



Advance the tax function with a next-generation ERP

**Upgrading your company's ERP?
Tax can get an upgrade, too.**

KPMG ERP Tax sensitization services



**Turn your ERP conversion challenge
into an opportunity for tax**

Are you prepared for your company's migration to a next-generation enterprise resource planning (ERP) system? Thousands of companies are in the process of determining how and when they might decide to move to a newer, more advanced ERP platform. Whether your migration is in progress or will start in the near future, an ERP transformation is a significant challenge that involves not only new technology, but also changes to tax processes and data management.

Like the majority of large tax departments, your team relies on legacy ERP technology to source core financial and operational data to execute everyday tax processes. Implementing a new ERP system without a proper plan and approach could significantly disrupt tax operations and put tax reporting, compliance, and governance in jeopardy. In addition, not involving your tax teams' participation in the transition plan is not simply a missed opportunity—it can be a costly mistake. If involved, tax can address legacy challenges, such as limited to no tax sensitized general ledger accounts, lack of tax legal entity reporting, balance sheet reconciliation issues, data extraction and reporting challenges, and lack of control over data.

That's where KPMG can assist. By proactively planning and integrating tax requirements into the new ERP platform, KPMG Tax Ignition Systems Integration Team can help tax departments with the change management needed to better manage and reduce costs, limit/mitigate risks, and perhaps most importantly better adhere to and adopt to the inevitable new processes from all stakeholders.

What next-generation ERPs mean for the tax function

New ERP tax capabilities can help your department transform systems, processes, data models, and underlying architecture to drive value across tax operations:

- Better audit trail and archives
- Configurable tax engine
- Near real-time book/tax financials
- Simplified data model
- Friendly user interface (Excel)
- Single source of tax and financial data
- Faster analytics and insights
- Greater control over business processes for tax.



Our approach

Upgrading to or reimplementing a new ERP system is a major companywide undertaking, likely to require significant resources over years of effort. But it's also a chance to utilize new technology, establish new tax processes, eliminate inefficiencies, and drive greater value from tax operations.

Whether you're transitioning your ERP over the next several years or immediately, KPMG can help you through every phase of conversion:

Before implementation	During implementation	After implementation
<ul style="list-style-type: none"> — Analyzing current tax operations — Mapping data sources and targets across the tax lifecycle — Developing a target operating model and roadmap for tax — Business case development that highlights value drivers for C-suite buy-in — Defining tax requirements for the new ERP system 	<ul style="list-style-type: none"> — Incorporating tax requirements into the planned ERP design — Developing tax functionality in the new ERP system that considers evolving U.S. and global tax rules — Working effectively with other business and technology stakeholders, including system integrators — Testing tax scenarios in the new ERP system — Mitigating operational and compliance risks of new technology 	<ul style="list-style-type: none"> — Managing the tax team's cutover to the new system — Assisting with the tax department's go-live — Making updates and enhancements to new tax modules

Key areas of tax for consideration

The entire tax department lifecycle will be affected by an organization's ERP migration, including direct tax, indirect tax, transfer pricing (TP), and trade and customs.

Direct tax

- General ledger sensitization (provision and compliance)
- Legal entity and income tax reporting
- Local/regional tax reporting
- Fixed assets
- Withholding tax

Indirect tax

- VAT/GST calculation
- Reporting (real-time, compliance, statistical)
- Compliance
- Property tax and other local taxes
- Master data



Trade and customs

- Master data management
- Export management
- Import management
- Duty management

Transfer pricing

- Intercompany transactions
- TP master data
- COGS details (including revenue and billing)
- Transaction data
- Country-by-country reporting
- TP adjustments

Why KPMG?

When you work with KPMG on your ERP migration, you gain a knowledgeable, experienced, and dedicated team to support your tax department's short- and long-term goals.

We bring to the table a mix of experienced professionals with a broad range of tax technical and technology skills, supported by leading technology and frameworks for process improvement. Our deep understanding of ERP systems and tax planning and compliance, including the core processes, technologies, and data of the tax function, can help your company's ERP upgrade deliver operational benefits across the tax function.

Contact us

Take the first step and contact a KPMG Tax ERP migration professional

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