TERADATA TAX COMPLIANCE SOLUTIONS

TERADATA.

WHAT COULD YOU DO WITH THE REAL STORY?

Ask yourself one critical question: what could you uncover if you had fast, accurate access to those individuals and corporations who file anomalous tax returns or fail to file at all?

Tax agencies in eight states asked themselves that exact question. And the answer: more than $2.2 billion in identified and collected revenue. That's more than $2.2 billion they can now put to use to help reduce deficits, support public services and education, even potentially reduce taxes.

Those state revenue agencies discovered they needed a tax compliance solution that would provide the real story behind which taxpayers were merely making honest mistakes and those intentionally choosing to be non-compliant. That meant finding a solution that leveraged data they already had accumulated, a solution that provided the technology and analytics to identify ever-changing tax non-compliance issues.

What those tax agencies also discovered was that they needed a cohesive strategy of tax compliance, an agile, balanced blend of people, processes, technology, and data. The kind of cohesiveness Teradata® Tax Compliance Solutions (TCS) deliver.

Teradata Tax Solutions help agencies shrink the tax gap between revenue owed and revenue collected. This allows agencies to pinpoint the "right" cases, the ones most likely to be ROI positive to investigate. And, if leveraged under a benefits-based procurement, a client can benefit from this insight while being funded exclusively by the collections it generates.

Teradata TCS includes an array of offerings that combine to provide you with across-the-board support for your current—and future—compliance challenges:

Revenue Opportunity Assessment

This is the first step toward your goal of increasing revenue, a time-tested methodology that allows you to look at the full potential of recoverable revenue beyond your existing discovery programs. It's an opportunity that offers:

~ An accurate estimate of recoverable revenue by tax type.

~ A timeline for revenue recovery as well as a recommended prioritization for discovery program implementation.

~ A documented business case for technology investments.

~ Accurate revenue projections based on proven results from similar revenue recovery programs.

~ A roadmap for additional discovery programs tailored to your state's unique compliance concerns.
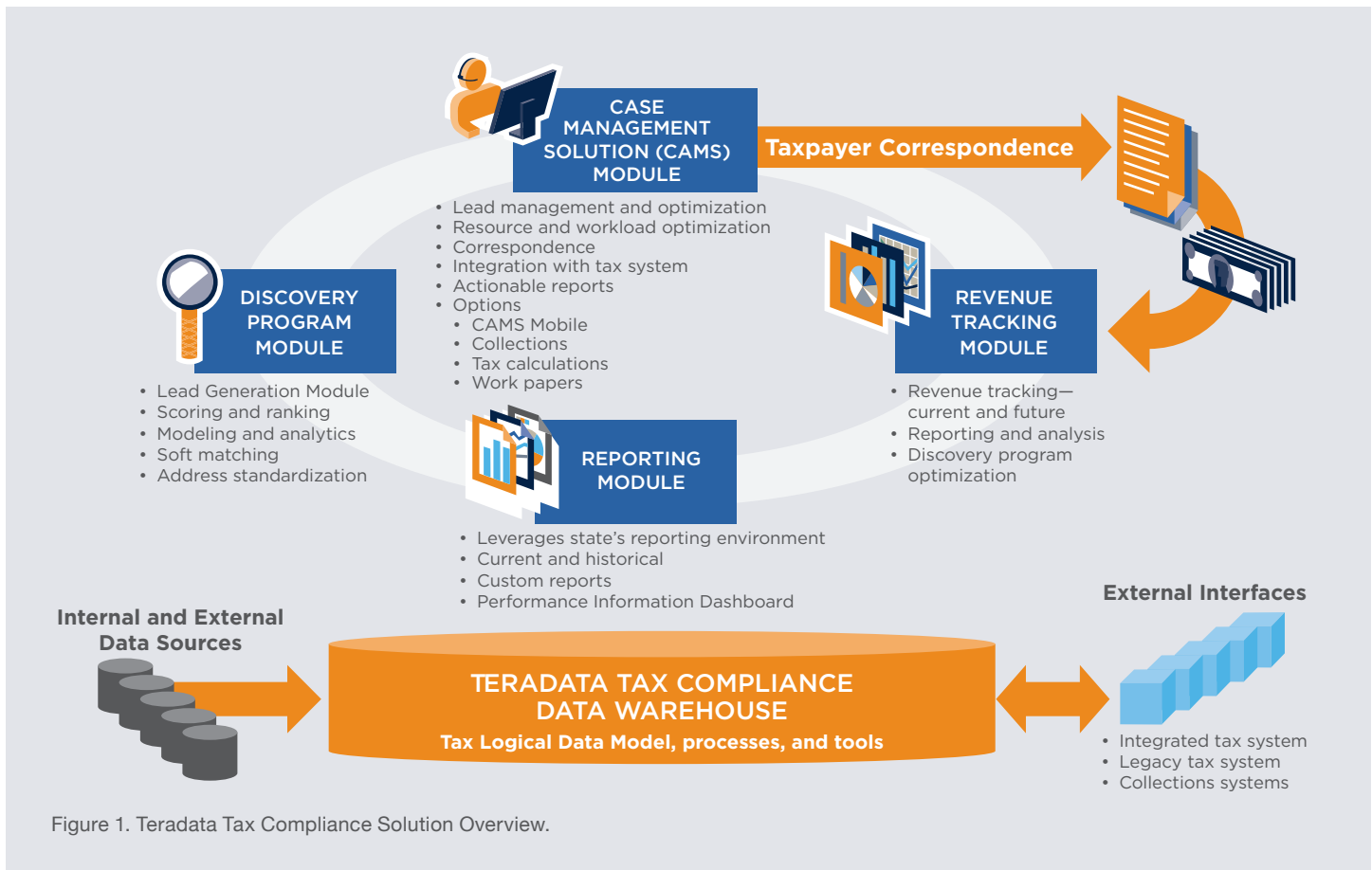
Teradata Tax Logical Data Model

A blueprint for designing a comprehensive state tax data warehouse, the Teradata Tax LDM shortens the time needed to get your data warehouse up and running, but is flexible enough to reflect your state's unique processes and objectives. By organizing all core requirements for any revenue and tax administration organization, including tax commissioners and administrators, audit and compliance, policy and budget, the Teradata LDM delivers complete visibility to the information you need.

The most extensive, industry-specific LDM available, it ensures that your resources are optimized because the information gets to the right person at the right time. You can also leverage the experience and knowledge captured in the Teradata Tax LDM to expand your investment to a state-wide enterprise data warehouse for use by multiple agencies. Our LDM is designed to easily include data from other state agencies, such as the Office of the Secretary of State, Workforce Commission or Labor Division, Department of Motor Vehicles, Driver's License, and/or Professional Licenses, as well as from sources outside the state, such as the FAA, Customs and other 3rd parties.

Teradata Tax Data Warehouse

The Teradata Tax Data Warehouse incorporates best-of-breed data warehouse techniques and methodologies to optimize your discovery programs, decision support, analytical applications, and business intelligence. Its development is a multi-step process that properly extracts, cleanses, and loads internal and external data for completeness and accuracy while concurrently generating leads. It can be an enterprise data warehouse for your tax agency or for the compliance organization within your agency.

Flexible enough to meet your needs today and expand as those needs grow, the Teradata Tax Data Warehouse supports our end-to-end tax compliance solution and makes it possible to realize quick return on your investment (ROI). In fact, one state tax agency began collecting

Figure 1. Teradata Tax Compliance Solution Overview.

revenue on leads generated from their Teradata system within the first 70 days after implementation.

Teradata Tax Discovery

Designed to identify non-filing and under-reporting of taxes for businesses and individuals in all major tax types, Teradata Tax Discovery includes all necessary data warehouse hardware and software, plus matching tools and an optional integrated case management module that manages, tracks, and systematically assists resolution of all leads.

Teradata Tax Discovery also makes it easy for your agency to become self-sufficient enough to perform your own discovery work. It includes Teradata Database and a Teradata Purpose-Built Platform, the Teradata Lead Generation Module to perform the discovery queries, supporting software products, and knowledge transfer from Teradata personnel to yours.

Tax Rapid Analytics for Compliance and Enforcement

The Teradata Tax Rapid Analytics for Compliance and Enforcement (Teradata TRACE) offering leverages multiple advanced analytic procedures and tools to identify tax fraud and compliance issues by:

~ Applying business rules to known filing patterns observed on past fraudulent returns.

~ Detecting patterns vs. peer groups for unknown filing patterns to uncover anomalies and new fraud schemes.

~ Developing predictive models where return fraud relationships are unknown.

~ Discovering entity relationships through link analysis.

Teradata Case Management Solution Module

The Teradata Case Management Solution (CAMS) Module is a flexible, modular solution that offers you a complete, integrated system to meet your state's specific needs. With CAMS, you can create, select, process, manage,

and track all of your audits and discovery leads. It's a web-based application designed to provide automated processes that let you and your personnel operate at peak productivity by automating many activities, including correspondence generation and system reminders, such as a follow-up reminder and date.

With historic and current information at their fingertips, examiners and auditors become more efficient and better prepared to manage more audits and leads at one time. Since the Teradata CAMS Module provides a centralized repository for all discovery leads, supervisors can manage workloads better. And they can adjust those workloads by quickly assigning or re-assigning discovery leads—whether it's one or one hundred—to other examiners and auditors. The Teradata CAMS Module also provides time and expense tracking and reporting, and other functions that enhance overall productivity and reduce protests and appeals.

Revenue Tracking Module

With ever-tightening budgets, it's more vital than ever to be able to measure productivity, document ROI, and communicate the overall success of your tax compliance efforts. That's why our tax compliance solution includes the Revenue Tracking Module, which enables you to track the revenues identified through the Lead Generation Module.
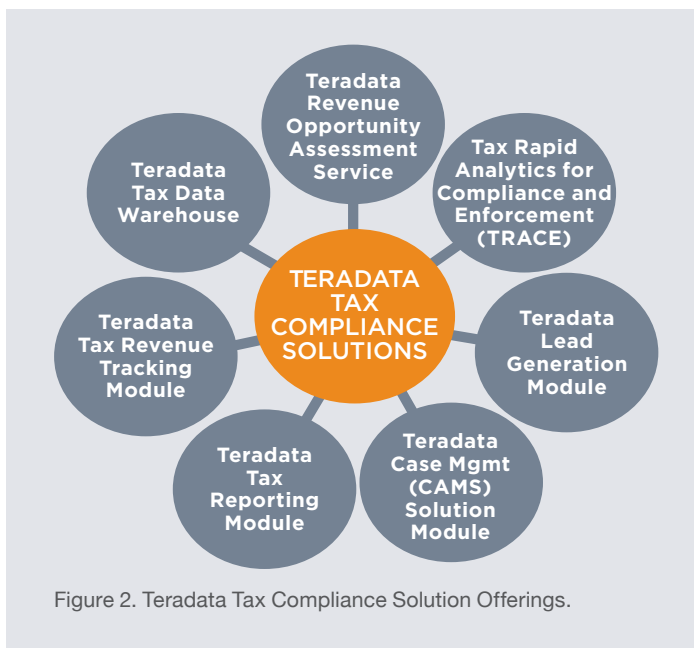
Our Revenue Tracking Module can track the amounts assessed, amounts outstanding, and the actual cash collections, in total, by program, or by case. And you can identify results by tax type, tax period or tax year, taxpayer, and discovery program regardless of whether the monies were remitted to a taxpayer service center, mailed to a processing center, or paid after certification to the Attorney General.

In addition to tracking initial case revenue for those taxpayers identified by your initial discovery programs, Teradata's Revenue Tracking Module enables tracking and reporting on future revenues from taxpayers. This means you can measure your program's impact on subsequent collections and voluntary compliance.

Reporting Module

The Reporting Module enables you to create impactful case, security, and audit reports from the information contained in your Teradata data warehouse. It offers you easy access to reports such as revenue tracking, case summary, tax entity structure, and lead reliability. Providing a single point of access to structured and ad-hoc reports, the Reporting Module helps you to turn business insights into effective decisions.

WHY CHOOSE TERADATA?

You choose Teradata for your revenue recovery demands because as the recognized industry leader in data analytics solutions, only Teradata brings you and your agency an unparalleled blend of technology, insight, and innovation. Our unique combination of industry knowledge, consulting expertise, analytical applications, world-leading technology, and a patented, time-tested methodology, offers you everything you need to assess your revenue opportunities, and then implement effective analytic support for your compliance and revenue programs.

LEARN MORE

There's much more to learn about the scope and potential of Teradata Tax Solutions and the built-in benefits for you and your agency. See for yourself how our solution can help maximize your revenue recovery capabilities; contact your Teradata representative or visit **Teradata.com/business-needs/ tax-and-revenue-management.**

Figure 2. Teradata Tax Compliance Solution Offerings.

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