



Tax Intelligence Solution for GCC VAT analytics

Harnessing the power of data to drive VAT compliance



The introduction of value added tax (VAT) in 2018 fundamentally changed the way businesses in the United Arab Emirates (UAE) operate. In particular, owners and operators were forced to change the manner in which they capture and report transaction data.

As businesses move past initial implementation of VAT, discussion is moving from “how do I comply”; to “am I complying”. The Federal Tax Authority (FTA) is capable of imposing significant penalties for non-compliance, necessitating such discussion.

Our Tax Intelligence Solution (TIS) for GCC VAT analytics can support organizations to move from “I think I am complying” to “I know I am complying” or potentially, “I now know what I need to improve”.

How can KPMG Lower Gulf assist?

We have developed a VAT solution for UAE-based businesses that will assist to transform transaction data (AP and AR) into targeted VAT knowledge and insights to pinpoint savings opportunities and detect errors and anomalies. VAT compliance reviews and decision making can now be performed on the entirety of a dataset—not just samples.

The TIS for GCC VAT analytics platform is a powerful, flexible and scalable solution that can be applied to businesses of any size in a speedy and cost efficient manner. The platform (of which KPMG Lower Gulf retains ownership) uses an entity’s transaction data to deliver digestible visualizations and dashboards, not just static findings—it is an organic, flexible real-time solution.

Easy implementation provides the flexibility to efficiently modify standardized testing to deliver a wide range of insights. We can help you quickly identify issues in transaction data, visualize and report it.

Experienced advisors in our VAT team work in concert with powerful data and analytics methodologies, to visualize output.



What are the potential benefits?

Gain better control and visibility

- The TIS for GCC VAT analytics tools provides fact-based insights into the level of compliance
- It is an enterprise-based IT solution that uses transaction-level data and bespoke analytical tests to populate a dashboard with relevant data
- It is scalable, flexible and leverages existing IT platforms—it does not require an IT investment or hosting

Transform data into value

- Gain insight into potential cash savings, risks and opportunities
- Identify system configuration improvement opportunities
- Recognize business procedure gaps to support optimization

Increase efficiency and accuracy while addressing risk

- Provides access to sophisticated VAT exception monitoring based on standard exception analytic tests, customized to a business's specific situation, as well as the flexibility to quickly create bespoke testing
- Offers insight into accounts receivable and accounts payable procedures and the associated VAT risk
- Highlights instances of breakdowns in internal controls, reporting errors and inefficiencies
- Helps reduce the level of effort typically required during the VAT return preparation cycle

FTA audits

- Provides a comprehensive review and analysis of transaction level data to assist with audit readiness
- Identifies areas of risk and exposure, facilitating the implementation of improved procedures and/or the preparation of voluntary disclosures to mitigate potential VAT exposures and penalties

Focus on your core business

- Reduction in compliance effort should allow redeployment of VAT compliance staff to other finance functions, as well as VAT planning and prevention, rather than VAT audits and form filling

Contact us

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Publication name: UAE VAT Intelligence Solution

Publication number: 2534

Publication date: January 2020