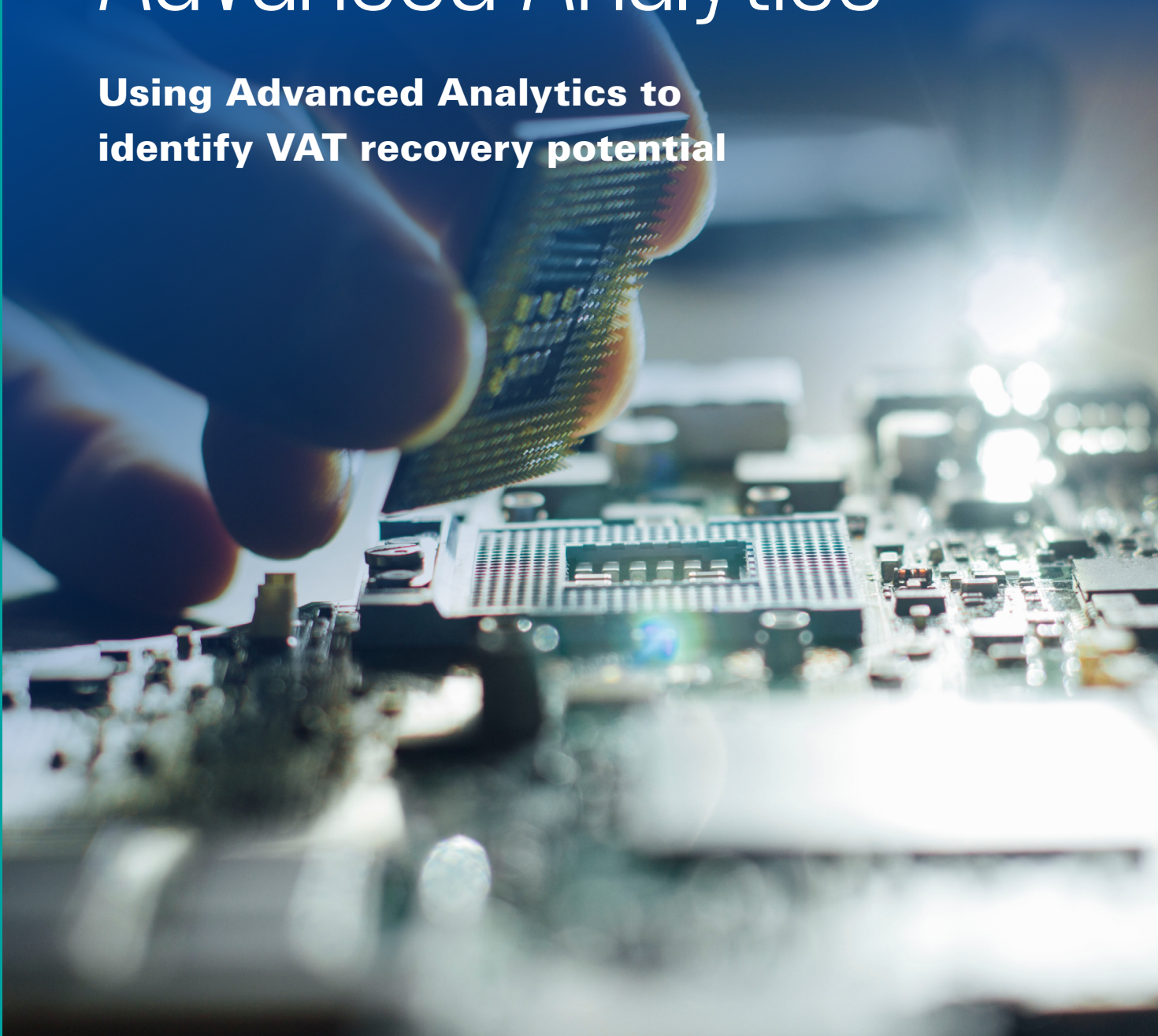




Meijburg & Co
Tax & Legal

Reverse Indirect Tax Audit using Advanced Analytics

**Using Advanced Analytics to
identify VAT recovery potential**



An opportunity to create value by identifying VAT recovery potential using advanced analytics

The current economic environment is creating additional awareness for tax managers to manage VAT impacts on cash flow in the immediate term. A purchase **VAT recovery project** can be an efficient instrument to achieve this one-off cash and working capital benefit as well as gain an in-depth understanding of your current indirect tax and procure-to-pay process (discover your known unknowns) and start fund your long-term tax transformation agenda once the world recovers from this crisis.

What do we typically find?

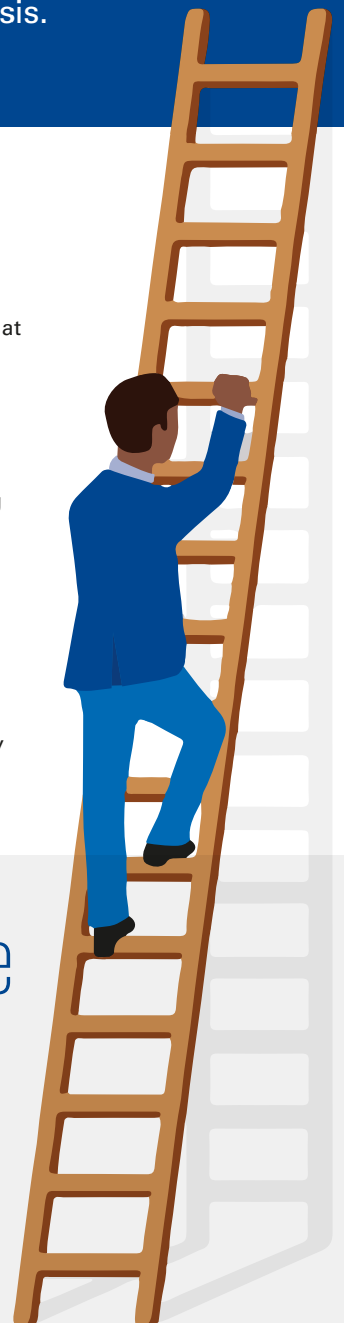
- Missed import VAT ("trapped VAT") from customs brokers/freight forwarders/brokers that is overlooked and not claimed
- VAT incorrectly booked as a cost or as irrecoverable (automated or manually)
- Domestic input VAT and foreign VAT that is not recovered (e.g. VAT on company cars, specific cost categories)
- Double paid invoices

What differentiates us from the competition?

- True tax and technology specialists combined in one client-facing team that can speak both tech and tax language and as such communicate efficiently
- Smooth data collection process through efficient ERP data extractors and state-of-the art Machine Learning and OCR technologies to identify recovery potential
- Center-led team with the ability to reach out within our global network for local expertise
- Balancing short-term gains with your long-term tax transformation strategy



This all can be done efficiently and fully remotely in a time-window of 8-10 weeks



How can KPMG help

Minimize your efforts, maximize your gains

Time required from your IT and Tax Teams is limited.



What does it cost?

Our fees may vary from fully success fee based as percentage of the recovery amount, fixed fee or a combination of both.

This would be of interest to you if:

1. You are processing over 25K 3rd party vendor invoices annually
2. You are procuring high-value goods and/or services
3. Your spend is over EUR 1B per annum
4. You are making use of electronic invoicing, invoice scanning and/or invoice processing software
5. Your tax code selection on purchase invoices is a manual process or your invoice scanning software has limited functionality
6. Your supply chain can be described as complex, has a lot of cross-border transactions and your footprint is regional or global
7. You are working with different customs brokers / agents / freight forwarders for paying import VAT
8. Your Accounts Payable function is centrally managed (Shared Service Centers) –either insourced, co-sourced or outsourced
9. You have recently merged or acquired new business(es) and/or you recently changed your supply chain
10. You encountered similar findings through reviews and audits in the past



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A Client Story

Helping a multinational to identify over EUR 6M VAT recovery potential.

During an internal process review of a healthcare devices and services multi-national company it has been highlighted that there existed VAT recovery opportunities on purchase invoices that are handled by their regional Shared Service Center. As the analysis was done on a sampling basis only for a limited number of entities, the company decided to contract KPMG to perform a 3-year historic VAT recovery project on all incoming invoices for all EMA-based entities to unlock the full potential in the data. We have identified over EUR 6M VAT recovery potential and are working with the client to improve their processes, systems and controls going forward.

Contact us and find out how we can help you

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