



**VERTEX<sup>®</sup> INCOME TAX: Delivering Unrivaled  
Adaptability, Reliability, and Functionality**

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Vertex Inc.- Proprietary & Confidential  
Developed by Hoffman Marketing Communications, Inc.

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## EXECUTIVE SUMMARY

Many organizations evaluate corporate tax software primarily on the features and functions delivered. But it is equally important to consider the strengths and weaknesses of the underlying platform enabling that functionality. The fact is the architecture of a tax software product largely determines its flexibility, adaptability, reliability, and total cost of ownership (TCO). Equally important, the underlying architecture can seriously limit current and future functionality.

Most corporate income tax technology platforms on the market have not been built using innovative architectural concepts and up-to-date technologies. Rather, they provide an impressive set of functions and an up-to-date user interface that masks an archaic architecture with inherent limitations.

This paper explains how and why Vertex Income Tax – the only proven solution with three full years of marketplace use – has crossed the technology chasm, enabling it to deliver comprehensive income tax functionality and a more adaptable, scalable platform that easily accommodates changing business needs and data flow requirements. Vertex Income Tax is the only solution that has been proven in the marketplace with three full years of use by clients. And rather than providing customers with a prescribed set of business processes to follow, it offers a flexible, comprehensive solution that customers can customize to support their unique needs.

To help companies better understand the business impacts of their tax platform choices, the paper explains how Vertex Income Tax is enabled by an innovative architecture based on the following architectural principles:

- Develop an intuitive, easy-to-use corporate income tax product that offers low total cost of ownership.
- Use a service-oriented architecture that safely accommodates the changes affecting tax professionals.
- Leverage industry-leading relational database technology and an architecture design that enables an information-based solution – rather than a forms-based solution – for easier access to information and easier setup (i.e., enter once, use many times).
- Ensure a highly scalable architecture that accommodates businesses of any size and can run on any standard laptop, desktop, or server (for intranet access).

The paper discusses the importance of these principles for businesses today and the benefits they provide. It also explains how the underlying architecture of Vertex Income Tax takes tax functionality to the next level via general ledger (GL) integration, seamless data flow, built-in tax logic, and automated calculations that take the work and risk out of tax compliance. Because the platform is built using a simple, stable, service-oriented architecture, customers can migrate to Vertex Income Tax with minimal risk and then adapt the software to align with their individual business needs. Equally important, Vertex Income Tax delivers the benefits of an information-based system, enabling organizations to access and re-use information for value-added analytical tasks, such as planning, casing, estimating, and projecting.



## **INVESTING IN A TAX PLATFORM VERSUS SHOPPING FOR TAX FUNCTIONALITY**

When evaluating corporate tax software options, many companies make the mistake of evaluating products purely on tax functionality. During the decision-making process, buyers continually ask, “Does this product do what I need it to do in a reliable manner?” And if the answer is yes, they feel confident they made a good choice.

But this approach is akin to purchasing a car without looking under the hood. A car may look good on the outside and appear to do everything a buyer needs it to do when they test drive it. But to make sure the car is a solid, long-term investment; buyers need to look beneath the surface at the engine and how the car was made. Was it built using the best materials and technology? Is the engine well designed for performance and minimum downtime? Can it be adapted to accommodate additional people as needs change? Is it easy – and low cost – to maintain over time?

Shopping for corporate tax software is similar in that when customers buy, they need to look beyond basic tax functionality to the underlying platform that enables that functionality. The fact is the architecture of a tax software product largely determines its flexibility, adaptability, reliability, and total cost of ownership (TCO). Equally important, the underlying architecture can seriously limit current and future functionality.

## **VERTEX INCOME TAX: DESIGNED TO ADDRESS THE NEEDS OF THE MARKETPLACE**

Vertex Income Tax was designed by tax experts who found that software built using traditional architectural approaches was unable to meet the needs of today’s businesses. Most corporate tax products have not been built using innovative design concepts and up-to-date technologies. Rather, they provide an impressive set of functions and an up-to-date user interface that masks an archaic architecture with inherent limitations, such as the following:

- Most tax software does not allow data to flow automatically the way an accountant would want it to – from general ledger to work papers to tax forms. Instead, there is often a significant amount of manual work required, which increases tax preparation time and makes audit defense costly and more time consuming.
- Because most companies do not have a way to efficiently share data between tax, financial, and fixed asset systems, tax professionals must spend excessive amounts of time collecting, moving, storing, and maintaining data in redundant databases and spreadsheets.
- Most systems provide partial – rather than comprehensive – work papers, forcing tax professionals to work outside of the system and to manually input final calculations into forms.
- The core logic of the tax calculation engine in most systems is highly complex and tightly connected to the software functions and data, so adding new functions or technologies – or



modifying the software to meet unique business needs – can jeopardize the system's stability.

- Many tax systems do not support the increasing need of businesses to exhibit proper internal controls and compliance processes. (For example, some tax solutions are based on Excel spreadsheets, allowing users to change the actual formulas in tax forms – without traceability.)
- Most systems do not produce transaction-based, audit-ready returns that include extensive, detailed supporting statements.

Vertex Income Tax was created to address these business requirements. As modern architectural approaches were developed, the tax technology experts who created Vertex Income Tax used them to create a totally new platform that separated the core logic of the tax calculation engine from the data. At the same time, they created tools that place the definition of the core tax logic into the hands of tax professionals rather than software developers. The result is Vertex Income Tax – the only income tax platform that incorporates innovative design concepts along with proven, up-to-date technologies to deliver unprecedented flexibility, adaptability, reliability, and functionality.

Built from the ground up with corporations in mind, Vertex Income Tax provides comprehensive functionality, and when compared to the other leading tax software products, it proves to be a more adaptable, scalable platform that accommodates changing business needs and data flow requirements. And rather than providing customers with a prescribed set of business processes to follow, Vertex offers a flexible solution that customers can customize to support their unique processes and needs.

## **ENABLED BY AN INDUSTRY-UNIQUE ARCHITECTURE**

Vertex Income Tax's flexibility, adaptability, reliability, and functionality are enabled by an innovative architecture based on the following architectural principles:

- Develop an intuitive, easy-to-use corporate income tax product that offers low total cost of ownership.
- Use a service-oriented architecture that safely accommodates the changes affecting tax professionals.
- Leverage industry-leading relational database technology and an architecture design that enables an information-based solution – rather than a forms-based solution – for easier access to information and easier setup (i.e., enter once, use many times).
- Ensure a highly scalable architecture that accommodates businesses of any size and can run on any standard laptop, desktop, or server (for intranet access).

These architectural principles have guided the development of Vertex Income Tax, resulting in a platform that truly meets the needs of the marketplace. The following sections explain the importance of these principles for businesses today and the benefits they provide.



## DESIGNED FOR EASE-OF-USE AND LOW TOTAL COST OF OWNERSHIP

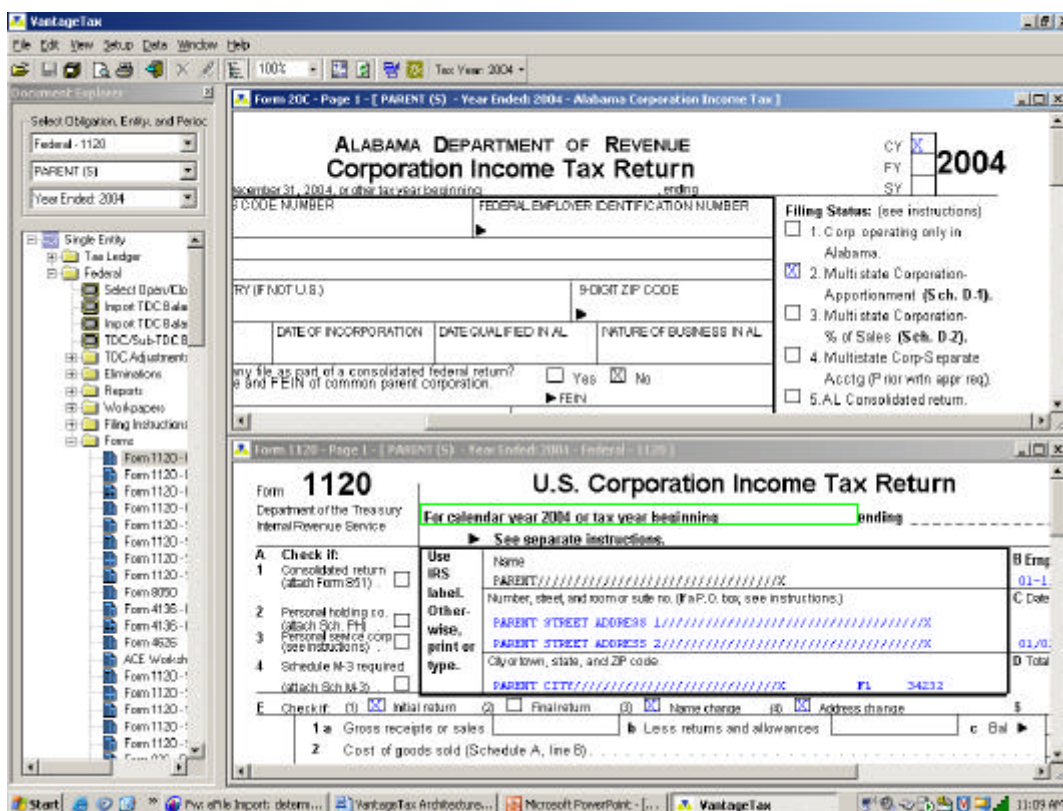
At Vertex, we believe that our tax experts and customers know the tax functionality they need the most – not our programmers. Through an advisory board, we partner with our customers to identify and prioritize new software functions, tools, and enhancements. And instead of having software developers design and build new features and functions, our software development teams create *tools* that empower our tax experts to implement new functionality quickly and easily – and do so in a way that is intuitive and easy to use. At the same time, these automated tools minimize opportunities for human error during the software development process, making Vertex Income Tax a more stable, reliable tax platform.

By empowering our tax experts with software-building tools, we ensure that Vertex Income Tax functions the way that most tax professionals instinctively organize what they do and how they do it – from the way work papers are designed and data flows, to the way workflows are organized and returns are generated. For example, rather than performing manual calculations and manually entering data, tax professionals can perform all tax-related work on a complete set of work papers that increase user efficiency. The calculations generated within the work papers automatically flow to and populate tax forms in the appropriate places. As a result, tax forms literally fall out at the end of the system, ready for review and approval.

The Vertex Income Tax user interface has also been designed to be as familiar and intuitive as possible. As illustrated in Figure 1, the interface has a familiar Windows® Explorer look and feel, complete with a tree-structured document explorer and tiling capabilities that allow users to view multiple tax returns and work papers in side-by-side windows. As a result, tax professionals and even temporary employees can be up and running quickly with minimal training required, which lowers operational costs and reduces TCO.



Figure 1: Familiar, Windows-Based Interface



With Vertex Income Tax tiling capabilities, users can view multiple tax returns and work papers simultaneously in side-by-side windows. For example, a user can view a federal return and several state returns at the same time, change numbers in the federal return, and see how the change affected the state returns.

## A DATABASE ARCHITECTURE FOR AN INFORMATION-BASED SOLUTION

Vertex Income Tax uses a database architecture that supports the two most popular, fully scalable relational databases on the market: Microsoft SQL Server and Oracle. This architecture allows customers to choose the database server they prefer based on their IT standards and business needs. Smaller customers, for example, may only need the royalty-free Microsoft Desktop Engine of SQL Server, while Fortune 100 customers typically need large clusters of computer-based Oracle database systems.

Vertex Income Tax leverages its database architecture to deliver the following industry-unique capabilities that increase efficiency, lower operational costs, and reduce TCO:

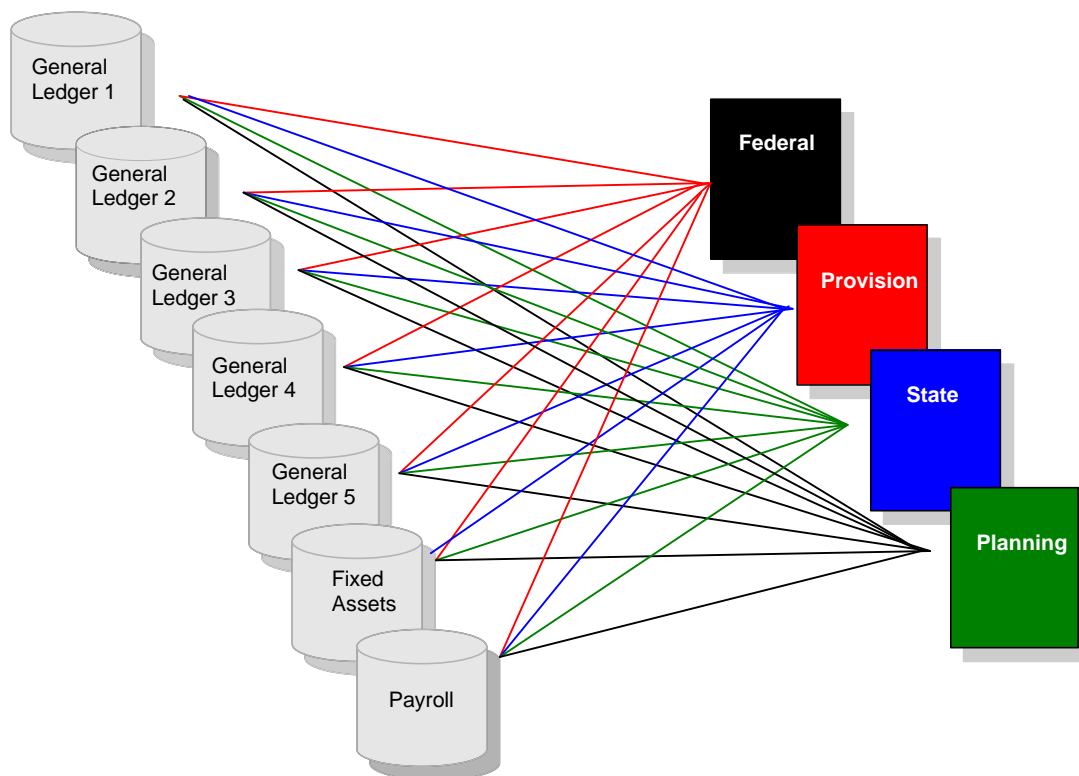


### GENERAL LEDGER INTEGRATION

Vertex Income Tax’s database architecture facilitates a smooth integration with other third-party accounting software data sources, enabling customers to use the data in their own GL system to populate the software’s chart of accounts. Moreover, rather than manually inputting GL data, customers can use Vertex tools to automate the data capture and update process. The result is a tax platform that facilitates the use of the most up-to-date GL data, making it easy to incorporate GL data changes as they occur. Also, businesses can calculate their tax provision as often as needed throughout the year using data from any point in time, resulting in more accurate provisions.

Many businesses also need to accumulate data from multiple GLs, as well as to import data from sources such as accounts receivable and payroll (see Figure 2). Because most companies do not have a way to efficiently share data between tax, financial, and fixed asset systems, tax professionals must spend excessive amounts of time collecting, moving, storing, and maintaining data in redundant databases and spreadsheets.

**Figure 2: The Data Management Challenge**

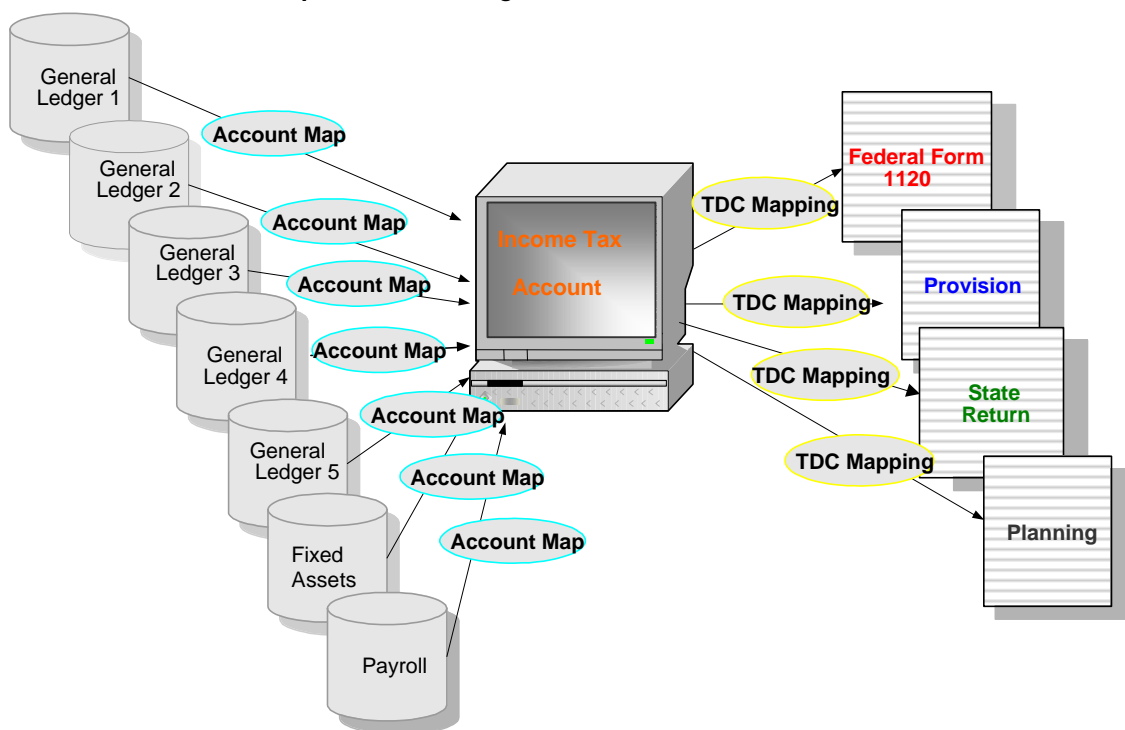


*Data management is a real challenge for many tax departments. As illustrated in Figure 2, the challenge goes beyond the general ledger because users also need to obtain data from accounts receivable, payroll, fixed asset accounts, and so on.*



To address these challenges, Vertex Income Tax categorizes all of the data relevant to income tax compliance into common accounts, makes it available for multiple income tax purposes, and creates a backbone for maintaining data across all applications (see Figure 3). Customers can easily manage data from different sources and time periods; achieve a higher degree of granularity of data throughout compliance and planning; and automate the entire return process for federal, state, provision, and international compliance.

**Figure 3: Vertex Income Tax Simplifies Data Management**



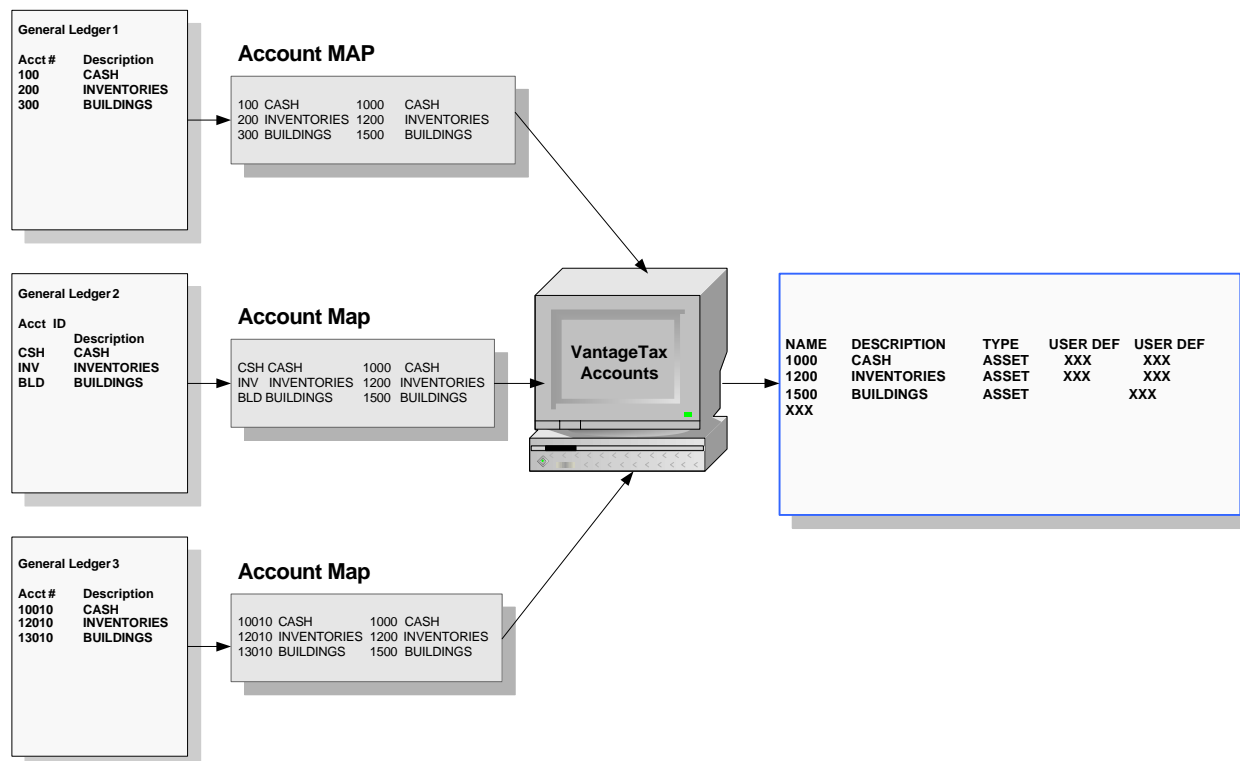
*Vertex Income Tax allows customers to map accounts from various data sources and map them to tax destination codes (TDCs). In this way, the system categorizes all of the data relevant to income tax compliance into common accounts, makes it available for multiple income tax purposes, and creates a backbone for maintaining data across all applications.*



### CUSTOMIZED CHART OF ACCOUNTS

As illustrated in Figure 4, the system’s chart of accounts is used to map GL accounts to tax destination codes (TDCs). The mapping process is a one-time resource investment to “tax sensitize” the data for use in a return or a provision. Rather than forcing customers to map to a prescribed and limiting structure for the chart of accounts, Vertex Income Tax allows customers to create a *customized* chart of accounts that mirrors the structure of their own GL. Customers have complete control over the data mapping process – they decide where they want to import data (for example, to TDCs, sub-TDCs, or accounts) and what level of detail they want to include. In addition, Vertex Income Tax allows customers to share a chart of accounts among multiple entities. By simply pointing and clicking, they can assign as many entities as they want to any one chart of accounts, resulting in more accurate provisions and compliance.

Figure 4: Vertex Income Tax Chart of Accounts



With Vertex Income Tax, customers have complete control over the data mapping process used to create the chart of accounts – they decide where they want to import data (for example, to TDCs, sub-TDCs, or accounts) and what level of detail they want to include. In addition, as illustrated in Figure 4, Vertex Income Tax allows customers to share a chart of accounts among multiple entities with separate GLs.



## **SEAMLESS DATA FLOW**

Once GL data has been tax sensitized, it can flow seamlessly through the application. Work papers are automatically populated with figures, tax rules are automatically applied, calculations are automatically performed, and tax forms are automatically generated. Tax professionals are free to focus their time and energy on making adjustments, reviewing forms, and improving tax planning rather than on data entry and number crunching.

## **An Information-Based System**

Vertex Income Tax's database architecture also provides the benefits of an information-based system. An information-based system does more than just store data and produce tax returns – it enables customers to access and re-use information for other value-added analytical tasks, such as planning, casing, estimating, and projecting. Once GL data is mapped to the system's chart of accounts during the implementation, the data flows through Vertex Income Tax, transforming traditional tax preparation, defense, and planning in the following ways:

### **Effortless, Audit-Ready Tax Returns**

Vertex Income Tax's information-based system makes the preparation of tax returns as effortless as possible. As the GL data automatically flows through the work papers to the tax forms, Vertex Income Tax performs all calculations so that returns literally fall out the other end. While tax professionals still need to review and approve the numbers on the tax returns, the automated nature of the tax preparation process results in huge time savings and improved accuracy of provisions and returns.

Equally important, tax professionals can instantly drill down on any number to determine the source of the data. By providing clear audit trails from tax returns to the GL, Vertex Income Tax generates audit-ready tax returns in full compliance with Section 404 of the Sarbanes Oxley Act; the software documents and links where data comes from and ensures that data can't be changed without someone knowing about it. The software also dramatically speeds the process of justifying tax returns during an audit, resulting in increased efficiency and lower operational costs.

### **Historical Information for Tax Planning**

Because Vertex Income Tax uses a database architecture that supports Microsoft SQL Server and Oracle, customers can use a variety of off-the-shelf tools to harvest their own tax data. Once data is harvested, businesses can use Vertex tools to analyze this data for better tax planning. Because Vertex customers do not need to depend on a costly, proprietary vendor tools or consulting services to access their own data, they realize significantly lower TCO than with competitor products that use proprietary databases.



### Jump-Start Compliance

Vertex Income Tax allows businesses to re-use the provision information they develop throughout the year as the starting place for compliance. The system makes it easy to share that data from the provision process into the compliance process and use it as the basis for the consolidated tax return. As a result, tax professionals no longer need to start from scratch when developing tax returns, resulting in increased efficiency and lower operational costs.

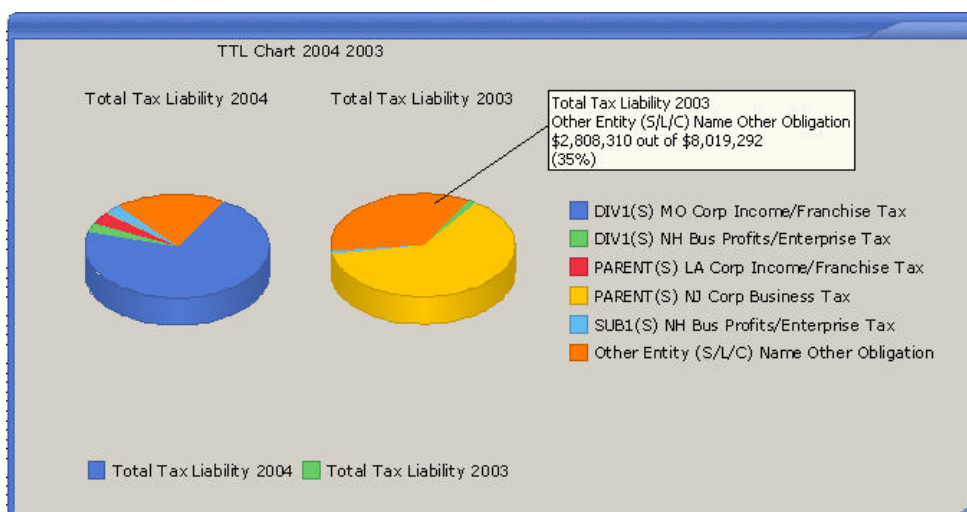
### Automated State Returns

It is not uncommon for large businesses with multiple divisions to have 20 or more consolidated tax returns and over a thousand state returns. To the degree to which they have state-specific data in their GL, Vertex customers can bridge this data to automatically flow through the system's work papers and populate their state tax forms, thereby saving tax professionals many hours manually keying in GL data, calculating numbers, and typing these numbers into electronic forms.

### Productivity and Analytical Tools

Vertex has just released new productivity and analytical tools that leverage the software's database architecture. These include analysis and planning solutions such as Income Tax Reporter, which allows customers to extract data out of Vertex Income Tax's compliance system and create custom reports, and Income Tax Analyst (illustrated in Figure 5), which enables customers to compare tax data for different periods, entities, and returns. These solutions can significantly improve a tax department's analysis and planning capabilities by allowing tax professionals to easily access, analyze, and report on selected data, while at the same time enabling tax professionals to focus on higher-value strategic issues beyond basic tax compliance, such as audit response and Sarbanes-Oxley remediation.

**Figure 5: Comparing Total Tax Liability for 2003 and 2004 Tax Years**





### **Support for Low-Cost Customization**

Upon request, Vertex also makes available Vertex Income Tax's database schemas and tools so that customers with in-house database programmers can create custom data views. Because the database is not proprietary, customers also have the flexibility to engage outside consultants at competitive price points to augment the system, which can significantly lower TCO. Innovative features, such as the ability to right-click on a data field in a work paper (or form) to identify its source in the data table, make it easy for developers to run queries required by a custom function and to create custom bridges between Vertex Income Tax and other products.

## **A SERVICE-ORIENTED ARCHITECTURE THAT ENABLES CHANGE**

Vertex Income Tax uses a service-oriented architecture (SOA), a flexible, modular architecture that makes it faster, safer, and less costly to modify software and deploy new capabilities. Companies today need a flexible, adaptable tax platform for a number of reasons. First and foremost, tax regulations are constantly changing, and tax platforms need to accommodate these changes without jeopardizing the stability of the application. At the same time, companies often want to implement new technologies that increase competitive advantage, such as advanced security features (e.g., role-based access to tax software), Internet-based tax data collection (with built-in internal controls for increased efficiency and compliance with Section 404 of Sarbanes-Oxley), and XML for making tax data available over the Web. Forward-thinking companies want to take advantage of these types of technology innovations *today* – not years from now when they invest in new income tax software. And finally, many companies need to extend and customize their tax platform to address changing business needs, new industry requirements, and ever-evolving individual tax situations.

## **THE PROBLEM WITH TRADITIONAL SOFTWARE ARCHITECTURES**

Traditional software architectures make it risky, if not impossible, to implement such changes. Most alternative tax platforms blend a 15- or 20-year old “car engine” – such as a calculation engine – with a myriad of new features and UIs that make their products look impressive. But their improvements are all superficial, and the overhead of these new features and functions can overwhelm the old engine while dramatically increasing the software's complexity and associated business risk.

In addition, traditional approaches to software development can be thought of as “jurisdiction-dependent,” meaning that functionality is hard-coded into the tax functionality required for various jurisdictions. For instance, to support filing of state taxes, tax software typically has 50 different tax jurisdictions. In a traditional architecture, each jurisdiction has its own complete set of tax provision and compliance calculations, forms, and other functions. This “code first” approach to software development results in a great deal of code overlap and bloat; for example, rather than centralizing the logic for data consolidation or calculations in one place, all 50 jurisdictions must contain code for these processes.

This traditional approach to software development may be inefficient and cumbersome, but it works – until developers need to implement a global change. For example, the IRS recently announced the modernized e-File (MeF) mandate that requires all large corporations to file their returns



electronically beginning in 2005. To implement MeF in a product built using a traditional architecture, developers need to manually re-code all 50 jurisdictions, adding the same MeF code to each one. Implementing such changes is time consuming and costly, as well as risky because human error can potentially introduce software bugs. Equally important, the software itself becomes increasingly large and difficult to maintain. For these reasons, most tax software vendors hesitate to implement technological improvements and prefer to add new functionality via cumbersome and inefficient work-arounds. The end result is an increasingly rigid, cluttered, and unstable tax platform.

### **VERTEX INCOME TAX IS DESIGNED TO ACCOMMODATE CHANGE**

In contrast, Vertex Income Tax uses a modular, service-oriented architecture (SOA) that makes it faster, safer, and less costly to modify software and deploy new capabilities (see Figure 6). According to Gartner, by 2009, SOAs will be the dominant way to develop software, with more than 80 percent of new application projects using this approach.<sup>1</sup> An SOA allows developers to divide software into smaller, re-useable components – or services – that perform various tasks. Services can be simple (e.g., request data from the database) or complex (e.g., provide support for Schedule M-3). Each service has a standards-based interface that can be accessed by other services within the architecture and can be re-used as many times as needed. As a result, developers can assemble, or link, any number of services together to create composite applications with sophisticated functionality. Vertex Income Tax also uses re-useable, jurisdiction-independent engines to separate and consolidate the core application logic from the data, forms, and work papers used in various services.

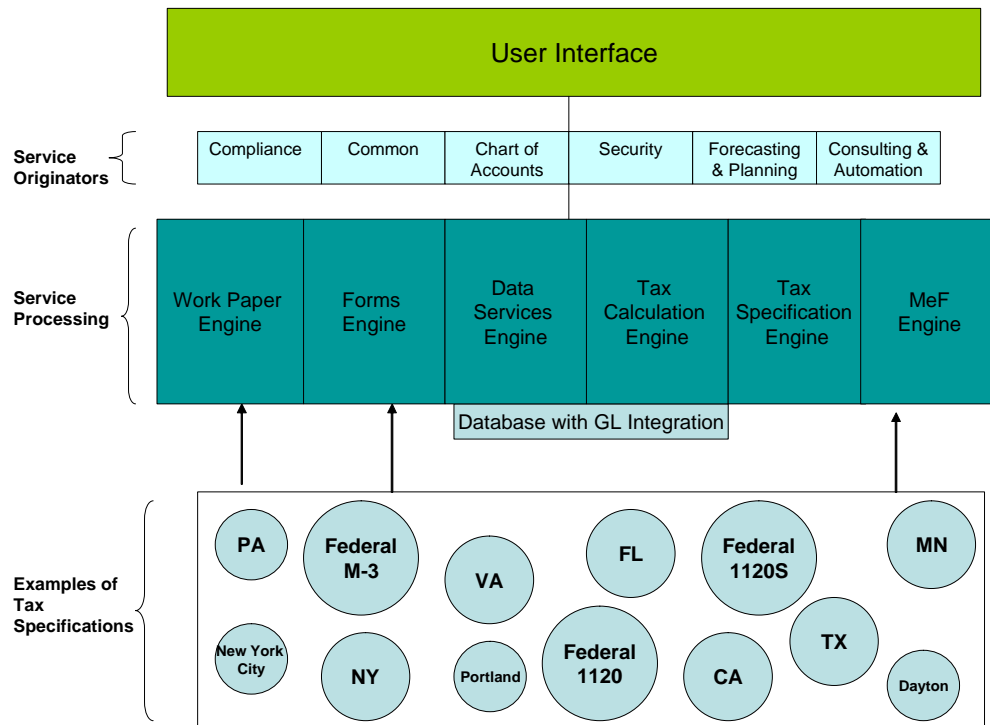
Leveraging the modularity and flexibility of the software's underlying SOA, Vertex can rapidly implement new capabilities or technologies by simply modifying engines, adding another service or engine, or linking existing services in new ways. Because the business logic does not need to be rewritten to accommodate changes, there is very low risk of breaking existing functionality or jeopardizing the stability of the application. The SOA enables Vertex to implement new tax directives quickly and safely, with minimal business risk compared to an implementation in a traditional architecture.

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<sup>1</sup> Gartner Research. "Positions 2005: Service-Oriented Architecture Adds Flexibility to Business Processes," February 16, 2005 (ID Number: G00126409)



Figure 6: Simplified Service-Oriented Software Architecture



With Vertex Income Tax, customers generate service requests through the user interface. These requests are forwarded to the service processing engines, which, in turn, use the appropriate tax specifications to process requests. Because the application uses a service-oriented architecture, Vertex can replace the user interface with new technology without impacting other parts of the application. The architecture also renders the tax specifications (which contain the real tax intelligence) “software agnostic,” enabling them to be re-used with any future architecture on any platform.



## **BENEFITS OF A SERVICE-ORIENTED ARCHITECTURE**

Vertex Income Tax provides customers with additional benefits of a service-oriented architecture, including the following:

### **Unrivaled Flexibility and Adaptability**

The service-oriented architecture underlying Vertex Income Tax provides unmatched flexibility and adaptability. As explained previously, it enables Vertex to rapidly implement new capabilities or technologies by simply modifying engines, adding another service or engine, or linking existing services in new ways. But the SOA enables a host of other capabilities and benefits. First, it allows the software to adapt to the way individual customers do business rather than forcing customers to adapt to pre-determined processes. For example, rather than making customers use a prescribed chart of accounts structure, Vertex Income Tax allows businesses to set up the chart of accounts so that it mirrors their own GL. Customers can make adjustments using their own GL numbers, resulting in a chart that reflects their business. Similarly, customers can customize the tree-structured navigation for the various forms and work papers, as well as create custom work papers to meet specific business requirements.

In addition, Vertex Income Tax's service-oriented architecture makes it easy to enhance the various engines powering the software, such as the calculation engine, without impacting the existing tax logic. For example, for tax year 2003, Vertex significantly upgraded the data services engine without impacting the existing compliance components. This upgrade reduced the number of databases from 6 to 1, reduced the database space size by 80 percent, and improved large user calculation performance significantly – changes that benefited our customers by lowering TCO and improving performance. Making these types of changes to a software product built using a traditional architecture would typically require modifications to every jurisdiction supported by the software.

And finally, the service-oriented architecture allows customers to modify Vertex Income Tax in a cost-effective way. Rather than being locked into a tax software vendor's consulting services to implement required changes, Vertex customers can send projects out for bid and contract with a preferred, low-cost vendor, resulting in lower TCO. Because the software is built using a standards-based process, any knowledgeable vendor can make changes by simply building a new module and linking it to related modules. These changes can be made with confidence that other parts of the application, such as the tax calculation engine, will not be affected. Compared to tax products built using traditional architectures, Vertex Income Tax offers lower TCO, more choices in terms of features (via customization), and significantly lower business risk.



## Component Re-Use

The individual services used within Vertex Income Tax are designed to deliver high availability so they can be linked to – and re-used – as many times as needed. Re-use helps to keep Vertex Income Tax as simple and uncluttered as possible; rather than having to re-code functions (such as a role-based access controls or a tax form) each time that functionality is needed, Vertex can simply link to the same component as many times as needed to enable the necessary functionality. For Vertex customers, component re-use translates into higher quality software, which means more stable software, fewer patches, reduced TCO, and higher productivity.

For example, Vertex tax experts implemented the complicated Federal Schedule M-3, “Net Income (Loss) Reconciliation for Corporations with Total Assets of \$10 Million or More,” in a way that supports automated data flow, linking, and calculations (rather than just a form that can be typed into). Implementation required creating a new, stand-alone Schedule M-3 service and building the new tax rules into the calculation engine. The service was then linked to the Federal Compliance and Global Provision products, providing instant access to automated Schedule M-3 functionality. No code changes for tax processing were necessary, which minimized business risk, and by re-using software components, Vertex completed and shipped the software update just four months after the form was officially released by the IRS. And using the Schedule M-3 is fast and easy. Because Vertex Income Tax is always populated with up-to-date GL data, customers simply map the appropriate GL data using Vertex’s data mapping tool, and the Schedule M-3 form is automatically completed by the system. Perhaps most importantly, because Vertex Income Tax uses real GL data for calculations, the implementation fulfilled the purpose of the Schedule M-3 – to reconcile the differences between balance sheet and income statement figures and the numbers provided on corporate tax forms (i.e., to identify differences between tax and book figures).

In contrast, the Federal Schedule M-3 support provided in tax products built using a traditional architecture tends to be far less automated – primarily because the architecture does not support the data flow and code re-use enabled by an SOA. Typically, customers have to input countless GL numbers into the system, reference the online help to understand the new rules governing calculations, manually calculate dozens of numbers using spreadsheets, perform summations for consolidations, and enter the final numbers into the Schedule M-3 form. For large corporations with, for example, 100 entities doing business in all fifty states, performing this process 5,000 times can be overwhelming. Because the process is so time consuming and complex when using an outdated tax platform, many large corporations pay an accounting professional \$50,000 or more per year to complete their Schedule M-3. And even then, because these tax platforms cannot link to and extract up-to-date data directly from GL systems, businesses run the risk of data entry errors, resulting in balance sheets and income sheets that do *not* reconcile with the figures provided on corporate tax forms.



## A SCALABLE ARCHITECTURE FOR ANY SIZE BUSINESS

Scalable software architecture has been a hallmark of Vertex Income Tax. The application can accommodate any size tax return and any size implementation. And the software can be reconfigured many different ways to support very large numbers of simultaneous users, giving customers a great deal of flexibility. A scalable architecture does not impose:

- Geographical boundaries
- Hardware limitations
- A maximum number of users
- Maximum volumes of data
- One-size-fits-all implementation strategies

Unlike our competitors, who use different code for implementations of various sizes, Vertex software has been designed to work for a single accountant using a standard laptop, as well as for hundreds of users at the world's largest corporations. Because the same application is used no matter what the size of the implementation, data is compatible across implementations. Additionally, companies only need to support one version of software.

Customers also have the benefit of choosing between in-house configurations or using Vertex Income Tax Online. They can use almost any Internet-connected computer with Vertex Income Tax Online, including, but not limited to, Windows-, Apple-, Linux-, and Unix-based computers. Because both in-house configurations and the online service utilize the same exact application code, customers can easily move back and forth between in-house configurations and our Vertex Income Tax Online service. Data is easy to move around because customers receive the exact same database architecture and software code for both Vertex Income Tax offerings.



## **DELIVERING MORE WITH LESS BUSINESS RISK**

For most companies, tax software is a long-term investment of five or more years, so it is critical that they invest in a stable, flexible platform that can accommodate current and future needs – not just a set of features and functions needed for next year's tax return. Vertex Income Tax has crossed the technology chasm, delivering the most adaptive platform for corporate taxes available today.

Many of the largest businesses in the world use Vertex Income Tax because it enables them to do more with significantly less business risk. The software's comprehensive functionality rivals all other leading tax software products – and takes that functionality to the next level via GL integration, seamless data flow, built-in tax logic, and automated calculations that take the work and risk out of tax compliance. Because the platform is built using a simple, stable service-oriented architecture, customers can migrate to Vertex Income Tax with minimal risk and then adapt the software to their business. Equally important, Vertex Income Tax delivers the benefits of an information-based system, enabling organizations to access and re-use information for value-added analytical tasks, such as planning, casing, estimating, and projecting. And finally, because Vertex is an independent software firm that does not provide tax advice, it is free of Sarbanes-Oxley conflicts, further minimizing risk to businesses.

### **ABOUT VERTEX INC.**

Vertex Inc. is the leading provider of tax technology solutions, serving more than 10,000 customers worldwide. Vertex solutions automate processes and enhance decision information across every major line of business tax including income, sales, consumer use, value added, communications, and payroll. To serve its customers, Vertex works in partnership with leading software and service providers, including SAP, Oracle, Microsoft, J.D. Edwards, IBM and PeopleSoft. Founded in 1978, Vertex is headquartered in Berwyn, PA and has offices in Atlanta, Chicago, Dallas, Sarasota and Washington, DC.

To learn more about Vertex Income Tax, call a Vertex representative at 866.TAX.TECH (829.8324) or visit us at [vertexinc.com](http://vertexinc.com).