

EY Tax solutions for Dynamics 365

End-to-end tax support leveraging EY's global expertise

Business drivers

Tax and finance leaders are battling with a rapidly changing and complex tax landscape. The digitization agenda, changing jurisdiction regulations (including transfer pricing, BEPS, and evolving sales tax, VAT and GST rules), and new reporting requirements (such as e-invoicing and real-time reporting) are requiring businesses to elevate tax functionality and ensure business processes are fit-for-purpose.

Solution overview

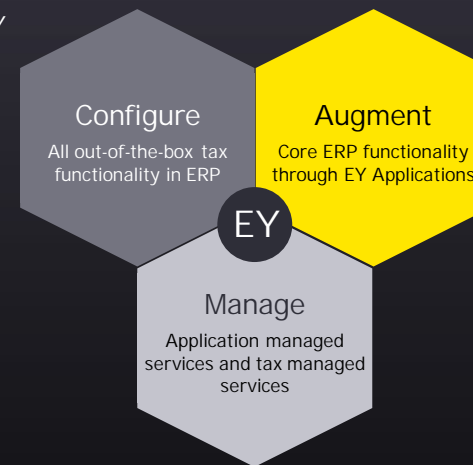
EY is one of the largest global Microsoft Dynamics 365 partners. EY Dynamics 365 tax transformation specialists can help you optimize tax and minimize tax function cost by leveraging Microsoft technologies and EY tax accelerators.

We help businesses:

- Implement Dynamics 365 from a tax perspective, from gathering requirements, design, build, test and post-go-live support
- Optimize existing Dynamics 365 tax setup and tax relevant finance processes (incl. Order to Cash and Procurement to Pay)
- Manage the overall tax lifecycle, including through the provision of tax managed services (e.g., outsourced tax compliance)

To do so, EY teams follow a three-stage process to help tax and finance leaders facilitate a tax compliant system, maintain adequate governance controls, and seamlessly adapt to the changing business and tax environment.

Key functionality



Solution benefits

- Global tax requirements solved by one trusted global provider, reducing cost and technology fragmentation.
- Maximize system capability (including use of the Microsoft tax calculation service and country tax localizations) and implement Dynamics 365 tax best practices leveraging the experience of EY's dedicated Dynamics 365 tax team.
- Address complex tax challenges or new tax requirements that cannot currently be addressed using standard Dynamics 365 functionality by utilizing EY Dynamics 365 tax accelerators and other EY tax technologies.
- Reduce risk and improve efficiency through the tax sensitization of upstream finance processes.
- Futureproof tax data to meet upcoming digital tax obligations and remove the need for significant reporting implementations in the medium term.
- Allow finance and tax resources to focus on higher value add strategic activities through embedded tax system and process efficiencies.

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The EY-Microsoft advantage

- Microsoft has developed significant out-of-the-box tax functionality within Dynamics 365 and is continuing to add support for new local country digital tax administration requirements.
- EY is a global leader in tax, tax technology and Dynamics 365 implementations.
- Leveraging knowledge from our alliance with Microsoft, our Dynamics 365 tax proposition combines the power of Microsoft technology, and EY teams' global business acumen, tax technical and hands-on Dynamics 365 experience to help deliver leading-class tax automation and tax processes.

Solution differentiators

- Dedicated tax technical specialized resources focusing on Dynamics 365 implementations and post-implementation support.
- Close collaboration with Microsoft with access and input into upcoming global tax functionalities and localizations.
- Providing best practices through application of hands-on experience from a wide range of industries and jurisdictions and client issues and challenges.
- Experienced implementing as a system integrator and participating in projects led by other service providers.

Case study

As part of a broader finance and ERP transformation led by EY teams, a multinational sporting and entertainment business was looking for an adaptable tax solution to support its fast-moving international operations. EY teams helped the business achieve flexibility to scale and support its complex worldwide tax footprint using Microsoft Dynamics 365 and EY tax accelerators.

Client challenge

- Finance and ERP transformation to Dynamics 365 provided the opportunity to rethink tax processes and level of tax automation possible using Microsoft and EY technologies.
- Limitations in previous ERP led to significant manual workarounds for tax which complicated tax processes and increased the burden on the finance and tax teams.
- Fatigue from previous ERP limitations and resulting fragmentation of tax technology solutions to address limitations led to a reactive approach to confronting new local country tax requirements (such as e-invoicing and real time reporting requirements).

Engagement summary

- Using our three-stage methodology, EY teams maximized Dynamics 365 tax capability by configuring all out-of-the-box tax functionality within the ERP system.
- Where standard Dynamics 365 tax capability was unable to address local country tax requirements (such as Portuguese e-invoicing and automatic Arabic invoice translation), we augmented core ERP functionality using leading EY tax technologies, including EY Global VAT Reporting Tool.
- EY teams approach included sensitizing upstream finance processes (such as AP and AR) for tax to facilitate the design considered tax data requirements and future-proofed the system for upcoming digital tax administration requirements.

Value delivered

- Minimized risk and manual tax determination by automating over 10,000 unique transaction categories in over 20 countries using the Microsoft Tax Calculation Service.
- Tax automation enabled the business to create an automated online sales portal to sell its products (which was previously a manual and time-consuming process) .
- Minimized tax compliance burden through significantly improved tax data quality, improved tax reporting, and use of EY Global VAT Reporting Tool - enabling the finance and tax teams to focus on higher value add strategic activities.
- Futureproofing of upstream processes has reduced the cost of addressing future digital tax requirements.

Contacts

EY



Greg Hari
EY Indirect Tax
Transformation Director
Ernst & Young - United Kingdom
ghari@uk.ey.com



Amanda Easton
EY Global Microsoft Alliance
Business Applications GTM
Ernst & Young LLP United
States
amanda.easton@ey.com

Microsoft



Jodi Lustgarten
Microsoft Alliance Director
Microsoft Corporation
jodise@microsoft.com

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EY and Microsoft bring a compelling formula to spark the potential of the cloud and unlock the power of data. We solve our clients' most challenging issues by blending trusted industry expertise with innovative cloud technology. Our strategic relationship draws on decades of success developing visionary solutions that provide lasting value.

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For more information, visit: ey.com/Microsoft.

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Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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