

“Deutsche Bank’s Management Board members Juergen Fitschen and Stefan Krause are involved in tax evasion investigations as they signed incorrect value-added tax statements.”

Thomson Reuters, Business News



|||| KMLZ

At EUR 235 billion VAT generates the Federal Republic of Germany's highest tax revenue.

For companies, VAT is a massive, fully automated business. Failures in the automation process multiply at lightning speed, irrespective of how small they are. That's why tax and prosecution authorities are intensifying their VAT investigations. If VAT returns are incorrect, due to poor controlling and monitoring mechanisms, companies, their representatives and key employees effectively violate the duty of care they owe the tax authorities.





Incorrect or incomplete tax returns, which lead to an understatement of taxes, give rise to risks, not only for the company itself but also the company's representatives, in instances where the understatement results from a poor or insufficient Tax Compliance Management System [TCMS].

According to secs. 69 and 71 of the German Fiscal Code, directors may personally be held liable for tax understatements due to poor tax compliance. Additionally, violations of tax compliance obligations may be penalized with fines of up to EUR 10m – secs. 30 and 130 of the German Act on Regulatory Offences.

Directors and key employees may also be subject to criminal prosecution if poor Tax Compliance Management is deliberately or negligently accepted.

Our Answer – Celonis based Tax Compliance Management using TCMS Assistant based on KMLZ Tax-Ray



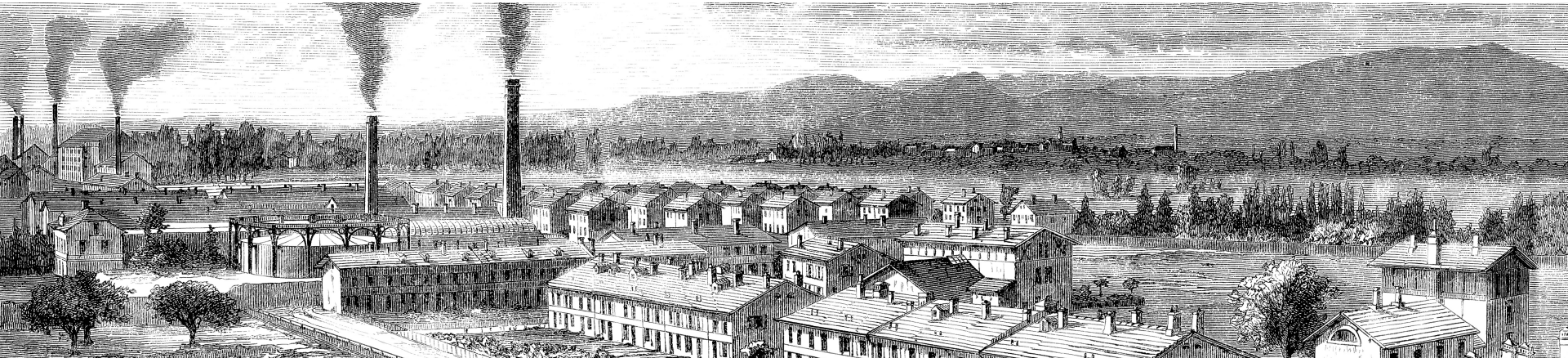
Implementing a TCMS without using data mining technology means searching a mass of documentation to identify risks, problems and responsibilities.



Implementing a TCMS without using data mining technology means conducting extensive interviews to identify and understand all VAT relevant processes.



Implementing a TCMS without using a data mining technology concept takes a lot of time and money. TCMS measures used to be regarded as a theoretical concept which were not implemented in daily business.





With the help of data mining technology, VAT relevant business processes, responsibilities and risks can easily be identified based on ERP data.



Systematic interviews and document research are only necessary to complete the understanding of the identified business processes based on data mining results.



With the help of data mining technologies, TCMS functions may be perfectly integrated within the workflow of the company, resulting in money and time being saved and the prevention of mistakes.





Dashboard

[Contact KMLZ](#)

▼ Control period by doc. date from Jan 2, 2019 to Jan 30, 2019

START DATE

END DATE

02.01.2019



30.01.2019



EU supplies with a VAT-ID different from the destination country

Affected Positions:

0

Domestic supplies without VAT

Affected Positions:

2

EU supplies with domestic VAT-ID

Affected Positions:

0

Pick-up supplies to domestic customers

Affected Positions:

0

Receiving country EU but not booked as EU supplies

Affected Positions:

2

Destination country third country but not booked as export

Affected Positions:

14

Invoices without delivery

Affected Positions:

176

EU supplies wiht different ship-to

Affected Positions:

230

Manual change of VAT-ID

Affected Positions:

0

The TCMS Assistant enables clients to identify risks within the VAT relevant processes using Data Mining technologies and to better understand the SAP System's automatic tax determination.

With the TCMS Assistant, it is possible to realize an IT based **Tax Compliance Management System**.



← Domestic supplies without VAT

[Clear Filters](#)[Download Report](#)[See In Analysis](#)

The system checks whether there have been any supplies carried out with a domestic ship-to party that have been invoiced without VAT (sales within the VAT group are not taken into consideration). Since one of the conditions for the application of the zero rate for export supplies and for intra-Community supplies is that the goods are shipped abroad, invoicing without VAT for a domestic supply is not possible.

Affected Positions

2

Affected value

€0.13K

VAT-ID Check

SI12345678



Checked VAT-ID SI12345678 is valid. (Test Slovenija d.o.o., Testaddress)

Sales Organization

2201 - Europe Sales

100%

Tax Code

AE - DE/MWS Inn...eferung EU

100%

Tax Determination – Condition Table

A011

100%

Doc. nr. ↑↓	Doc. pos. ↑↓	Doc. type ↑↓	Plant ↑↓	VAT goods route ↑↓	Sold-to ↑↓	Ship-to ↑↓	Delivery terms ↑↓	VAT-ID ↑↓
0022991189	10 (TAN)	S1 - Storno Rechnung (S1)	2205 - Sales GmbH (DE)	DE -> DE	0000304434 - Test Slovenija d.o.o.	0000303838 - Test GmbH	DAP	SI12345678 (I)
0022991189	20 (TAN)	S1 - Storno Rechnung (S1)	2205 - Sales GmbH (DE)	DE -> DE	0000304434 - Test Slovenija d.o.o.	-	DAP	SI12345678 (I)

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Specified checks, which may be individually customized to the user's business model

Easy integration into any common Celonis process allows for access to the predefined analyses for detailed process analytics

Fast and easy checks with a comprehensive overview of the essential results

Easy checks of the used VAT-ID via direct connection to the VIES Server

Product overview



Brexit Analyzer

Identification of all of the processes affected by Brexit



TCMS Assistant

Realisation of an IT based Tax Compliance Management System by using Celonis



KMLZ TAX-ray

Extensive analytical dashboard for tax purposes, which allows for the identification of risks, as well as the implementation of controls and analyses for automated tax processes on both the sales side, as well as the procurement side.



KMLZ Implement KMLZ's Tax Ray Solution to better understand your VAT relevant data.

KMLZ Implement TCMS Assistant in your business in order to make use of powerful and optimally adapted VAT driven controls

Implement **IT based Tax Compliance Management** by using KMLZ Tax-Ray with TCMS Assistant.

Be compliant and avoid tax errors before they occur.