



Tax & Accounting

CCH[®] Sales Tax Office for SAP[®] Solutions

Corporate

Improve the accuracy of your sales and use tax calculations and reduce your audit risk with CCH Sales Tax Office for SAP[®] solutions. The advanced system combines industry-leading tax rate and taxability content with highly accurate jurisdiction boundary information and sophisticated logic capable of supporting the most complex sourcing and tax calculation rules.

Simplify Your Sales and Consumer Use Tax Process

CCH Sales Tax Office provides:

- **Effortless Setup** — Configure the system to meet your specific needs, with options for business entities, business rules, nexus rules, users and functional permissions.
- **Rates and Taxability** — Stay up to date with trusted rate and taxability data from Wolters Kluwer, updated monthly with a simple download. SAP[®] material group or product hierarchy values can be mapped to CCH Sales Tax Office SKU's to activate the groups and items, with customer products, rules and tax rate overrides all supported.
- **Nexus, Jurisdiction and Sourcing** — Accurately establish nexus and apply data-driven sales tax sourcing rules. Systematically determine which taxes must be collected with advanced geocoding and spatial analysis.
- **Flexible Calculation** — Increase the accuracy of your sales tax calculations by precisely calculating taxes at the line item level, using multiple ship-from and ship-to combinations in a single invoice, managing minimum and

maximum tax rules, and handling complex tax calculation routines involving tax brackets, tax charts and tiered taxes.

- **Consumer Use Tax Processing** — Perform consumer use tax self-assessments using your existing GL account numbers and/or purchase system codes to the standard SAP® tax interface that is used to process purchase orders and vendor invoices. Modify the tax interface to apply tax decisions based on account number, configuring rules in CCH Sales Tax Office to identify location, product and service classification, and usage.
- **Commonsense Interface** — Increase productivity with easy-to-use features that let you drill down into the details of a transaction, create and maintain custom taxes and overrides, and originate tax-only credits.
- **Simple Customer Exemption Management** — Save time on handling exemptions by shifting the customer exemption processing logic and management from SAP® solutions to CCH Sales Tax Office. With the CEM functionality you can create a wide variety of customer exemptions (e.g. blanket, partial, single invoice) and you can apply taxable basis reductions. Exemptions can be built-in exemption reason classifications, customer ship-to or sold-to numbers, or you can create custom exemption classes (e.g., resale, manufacturing, wholesale).
- **End-of-Month Compliance** — Create seamless, end-to-end automation with liability reports based on specified date ranges, audit reports for taxes and exemptions, and output files for delivery in the way that fits your compliance needs.

Easily Automate Address Validation

Ensure reliable address information with the Address Validation API. The plug-in connects SAP® solutions to an address validation service that will verify and correct addresses automatically or with the push of a button.

Wolters Kluwer compiles commercial jurisdictional boundary information from multiple sources and combines it with our own proprietary data and processing to create unique digital maps for all the different overlapping subsets of tax jurisdictions and ZIP+4 areas. When used in combination with a ZIP+4 or a street address validation tool, this system provides a precise foundation for both nexus and sourcing determination by the CCH Sales Tax Office application.

Wolters Kluwer has developed a comprehensive database of state, county, city, local and special tax districts for which both boundary definitions and tax matrices are maintained. CCH Sales Tax Office offers exceptional granularity of boundary data and enhanced coverage of special tax districts.

Streamline Essential Operations

Communication between the SAP® ERP system and the CCH Sales Tax Office tax calculation engine is established using RFC (Remote Function Call) and tRFC (Transactional RFC) tax interface, which exchanges data between the SD, FI and MM modules.

The SAP® tax interface enables CCH Sales Tax Office to perform tax calculations that support functional tax and business requirements:

- Sales tax is estimated during the creation of quotes and sales orders.
- Sales tax liabilities are calculated on customer invoices by line item, applying tax rate reductions when applicable.
- Customer claims for exemption (e.g. resale, not-for-profit, exempt organization) are applied during the tax calculation, and can be limited to specific products by tax type, by tax authority, or a combination of related conditions.

- Sales tax estimates related to purchase orders or purchase requisitions are not recorded in the CCH Sales Tax Office transaction history tables.
- Sales tax estimates or use tax accrual calculations are determined by the receiving, or ship-to, location (e.g. plant, cost center, storage location).
- Accrued use tax is recorded in CCH Sales Tax Office transaction history table and in your SAP® solution, when applicable.
- SAP® ERP will perform a basic validation of sales tax charged by the vendor as compared to the tax calculated by CCH Sales Tax Office. If the validation process does not agree with the sales tax charged by the vendor, then:
 - Accounts payable staff can pay sales tax as billed by vendor, or
 - Accounts payable staff can short-pay sales tax charged, and
 - Accrue applicable tax amounts, if any.
- A variety of pre-defined “Productivity Tool” packages are available to standardize and streamline the deployment of very common SAP® user exits needed to enhance tax processing.

Wolters Kluwer Solutions Can Provide a Single End-to-End Tax Process

CCH® Sales Tax Returns Online lets you save time and eliminate errors by automatically populating your sales and use tax forms, schedules and worksheets with tax information from CCH Sales Tax Office. Review, edit, print, audit and even e-file these signature-ready returns, and download Detail Filing Reports to streamline your check request process.

Professional Services

Partner with our highly knowledgeable and skilled Professional Services team to increase the efficiency of your sales tax workflow. Reduce risk and manage complex sales tax operations and issues with beneficial features, including nexus studies, SKU mapping, rules and configurations, and custom taxability research. Form a partnership with Wolters Kluwer and discover our personalized, hands-on services that will meet your individual needs and ensure you are achieving the highest levels of compliance.