### **How Manufacturers Can** Overcome the Top Sales and Use Tax Challenges

consequences of getting them wrong (overpaying or, worse, incurring penalties) are costly.

Tax laws are complex, and the

+12,000 The number of tax jurisdictions in the United States.

these different sets of rules is overwhelming. In a joint Manufacturers Alliance Foundation/Sovos survey, manufacturers

If you're a manufacturer operating in multiple regions, navigating all of

highlighted their biggest challenges in trying to stay compliant with all applicable tax laws.

# and Use Tax Challenges for **Survey Respondents:**

**Top Manufacturing Sales** 

## were top-of-mind challenges for manufacturing leaders: Anticipating/preparing for more audits in the next 12 to 36 months

Efficiency and overcoming complexity

Reducing manual effort in sales and use tax processes

**78**%

**67**%

64%

Investing in additional sales and use tax technology

Building a more efficient tax compliance process

**51%** 

44%

Sales and Use Tax Challenges

Navigating tax complexity when implementing a new business

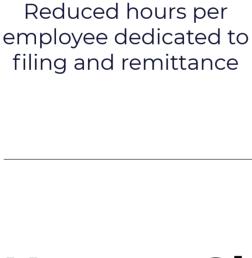
Navigating tax complexity when adding new technology (e.g., migrating to a new ERP)

**35%** 

### compliant with changing tax laws as a top priority, and planned to invest in technology to help. The biggest benefits seen from sales and use tax software included:

**Technology: The Key to Overcoming** 

Nearly two-thirds of survey respondents (67%) cited reducing manual effort to remain



**Tax Solution** 



Integration with

Visibility for tax

bogging down

Real-time

exemption

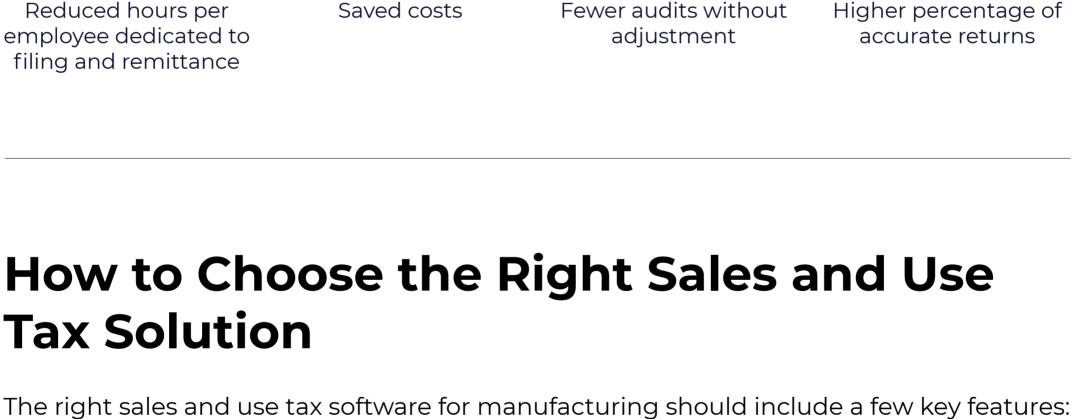
purchase without

accounts payable

data on every



Fewer audits without



#### Automated tax existing systems filings across all (including ERP jurisdictions and accounting software)

Accurate tax



certificate management



initiatives like global expansion

rate calculation

including caps,

Scalability and

with growth, after

compatibility

and more

thresholds, bracket

taxing, tax holidays

### **Key Performance Indicators to Measure Success** enjoying success with their tax solution tracked these KPIs:

Once implemented, how do you know your tax solution is doing its job? Manufacturers



Number of audits

without adjustments on-time filings





Percentage of

accurate returns



Audit penalties



**Need help getting started with** your sales and use tax compliance? Sovos helps manufacturers handle sales and tax with ease.

**LEARN HOW**