

Is Your Company Overpaying Sales Tax or Use Tax?

Release Date: 8/5/2011

Staying Compliant is a Full-Time Job...

Nothing about sales tax stays constant or consistent. Knowing what goods and services are taxable or exempt can be a full time job.

With the increase in audits around the country, many companies are discovering sales tax and use tax errors that never would have come to light if not for the scrutiny of auditors.

Some companies find out that their suppliers have been charging them the wrong sales tax rates for years, they are accruing use tax and paying sales tax to vendors, or they are being charged sales tax or accruing use tax on non-taxable transactions or products. Others realize that the customers they thought were exempt from tax indeed are not or they don't have a properly completed exemption certificate on file. Your own company might be penalized for any of these errors.



All of these oversights, as small as they might seem, can add up to become a big complication resulting in significant tax liabilities, interest, and penalties. Additionally, such monitoring requires a sizable amount of time as well as dedicated and knowledgeable resources.

What Can We Do to Help?

At Allyn, we don't believe that audits should be the time for damage control. We believe in being proactive. We can conduct an in-depth look at your company, including purchases from your suppliers, sales to your customers, and the states you do business in, to find out if your company is compliant or at risk of excess tax exposure. Let us do the work of researching tax statutes and rate changes, checking into your monthly purchases and use tax accruals, validating your vendors' exemption certificates, and filing your sales and use tax returns.

Whether we find overpayments or underpayments during the course of our search, we can advise your company about the best solutions available. We can file for tax refund claims with taxing jurisdictions and obtain those tax overpayments for you. We can identify tax overpayments to help offset audit liabilities. We will work with you to create a personalized plan of action to safeguard your company's future tax transactions.

Too Many Audits, Too Little Time...

Find yourself knee-deep in the middle of an audit? We can still help. We will work with your current tax team to make sure that the auditor gets the information he needs, accurately and timely, to ensure that you don't pay more than required. We can obtain exemption certificates for your sales, verify and validate their accuracy, and store them electronically via secure web portal using our proprietary Tax Imaging Management System (TIMS™). Once the urgency of the audit is over, we can suggest strategies for future audits or begin an in-depth search of the areas we found that needed improvement. We offer full service audit management and defense from notification to closure.



Don't Wait Until It's Too Late

Your current tax operation may be diligent, but it's hard to split your focus between monthly compliance and in-depth research. You may not have the resources or the time to afford such reviews. Allyn's tax team is staffed with seasoned tax professionals experienced in multi-state tax compliance and consulting for large US and global corporations. We can use that experience to your advantage. Contact us and we can create a customized solution to meet your company's needs. It's that simple.

For More Information

If you are interested in learning more about this topic or our Tax services, please contact: tax@allynintl.com.

About Allyn International Services, Inc.

Allyn International Services, Inc. (Allyn) is a privately-held professional services firm established in 1992 dedicated to providing high quality, customer centric services and solutions for the global marketplace. Our core products include transportation management, logistics sourcing, freight forwarding, supply chain consulting, tax management, and customs compliance. More information is available at www.allynintl.com.