API calls made by customers in 2025
- ✓ AvaTax processed 1.14 **billion** API calls alone during Cyber Week 2025
- ✓ AvaTax's peak API calls processed per second was 9,124 during Cyber Week 2025

> Q & A

Thank you for joining!

Want more information on the Avalara and SAP Partnership, or to **connect** with someone at Avalara, click [here](#).



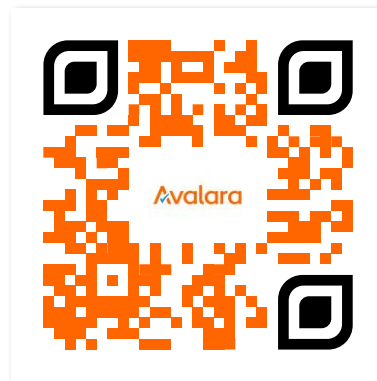
Meet Avalara at SAP Sapphire & ASUG Annual Conference Orlando

Join us in Orlando to explore smarter tax compliance for SAP.

Booth 417 | May 11-13, 2026



Meet with us at Sapphire



Avalara

> Thank you!