



SAP Tax Management Solutions and Roadmap

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SAPinsider
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In This Session

- External trends and solutions overview
- Innovations delivered since 2022
- Roadmap
- Wrap-up

Trends and Market Dynamics for Compliance

Market Dynamics

New types of taxes such as sustainability taxes and global minimum tax (aka BEPS 2.0 Pillar II).

New business models such as subscription businesses and increased focus on **global footprint**.

Digitalization of compliance and rapid introduction of new **e-invoices** and **e-reporting** regulations in 40+ countries, increasing by 500% in ~7 years³.

Challenges + Opportunities

Increase corporate tax liabilities¹ and embed compliance aspects since the product design to optimize company strategy.

Expansion to new geographies or implementation of new billing systems with the **need to comply with new regulations faster than ever**.

Tax authorities take control of commercial flow, putting an end to the era of offline manipulations and corrections. **Businesses can't run without fulfilling real-time compliance** and tax authorities can prepare **draft returns on behalf of taxpayers**.

1. 65% of consumer business leaders believe their corporate tax liability will increase as result of the Pillar One/Pillar Two project - Deloitte, Global Tax and the impact of BEPS on consumer business, Deloitte's 2020 global survey on the OECD's Base Erosion and Profit Shifting (BEPS).

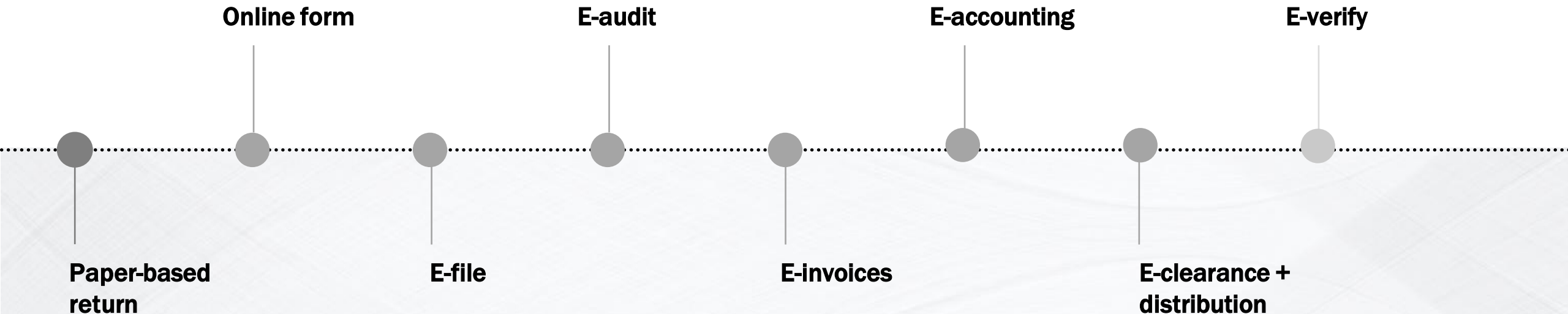
2. By 2026, half of revenues will come from products, services, or businesses that haven't yet been created - 2021 global report: The state of new business building, McKinsey, 2021

3. E-Governance volumes: Up to 500% increase from 2018 to 2025. - The e-invoicing journey 2017-2025, Billentis 2019.

Regulations Continue to Evolve Becoming More and More Challenging

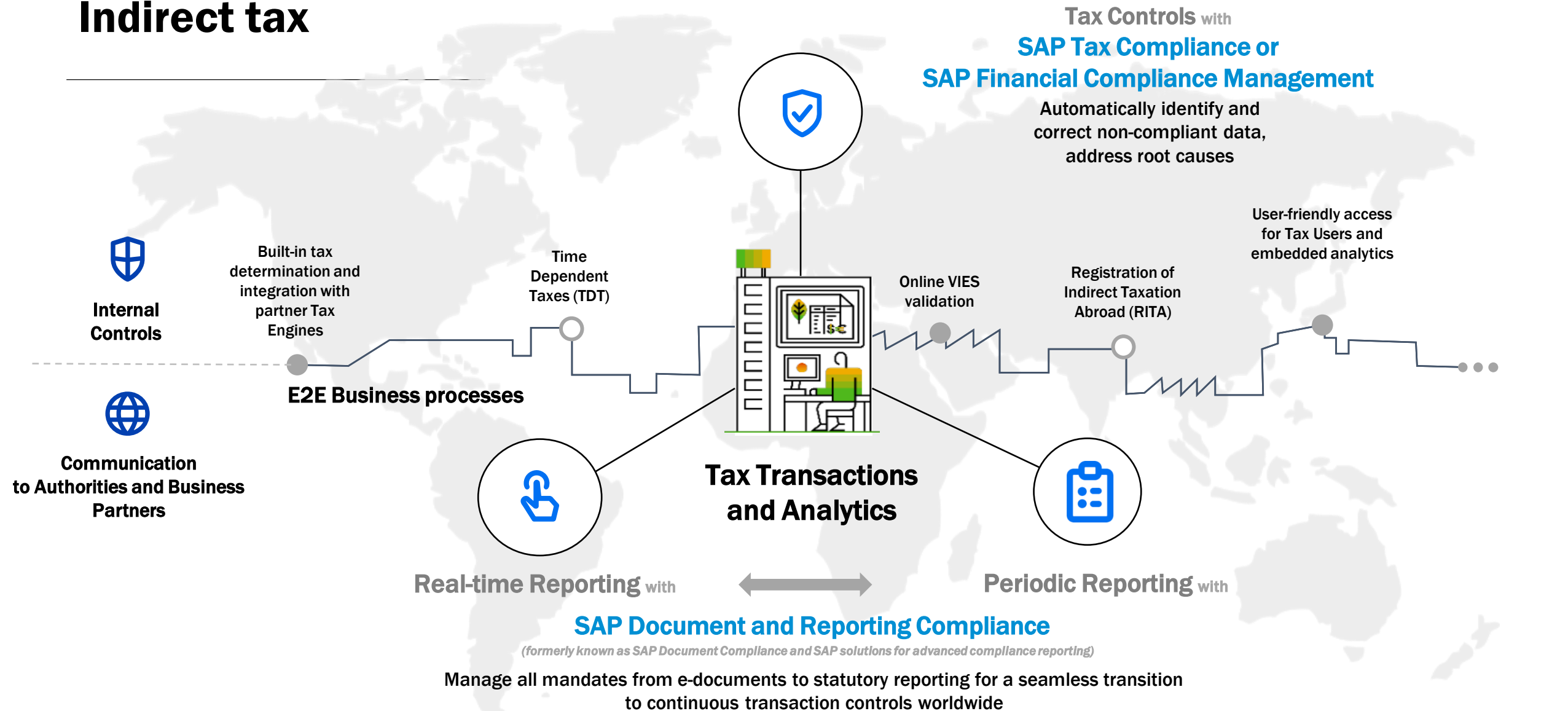


Legal mandates require more and more data, ever more real-time – as a **pre-requisite** for the business to run.



SAP Solutions for Global Tax Management

Indirect tax



What have we seen in 2022?

Roadmap priorities

Tax Operations



Increased transparency
on transactions

Tax Register is available
(Early Adoption)!

Reimagined foundation with tax
open items management

Filing



Regulatory relief
as a service

6 new e-invoicing are
available!

Now 496 compliance tasks across
58 countries

Tax Audit



Holistic compliance
across all solutions

Electronic consistency checker
is available!

Centralized compliance with
reconciliation to tax authorities

Let's see it in action!



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What the Future Looks Like

Integrated and automated compliance to minimize risks and reduce the cost of compliance worldwide.



Reliably comply with existing and upcoming legal requirements, enabling electronic submissions to authorities

Explore new business models and optimize tax strategy by leveraging scenario-simulations



SAP Document and Reporting Compliance

Product direction

- 1 New legal mandates**
- 2 One single channel for submissions to Authorities for electronic documents and statutory reporting, across solutions**
- 3 Electronic invoicing with heterogenous landscapes to increase agility and centralize compliance**
- 4 Automated reconciliation between the system of record (SAP S/4HANA) and tax authorities**
- 5 Further automation to manage electronic documents and statutory reporting**



Product Direction 1/5

New legal mandates

Electronic Invoices	Already Supported							Recent Deliveries	2023 Q4	2024 Q1	Under consideration (law to be confirmed or under analysis)		
	Australia 	Chile 	Egypt 	Hungary 	Italy 	Netherlands 	Portugal 	Slovakia 	Serbia 	Malaysia 	Argentina 	Germany 	
	Austria 	China 	Finland 	India 	Japan 	New Zealand 	Saudi Arabia 						
	Belgium 	Colombia 	France 	Indonesia 	Luxembourg 	Norway 	Thailand 	Poland 	France 		Spain 	Philippines 	
	Brazi 	Denmark 	Germany 	Ireland 	Mexico 	Peru 	Turkey 						
	Singapore 	South Korea 	Spain 	Sweden 	Switzerland 	Taiwan 		Romania 	Israel 			Belgium 	
	Turkey 												
SAF-T	Norway 	Romania 	Angola 								Denmark 	Poland 	

Additional reports planned to strengthen localization in multiple countries.

Product Direction 2/5

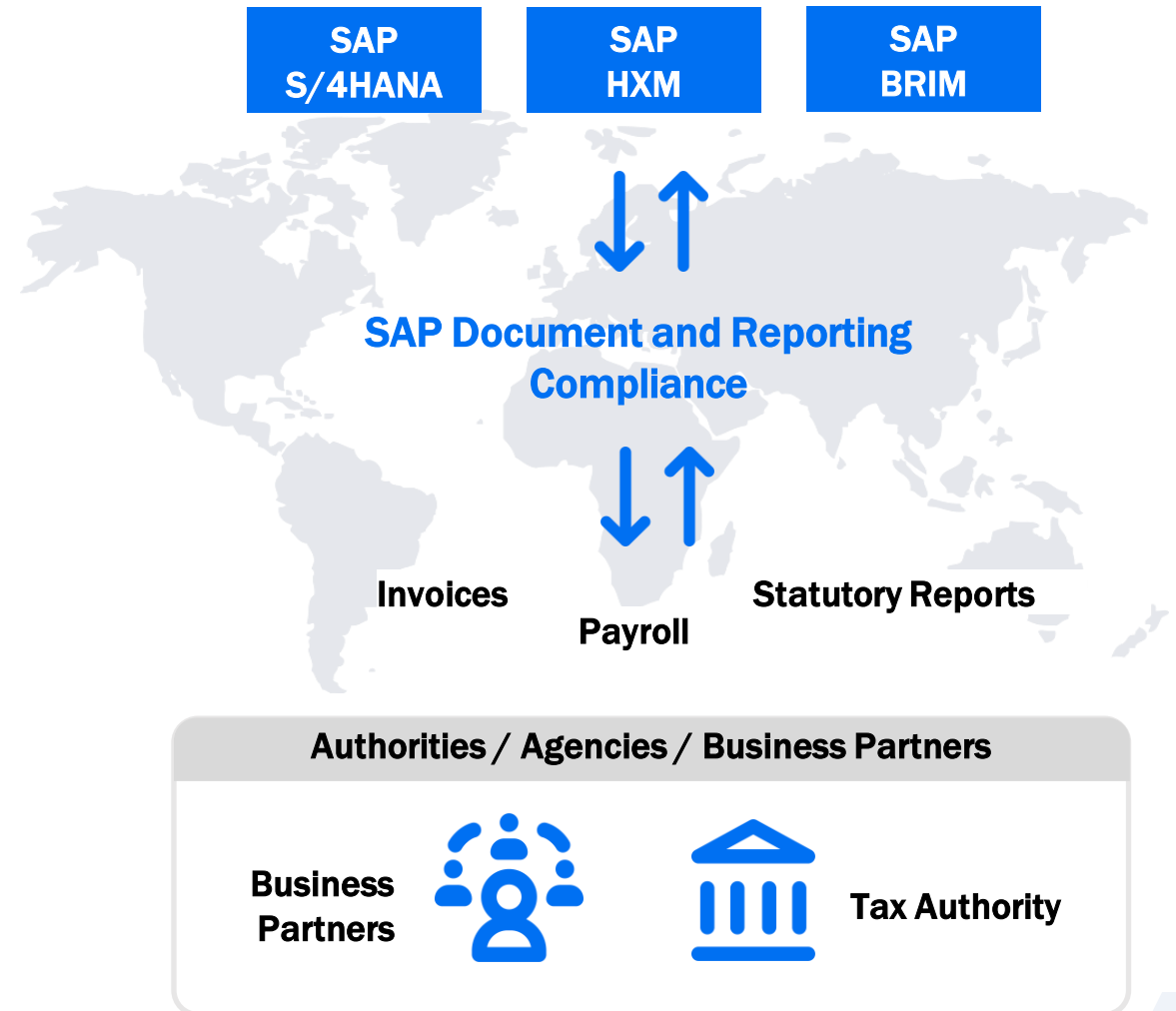
One single channel for all submissions to authorities

Business background

- Increasing complexity driven by regulations requiring **integration with local authorities from multiple areas and products**
 - Electronic documents
 - Statutory reports and VAT validation
 - Payroll reporting

SAP's solution

- One **single channel for all submissions** across countries and processes
- Simplify IT landscape and reduce total cost of ownership
- Manage your integrations to tax authorities within your global SAP BTP account



Product Direction 3/5

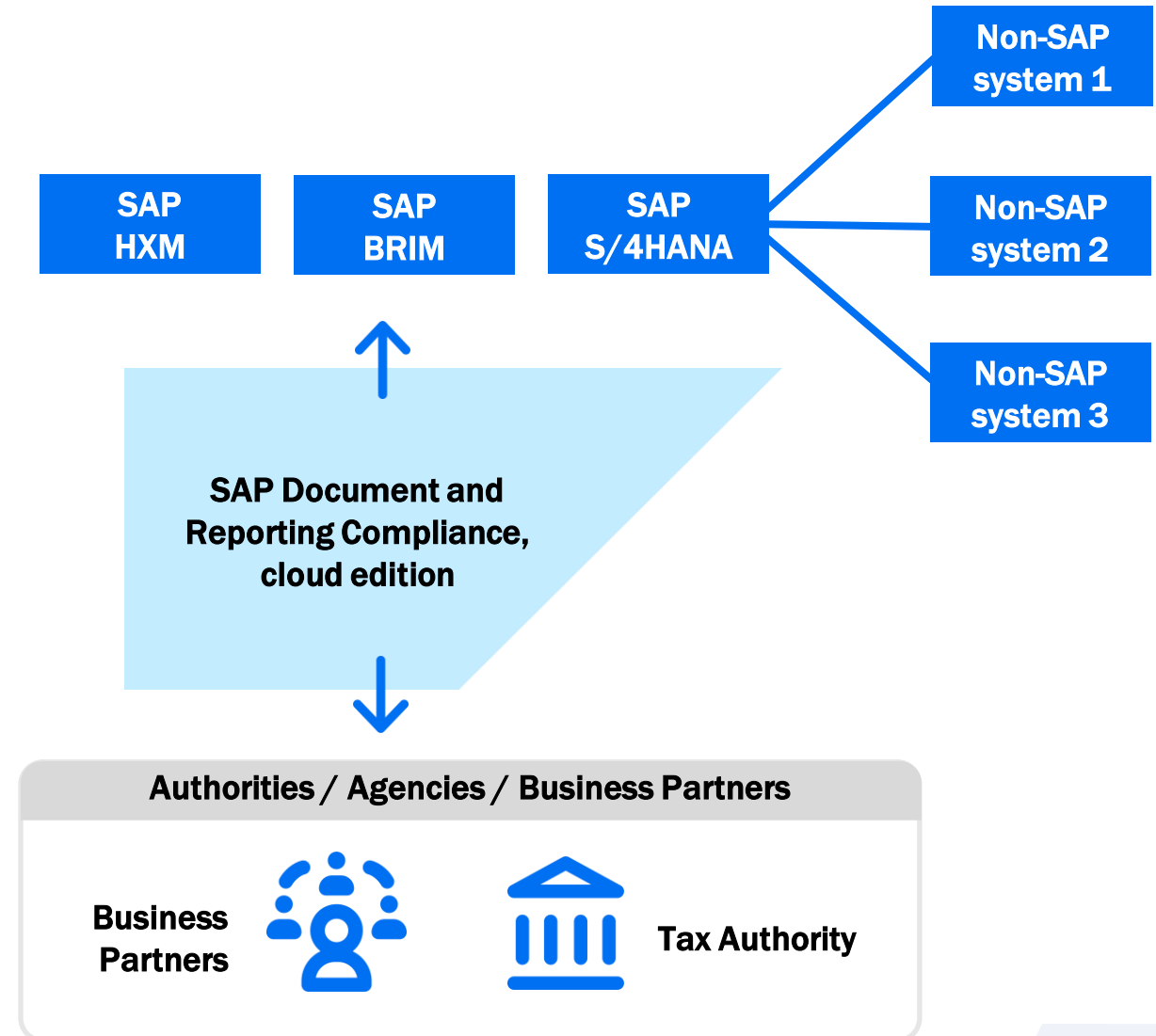
Electronic invoicing with heterogenous landscapes

Business background

- Customers running **billing processes in multiple systems** require multiple solutions and / or complex integration across systems

SAP's solution

- One single solution for compliance with electronic invoicing regulations: SAP Document and Reporting Compliance can be used to **submit e-invoices centrally**
- Increase efficiency with standardized business processes
- Increase agility to respond to new mandates
- Simplify IT landscape and lower total cost of ownership



Product Direction 4/5 - Automated reconciliation between a system of record (SAP S/4HANA) and tax authorities

Business background

- New trend in compliance **regulations demanding taxpayers to compare data in government's platforms with own data** (e.g. electronic documents submitted by business partners) and **verify draft returns prepared by authorities**.

SAP's solution

- One **consistency check framework** to automate checks, centrally review inconsistencies and initiate corrections
- Proactively identify inconsistencies and streamline remediation
- Automatically verify draft returns** prepared by authorities and accept/reject to finalize periodic submissions

The top screenshot displays the 'Check Electronic Document Consistency' app. It shows a table of 594 documents, all marked as 'Inconsistent'. The table columns include Document Number, Consistency Status, Check Progress, Total Identified Inconsistencies, Company Code, and First Check. The bottom screenshot displays the 'Resolve Electronic Document Inconsistencies' app. It shows a table of 8 documents, with some marked as 'In Process' and others as 'Action Required'. The table columns include Document Number, Overall Status, Process Status, Document Status from SAP, Document Status from Tax Authority, and Company Code.

Document Number	Consistency Status	Check Progress	Total Identified Inconsistencies	Company Code	First Check
1800000000	Inconsistent	1 of 3	Inconsistencies (2)	2410 (Company Code 2410)	16.02.2023
91947	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
353	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
338	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
335	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
316	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
313	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
13959	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
3286	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023

Document Number	Overall Status	Process Status	Document Status from SAP	Document Status from Tax Authority	Company Code
241018000001972023	In Process	eDocument Status Updated	Missing Response	Deregistered	2410
241018000000852023	Action Required				2410
241018000000892023	Action Required				2410
241018000000902023	Action Required				2410
241018000001162023	Action Required			Registered	2410
241018000001402023	Action Required			Registered	2410
241018000001392023	Action Required			Registered	2410
241018000000912023	Action Required				2410

Product Direction 5/5

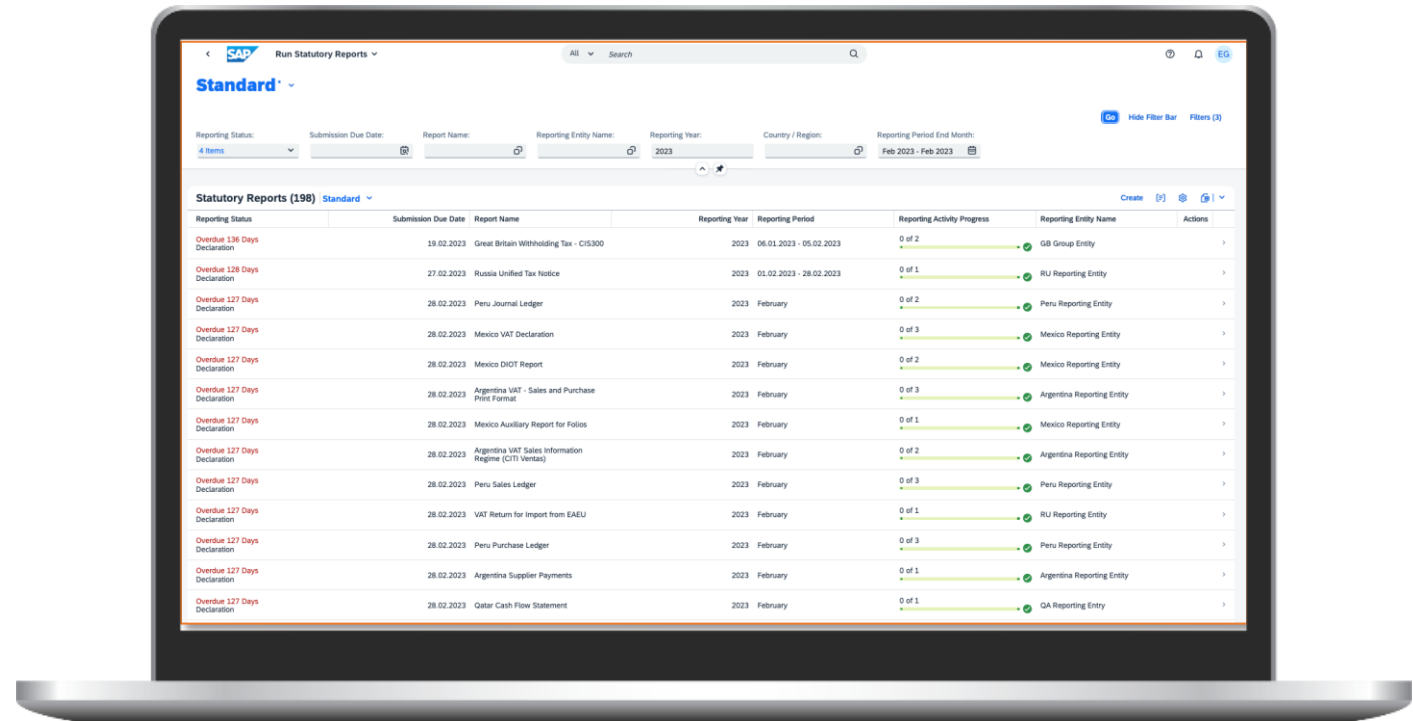
Advanced features for scaling and automation of compliance processes

Business background

- Increased complexity with regulations demanding **more data, more frequently, from multiple systems**

SAP's solution

- Enhanced 'Run Statutory Reports App'
 - Manage** all your reporting tasks **centrally** in a distributed landscape
 - Schedule** creation or **mass-generate** statutory reports
 - Centralize activities** common across reporting tasks
- Increase efficiency, simplify user experience and improve transparency and control across reports



Up To Date With Legal Changes New Regulatory Change Manager

Labs Preview

Notify customers of
relevant regulatory changes

Monitor regulatory
change and consult
with local legislatures

Helping customers

To rapidly adapt to new and
evolving regulations and
achieve and accelerate global
business readiness.

Deliver software updates
to enable compliance
with regulatory changes

>1200 Regulatory
changes delivered
in 2022



Let's see it in action (live in the session only)!



Wrap up

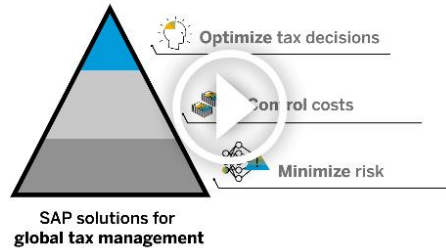
Key Points to Take Home

Use SAP solutions for global tax management to:

- Avoid risk of non compliance
- Ensure compliance at minimum cost
- Enable strategic tax management

Where to Find More Information

Global Tax Overview



Video:
Learn how to automate compliance operations and generate true value.

[Watch video](#) →

Quote-to-Cash Management

Become a scalable subscription business with a unified quote-to-cash solution supporting any business model.



Website:
Tax Management

[Visit website](#) →

[View Roadmap](#) →

Product Information

SAP Document and Reporting Compliance

[Visit website](#) →

[Read solution brief document](#) →

SAP Financial Compliance Management

[Visit website](#) →

[Read solution brief document](#) →

SAP Responsible Design and Production

[Visit website](#) →

SAP Profitability and Performance Management

[Visit website](#) →

[View product video](#) →

Public [View product video](#) →

Additional Resources

Thought Leadership Paper:
Tax Transformation with Cloud ERP

[View the paper](#) →

Thought Leadership Paper:
Benefits of shared service centers for indirect tax

[View the paper](#) →

White Paper:
Local and global success with localized software

[View the paper](#) →

White Paper:
Managing global minimum tax requirements with the latest technology

[View the paper](#) →

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