EasyTax OLTP
Your platform for
VAT in the GCC region

Real-time tax calculation, withholding and reporting

Prepared by BearingPoint

September 2017

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Which are the advantages of the EasyTax OLTP platform?

One single platform for on-line tax calculation, withholding and reporting

Modern technology

The development of our OLTP ("**on-line transaction processing**") platform has started in early 2016, initially to cover the very complex requirements of banks with regards to onshore French and Spanish tax calculation, withholding and reporting.

Our platform is based on more than 15 years of experience in providing tax solutions to international private banking and wealth management firms.

Highly modular and extensible

The architecture is highly modular, extensible, and flexible. It is ready to cover a wide range of transaction-driven calculation scenarios.

Near real-time capable

Stability, throughput and short roundtrip times are key aspects of the platform's design, in order to provide near real-time response times.

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Key features of EasyTax OLTP

One single platform for on-line tax calculation, withholding and reporting

- The OLTP platform is capable to process tax-relevant transactions on a **real-time basis**.
- **Multiple tax modules** can be hosted on the same installation and run **in parallel**.
- **Good integrability** thanks to the usage of industry standards such as XML, Restful services, MQ, and Java.
- OLTP enables clients to calculate and book country-specific taxes, or any other type of financial transaction charges, **in a fully-automated process**.
- Internal data towers allow for the **generation of country-specific tax reports** (regulatory and non-regulatory) with minimal lead time.
- In 2017, OLTP-based solutions for French and Spanish onshore WHT tax calculation and reporting will go live. Further tax modules (**UAE-VAT,** IT, UK, LU) are planned for 2017 and following years.

How does EasyTax OLTP support the GCC VAT scenarios? (1/2)

High leverage of existing components

VAT in the GCC region: a perfect fit for EasyTax OLTP

Starting 1 January 2018, a value-added tax is scheduled for introduction in the UAE and other Gulf countries. Given its transaction-based character, VAT is an ideal use case for the EasyTax OLTP platform.

Data model

Originally developed with a focus on the complex world of financial market transactions, the data model is also a good match for VAT scenarios. Our data universe allows to model complex relations of transactions with accounts, persons, residences, products, and much more, predominantly in a time-lined fashion.

To apply VAT rules, dependencies on the type of product, nature of transaction, country of supply, and type of supplier/customer may be modeled based on existing data entities.

Calculation core / rule set

VAT tax rate calculation rules depending on product, person, and country of supply or country of destination, may be configured based on the existing, XML-based “tax allocation” rule sheet.

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How does EasyTax OLTP support the GCC VAT scenarios? (2/2)

High leverage of existing components

MQ based I/O

For delivery of transactions, as well as OLTP responses in the form of errors or booking advices, we offer XML messages over MQ, a highly scalable and robust interface technology.

Automation

By making its functionalities available via command-line and Restful services, EasyTax OLTP can be tightly integrated into your existing IT landscape.

Simulation features

EasyTax OLTP offers real-time simulation features for scenarios where you wish to review tax impacts before you book.

Booking engine

EasyTax OLTP comes with a MQ-based booking engine, including elaborate transaction audit and reversal functionalities.

Reporting engine

Our built-in reporting engine allows to produce any report out of the calculation and booking results, which are stored in a dedicated data tower. Further, the reporting engine includes “late transaction” handling functionalities.

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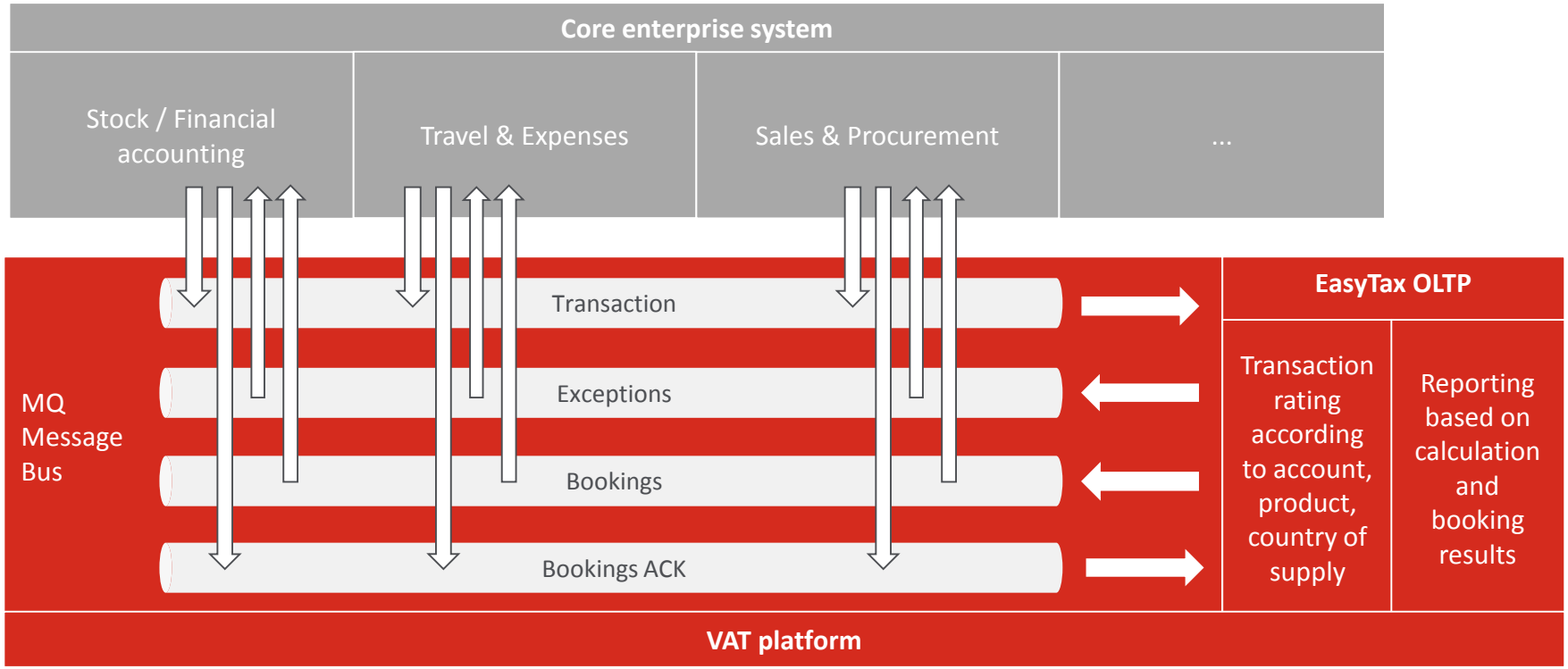
Technical integration of EasyTax OLTP

Multiple enterprise applications – one VAT platform

One single VAT message bus may be used by any application requiring the valuation of VAT relevant transactions. EasyTax OLTP only holds directly VAT-relevant data, such as tax rates, product and services catalogue, country of supply, type of supplier/customer, etc.

Systems would receive responses with the required information with regards to VAT rate, height of VAT, general ledger accounts, etc., while OLTP would be the repository for any VAT related reporting.



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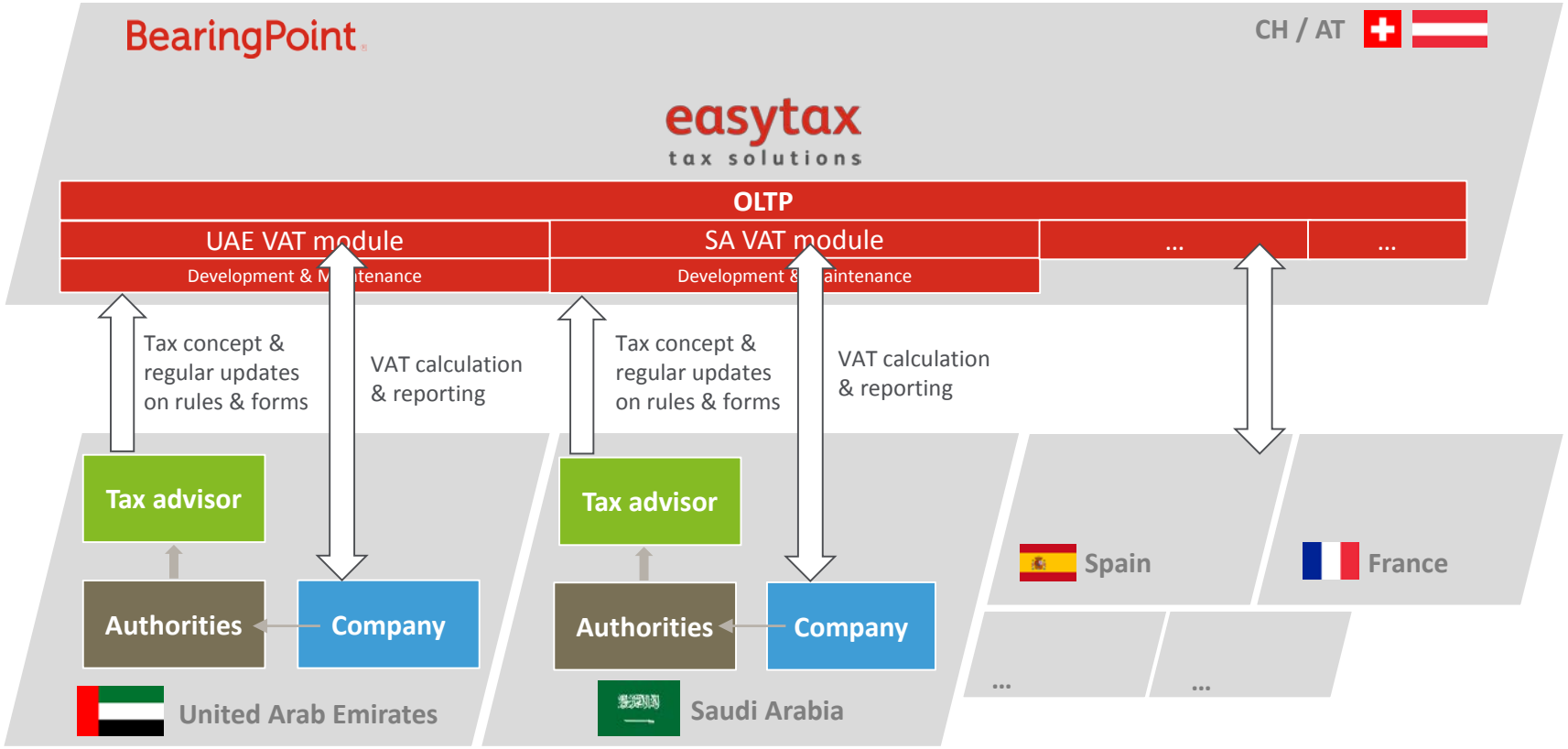
Country-specific tax rules and updates

Keeping the VAT module up to date

One key distinctive feature of EasyTax is that it includes multiple modules with a preconfigured set of country-specific tax rules each, which means, that one and the same installation might serve multiple jurisdictions at the same time from the start – No tax rules configuration required. Regular updates of the ruleset and the tax forms are an integral part of the EasyTax maintenance offering. To keep up with a constantly changing regulatory environment, BearingPoint works closely together with its Big Four tax advisory partners.

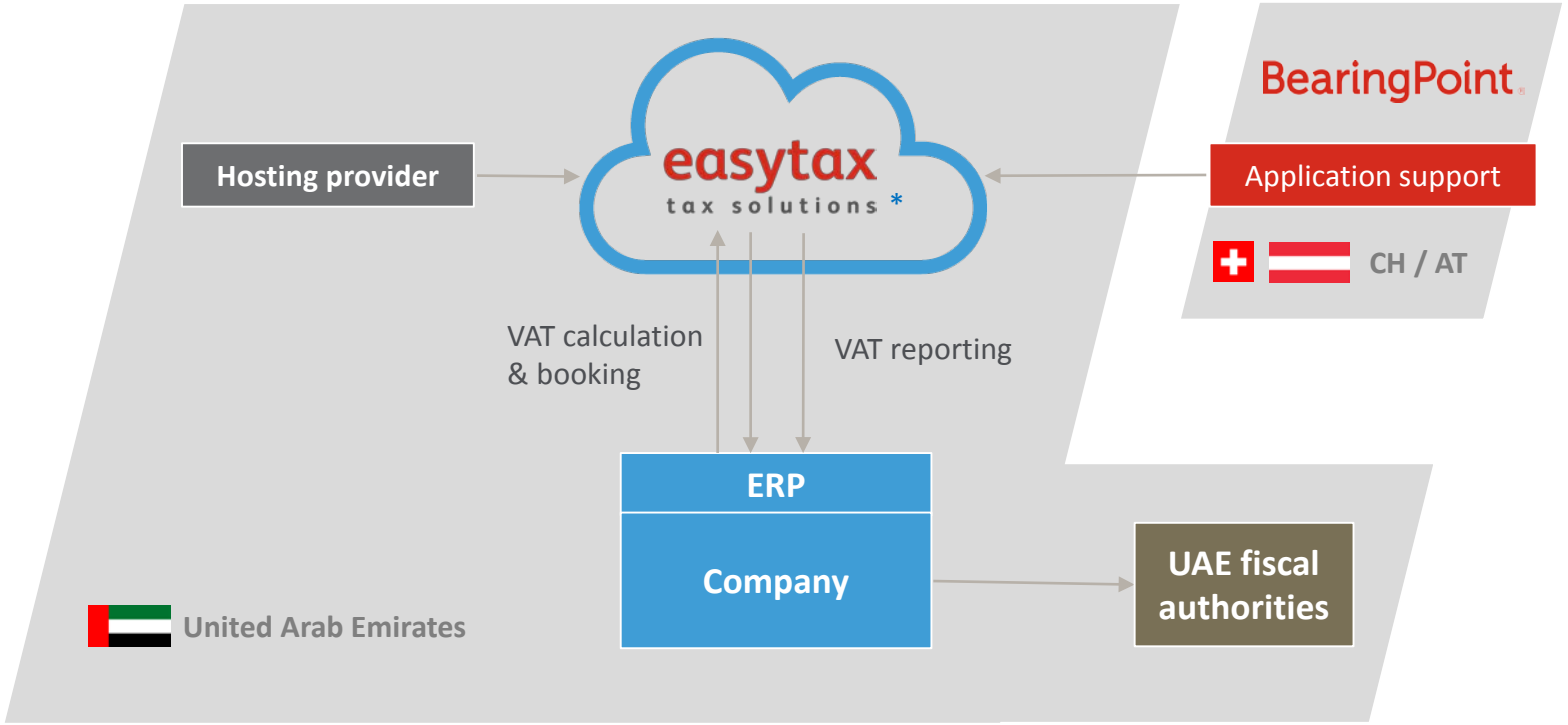


VAT platform – hosting models

Operate your VAT platform locally or via cloud service

Although OLTP may also be installed locally, we plan to bring the GCC-VAT solution to market as a Software as a Service (SaaS) offering. The SaaS offering may range from software maintenance, hosting and incident management, up to full application support and operation.

In an initial step, it is planned that our SaaS offering will be hosted in the UAE. Application support is directly provided by the expert team in Switzerland and Austria.



* Hosted in a UAE-domiciled cloud

Making EasyTax OLTP ready for the GCC VAT

Where we are today

- End of August and one month after the Saudi government, the **UAE government has now passed the law for the introduction of VAT on January 1st, 2018**. The VAT system will enter into force in the Emirates and in Saudi Arabia on 1 January, 2018 – The other GCC members are expected to introduce it one year later.
- In collaboration with its tax advisor and pilot clients, BearingPoint will take the required steps to make the GCC VAT solution offering operational in due time.
- Simultaneously, we are **preparing EasyTax OLTP** for the described scenarios, and have started setting up the required steps to offer **it in a SaaS fashion**.
- In September, a **proof of concept** (PoC) with an **UAE based insurance company** takes place.

Current main activites

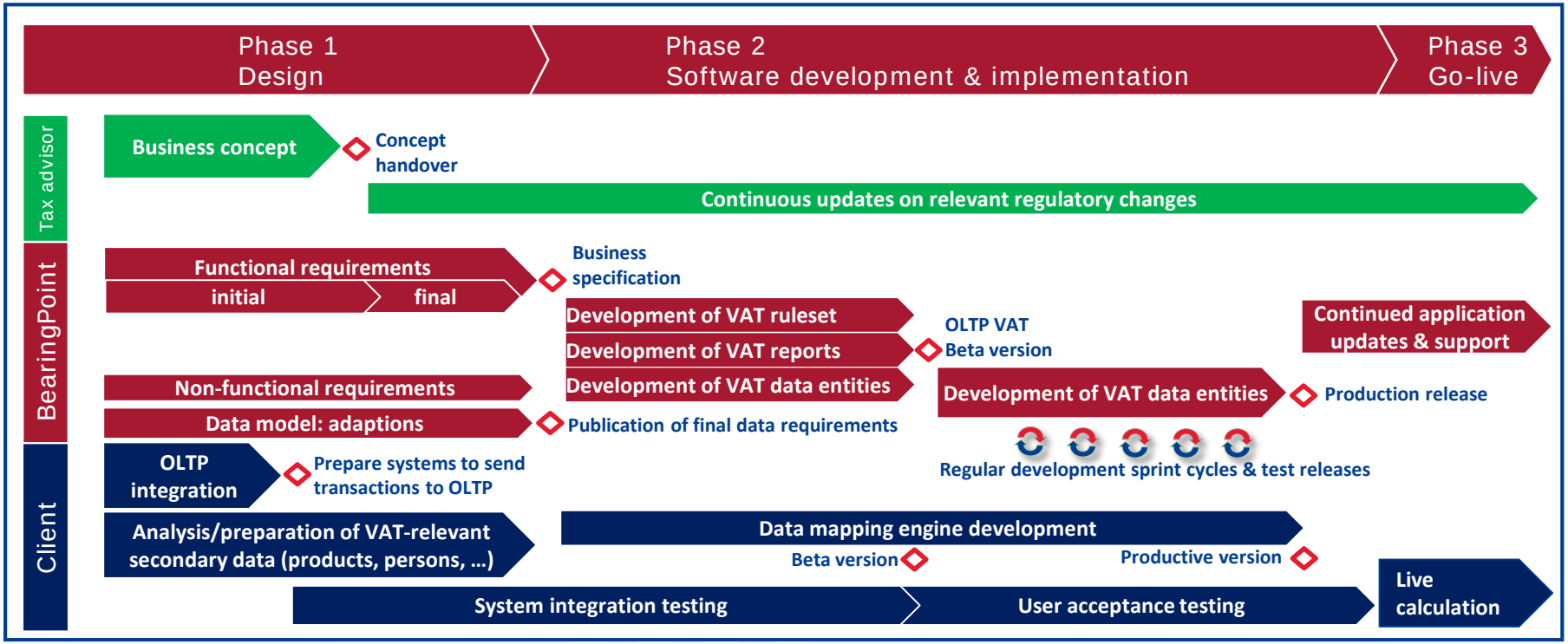
- **VAT ruleset**
  All relevant VAT rules are surveyed and implemented in order to define the required data model and tax allocation rule set.
- **Non-functional requirements**
  Non-functional requirements regarding such topics as: SaaS provisioning (hosting setup, application support, legal restrictions) plus additional application specific requirements, such as number of transactions over time and interaction with other systems, are currently collected.
- **Reporting requirements**
  As soon as they are published, authority reporting requirements have to be reviewed, as they might have an impact on the data stored in the data tower.

Making EasyTax ready for the Emirati VAT

Project plan (initial draft)

Functional requirements are being implemented by BearingPoint in parallel with the ongoing legislative and regulatory activity up to 1 January 2018. Integration of the EasyTax OLTP platform into the client's systems may start immediately.

Key project milestones will be the publication of the final VAT-specific data requirements, the release of VAT module test versions, and the final production release.



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