



Sales and Use Tax Solutions for Oracle Users

*Wednesday, October 22, 2008
3-4pm EST*



Housekeeping Items

- Today's webinar will last for 60 minutes, ending at 1pm eastern time.
- The last 10 minutes of today's program have been reserved for questions & answers.
- We will randomly select one person on the webinar to win an iPod Touch.
- We will launch a brief survey at the conclusion of today's webinar. Those who complete the survey will be entered into a drawing for an ADP TotalPay Debit Card, preloaded with \$100 and good anywhere Visa is accepted.



For more information on the TotalPay Card and other ADP Payment Solutions, visit us on the web at adp.com



To Receive CPE Credit for ADP Webinars



To receive Continuing Professional Education (CPE) credit for an ADP webinar, participants must:

- **Log in from the same email address that you used to register**
- **Answer three out of four of the polling questions during the webinar**
- **Stay for the entire webinar**

If you meet all criteria, a certificate will be e-mailed approximately 30 days after the webinar has concluded.



CPE Credit and Polling Question # 1



Requirements

- Log in from same e-mail address that you used to register
- Stay for the full hour
- Answer 3/5 polling questions



Are you applying for CPE credit?

- A. Yes
- B. No
- C. Not applicable

How are you currently calculating sales and use taxes?

- A. Use in-house employees
- B. Use third party tax engine
- C. Use Oracle
- D. Other
- E. Not applicable

Today's Speakers



Michael Janes
Sales Director
ADP



Matthew S. Walsh
Director, Tax Research
ADP



John Sallese
Business Analyst
ADP



Annette Kovamees
Director of Tax Compliance
ADP

Special Guest Speaker: **Al Lettera**

Office DEPOT.
Taking Care of Business



AGENDA



- Introduction to ADP's Sales & Use Tax Solutions
- Tax Calculation
- Tax Compliance
- Case Study - Office Depot
- Benefits of Using Oracle & ADP
- Q&A





Introduction to ADP's Sales & Use Tax Solutions



Sales & Use Tax Options for Oracle Users



- **Through its Taxware line of products, ADP is building on more than 30 years of experience in the sales and use tax market.**
- **ADP offers sales, use, and Value Added Tax (VAT) solutions for Oracle users**
- **Integrations available for...**
 - Oracle
 - PeopleSoft
 - JD Edwards
 - Siebel
- **Turn sales tax compliance into one of your company's strength**



ADP Sales and Use Tax Calculation



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Overview



- **“End to end” service combining a tax engine, returns engine, and money movement engine.**
- **ADP provides several software packages that automate the calculation of your transaction tax obligations.**

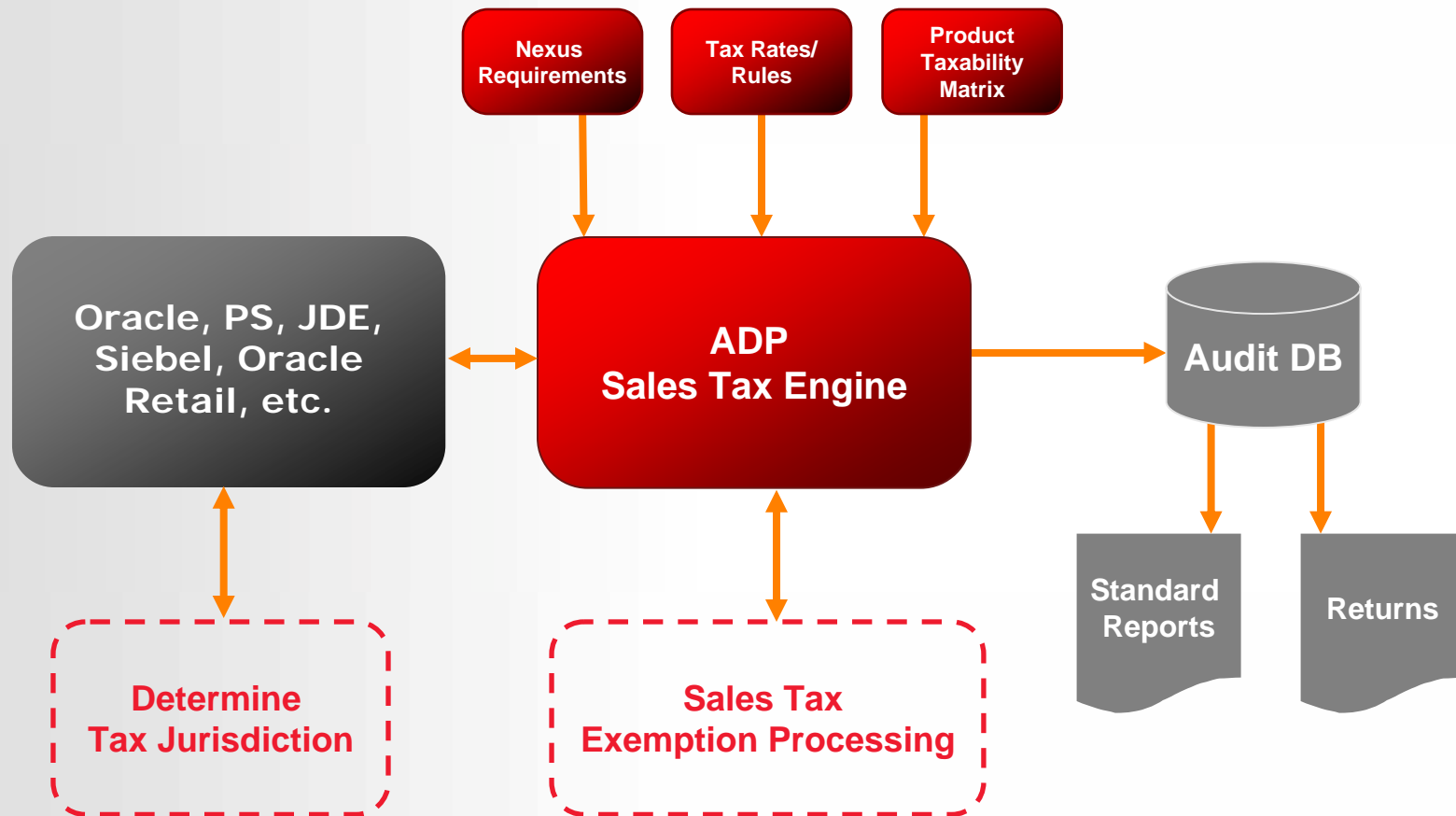
Calculation Engine:

- Calculates taxes for sales, purchases, rentals and leases
- Up to date rates and tax rules provided
- Includes exemptions, special rates, caps and thresholds
- Includes comprehensive Product Taxability Matrix (over 3,000 classifications)
- Provide entity and use based exemptions
- Records tax results in audit database for later reporting
- Provides automation for both sales and use tax accruals
- POS solution for retailers

Scope of Coverage:

- Calculate tax U.S., Canada and U.S. territories
- Calculate tax global in 250 international jurisdictions, including EU, AsiaPac, India, Brazil, China
- Sales, Use, Gross Receipts, VAT, GST, PST, QST, Business Tax, multiple fees

Sales and Use Tax Calculation



Tax Content



- **Out-of-the-box standard good/service and entity use codes. More standard content means less customization, less maintenance, and faster time to production.**
- **Special Tax Rules**
 - Drop Shipment Rules
 - Tax Type Determination
 - Tax Holidays
 - Special Tax Zones
- **Additional content is continually added to cover new tax rules and industries**
- **Centralized data update process**

Tax Research



- **Tax Expertise**
 - Our clients have direct access to 50 CPA's, CMI's, tax attorneys and analysts
 - Fluent in native languages
- **Superior Tax Content**
 - ADP researches, develops, and maintains content using in-house resources - not outsourced or purchased from third parties.
- **Industry Leadership**
 - First and strongest supporter of the Streamlined Sales Tax Initiative (SSTI), a nationwide effort to harmonize sales and use taxes
- **Over 30 years of experience**

Industry Leading Tax Content



- **U.S. Taxes**
 - Sales Tax
 - Seller's Use Tax
 - Consumer's Use Tax
 - Rental Tax
 - Leasing Tax
- **International Taxes**
 - Input VAT
 - Output VAT
 - Import VAT
 - Export VAT
 - Acquisition VAT
 - Consumption Tax
 - Goods and Services Tax
- **Maintain tax research for 250+ international jurisdictions representing 170+ countries**
- **Over 10,000 U.S jurisdictions**
 - Sourcing, standard rate, rounding
 - Goods and Service based rules
 - Entity/Use based rules

Tax Content



- **Tax Department Research Process**
 - Content update strictly controlled processes and procedures. SAS 70 type II compliant by KPMG audit.
 - Content updates provided at least once a month.
 - Updates include new content, law changes, rate changes, processing changes.
 - Update information letter provided with each summarizing changes.

Polling Questions # 2 and 3

Requirements

- Log in from same e-mail address that you used to register
- Stay for the full hour
- Answer 43/5 polling questions



How do you keep up with the constant tax changes?

- A. Use in-house employees
- B. Hire consultants
- C. Do not keep up with the tax changes
- D. Other
- E. Not applicable

Describe your most recent audit experience:

- A. Smooth
- B. Some Issues
- C. Moderate number of Issues
- D. Painful
- E. Not applicable

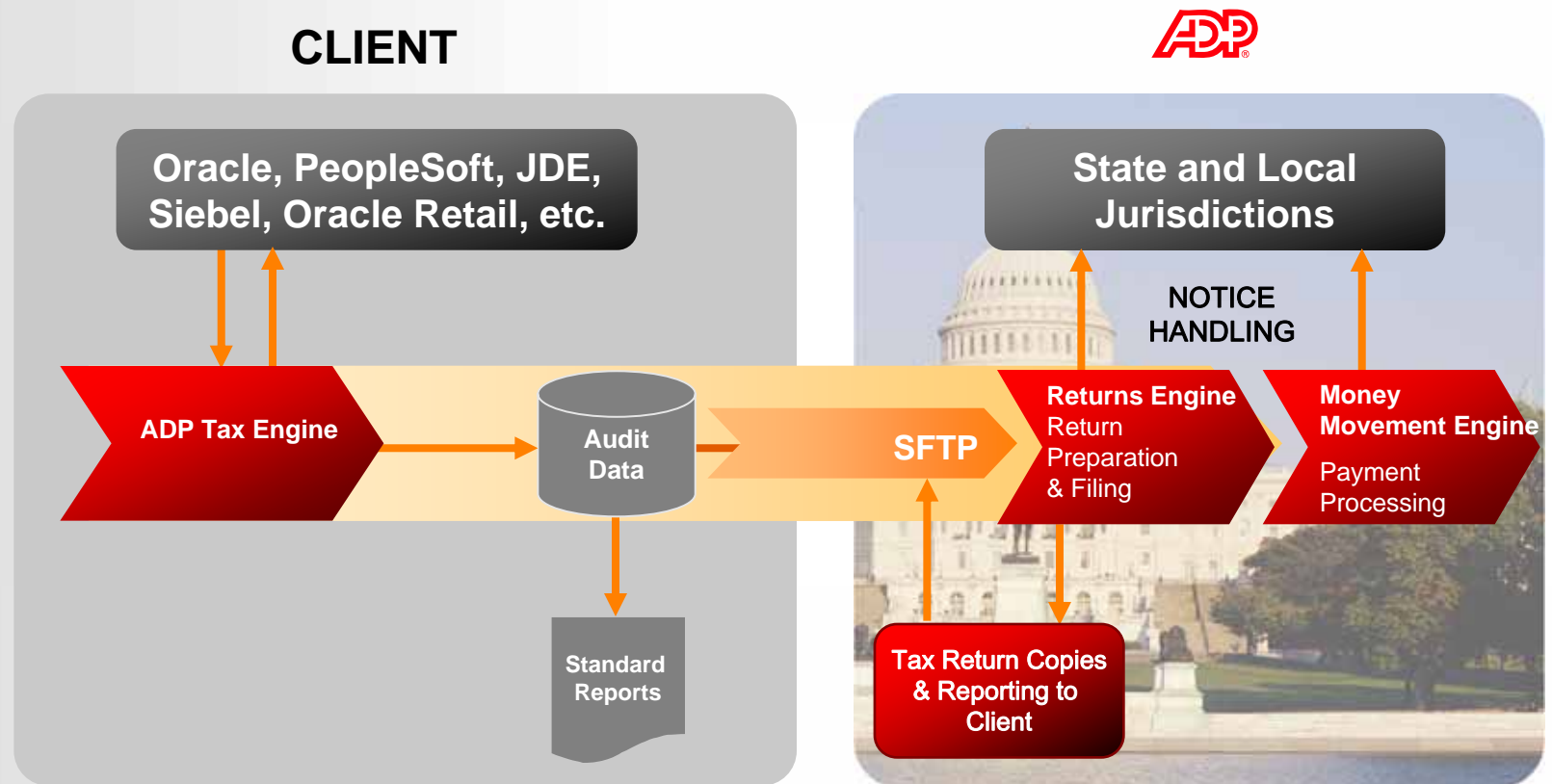


ADP Sales Tax Compliance



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Functional Overview Diagram



Overview

ADP Sales Tax Compliance



- **Compliance Solution**
 - Hosted by ADP
 - Based on your tax data, ADP will
 - Create and file Sales and Use tax returns (Paper, EDI, Web)
 - Make payments (EFT, Check)
 - Handle all agency notices
- **ADP handles the payment and filing of taxes to all state and local jurisdictions**
- **Liability for the timing and accuracy shifts to ADP**
- **ADP has 60 years of tax filing and remittance experience – more than any other U.S. company**

Benefits of Compliance



- **Time spent on compliance tasks reduced from 70-80% to 10-15%**
- **Time can be focused on strategic initiatives**
 - Frees up time to stay ahead of business changes/growth/M&A rather than react to change
 - Tax planning/reverse audits
 - Staff development and growth
- **Penalty and interest savings**
- **Automated process**

Polling Question # 4

Requirements

- Log in from same e-mail address that you used to register
- Stay for the full hour
- Answer 3/5 polling questions



How many sale and use tax returns are you preparing each month?

- A. 0-10
- B. 11-25
- C. 26-50
- D. 50+
- E. Not applicable



Case Study – Office Depot



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Office Depot Overview



- **HQ – Delray Beach, FL**
- **Fortune #164**
- **NYSE: ODP**
- **\$15.5b Revenue**
- **49,000 employees**
- **Three business segments**
 - North American Retail division
 - North American Business Solutions division
 - International division

Office Depot – Decision Drivers for Tax Automation



- **Sales processed through multiple channels**
 - Office supply stores
 - Contract sales force
 - Internet sites
 - Direct marketing catalogs
 - Call centers
- **All channels supported by network of crossdocks, warehouses, and delivery operations**
- **Operates...**
 - More than 1,500 retail stores in the United States and Canada
 - An international services group
 - A business services group
 - Delivery and catalog operations in 21 countries outside the United States and Canada

Office Depot – Decision Drivers for Tax Automation



- **Tax Department**
 - Manual, back-end tax decisions and return processing
 - Several source systems NOT integrated with a single tax process
 - Purchasing and Payables systems have inadequate tax functionality
 - Access to legacy tax data inadequate
 - Extensive time spent on non value added activities

Office Depot - Integration



- **Current Integration**
 - Oracle Purchasing and Payables
 - Order Management and Receivables
 - International – Canada
 - GeoTAX
- **Next Phases of Implementation**
 - POS
 - E-Commerce
 - International



Benefits of Using Oracle & ADP



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Office Depot - Benefits of Implementing an ADP Sales and Use Tax Solution



- **Automate manual processes**
- **Increase accuracy of sales/use/VAT tax calculations**
- **Reduce the risk during an audit**
- **Ability to handle high transaction volume**
- **Ease of maintenance**
- **Scalability of system**
- **Open deployment architecture with ability to interface with Java, SOAP, and .Net**

Business Issues Resolved for Office Depot



- **High transaction volume**
- **Complex business/tax requirements**
 - Force tax calculation
 - Tax accruals – undercharge and overcharge
 - Canadian transactions
 - Reporting requirements
 - GeoTAX Integration
 - Oracle RAC

Why Use the ADP Sales Tax Service?



We take care of your sales tax compliance so you can take care of business.

Polling Question # 5

Requirements

- Log in from same e-mail address that you used to register
- Stay for the full hour
- Answer 3/5 polling questions



How are you handling your sales and use tax returns today?

- A. Use in-house employees
- B. Use third party preparers (consultants) in-house
- C. Using an outsourced solution
- D. Other
- E. Not applicable

Final Polling Question



Requirements

- Log in from same e-mail address that you used to register
- Stay for the full hour
- Answer 4/6 polling questions



Were program materials relevant and did they contribute to the achievement of the learning objectives?

- A. Yes
- B. No
- C. Not applicable

Questions & Answers



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Special Guest Speaker: **Al Lettera**
Office DEPOT.
Taking Care of Business

ADP



- **Fortune 300 company**
- **Leveraging more than 55 years of experience**
- **Revenues over \$8 Billion**
- **Approximately 585,000 clients**
- **Leader in business process outsourcing**



- **Enterprise software company that develops, manufactures, markets, distributes and services database and middleware software, as well as applications software that help organizations to manage their businesses**
- **Organized into two businesses: software and services**
- **U.S. \$22.4 billion in revenue for fiscal year 2008**
- **320,000 customers worldwide, including 98 of the Fortune 100, in more than 145 countries**
 - 280,000 Oracle Database customers
 - 43,000 Oracle Applications customers
 - 80,000 Oracle Fusion Middleware customers
- **84,000 employees, including**
 - 20,000 developers
 - 7,500 support personnel
 - 13,000 consulting experts

ADP Webinar Tour



- **Next webinar: Wed., Nov. 12, “Drop Shipments”**
- **For the full calendar of ADP sales tax webinars, go to www.adptaxware.com/webinars.aspx.**
- **You can also listen to recordings and download slides from previous webinars.**

Later this Month

ADP Seminar Series Comes to the Southeast



- **Free, half-day seminars in major cities across the country**
- **A great way to learn how your company can meet the challenge of tax compliance**
- **Thursday, Oct. 30th at the Citrus Club in Orlando**
- **For information and on-line registration, go to adptaxware.com and click on the “Seminars” link.**