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# Three Ways to Mitigate Risks While Maximizing Profitability

How to Turn Regulatory Changes into Moments of Certainty

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# The Intensifying Compliance Landscape Calls for Context and Intelligence

**The ever-evolving tax code can feel like a master class in administrative complexity and confusion. Even as your business grows, navigating regulations and avoiding the compliance missteps that lead to heavy fines can place a tremendous burden on your time and resources.**

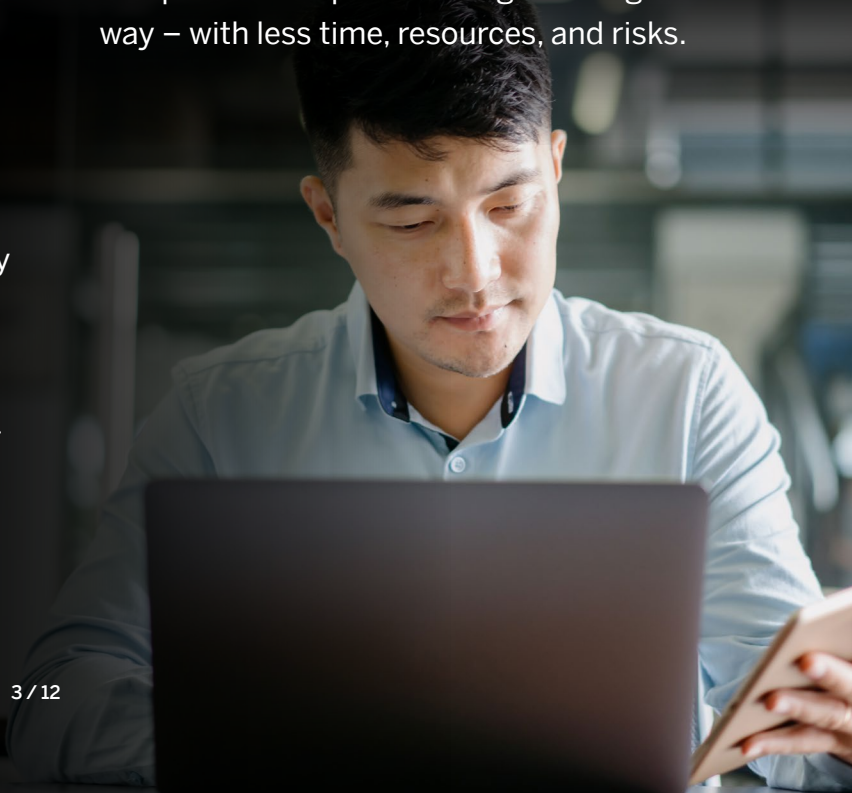
While local and federal governments seek new ways to capture revenue from businesses, your finance and tax leaders are expected to control and manage tax compliance as efficiently and accurately as possible. More importantly, they must restructure their businesses to drive down the cost of supporting such a time-intensive, mission-critical task.

Unfortunately, a moment of pause and concern over changing work behaviors and innovative business models is only further complicating your tax management challenges. For example, the adoption of hybrid work arrangements created new categories of work-from-home spending that may be considered taxable benefits and need to be included in payroll. The use of e-commerce and subscription-based models is increasing the volume of transactions that must be tracked and reported to calculate sales tax. Furthermore, increased interest in innovation projects presents an opportunity to write-off costs, but is often one of the most under-reported.

Validating every business outlay and revenue-generating transaction is a time-consuming, costly task – and the status quo of manual approaches is too error-prone, disconnected,

and risk-laden to keep up. Your finance and tax leaders need a faster, more-precise way to find eligible expenditures and payments related to products, services, and vendors and optimize reporting of employee benefits often hidden in expense reports. In addition, auditors need to quickly sift through a flood of data to identify patterns and behaviors related to fraud and discern whether a violation is accidental or intentional in context of business policies, processes, and requirements.

Fortunately, it is possible to turn these moments of uncertainty into moments of efficiency and confidence. With the right intelligence and tools, you can confirm tax compliance and protect budgets along the way – with less time, resources, and risks.



# Here's How You Can Gain More Control Now

Regardless of the industry and business size, your entire finance operation can access the resources and skills to provide deep advisory support and govern tax management across the business.

Achieving this goal requires a reset of your finance and tax professionals' responsibilities and work experiences. The first step is adopting advanced technologies, best practices, and processes to meet compliance requirements, add value to the business, and establish compliance certainty.

**To see where you stand on tax compliance, check out the three strategies you should consider to gain more control.**

- Put Regulatory Changes to Action Quickly and Accurately
- Maintain an Updated Source of Compliance Requirements
- Guide Tax Strategies with Expert Guidance and Insights

# Put Regulatory Changes to Action Quickly and Accurately

With taxes such as value-added tax (VAT) and goods and services tax (GST) driving significant revenue in more than 160 countries, your finance team must navigate a wide variety of requirements. Each tax authority operates with its own set of procedural calendars, local regulations, payment terms, and reporting formats – all of which can change multiple times at any time throughout the year.

The presence of those varying elements present significant challenges to your compliance efforts. You need up-to-date and reliable information to help ensure awareness of the latest regulations, interpret changes quickly when they occur, and implement new processes and practices before the next tax reporting or reclamation deadline.

Overcoming this obstacle requires the elimination of manual updates and intervention through a secure and dynamic source of tax information. You can improve the integrity of your processes with sophisticated artificial intelligence (AI), intricate tax knowledge, tax tables, and domestic and foreign compliance rules and regulations that are regularly updated.

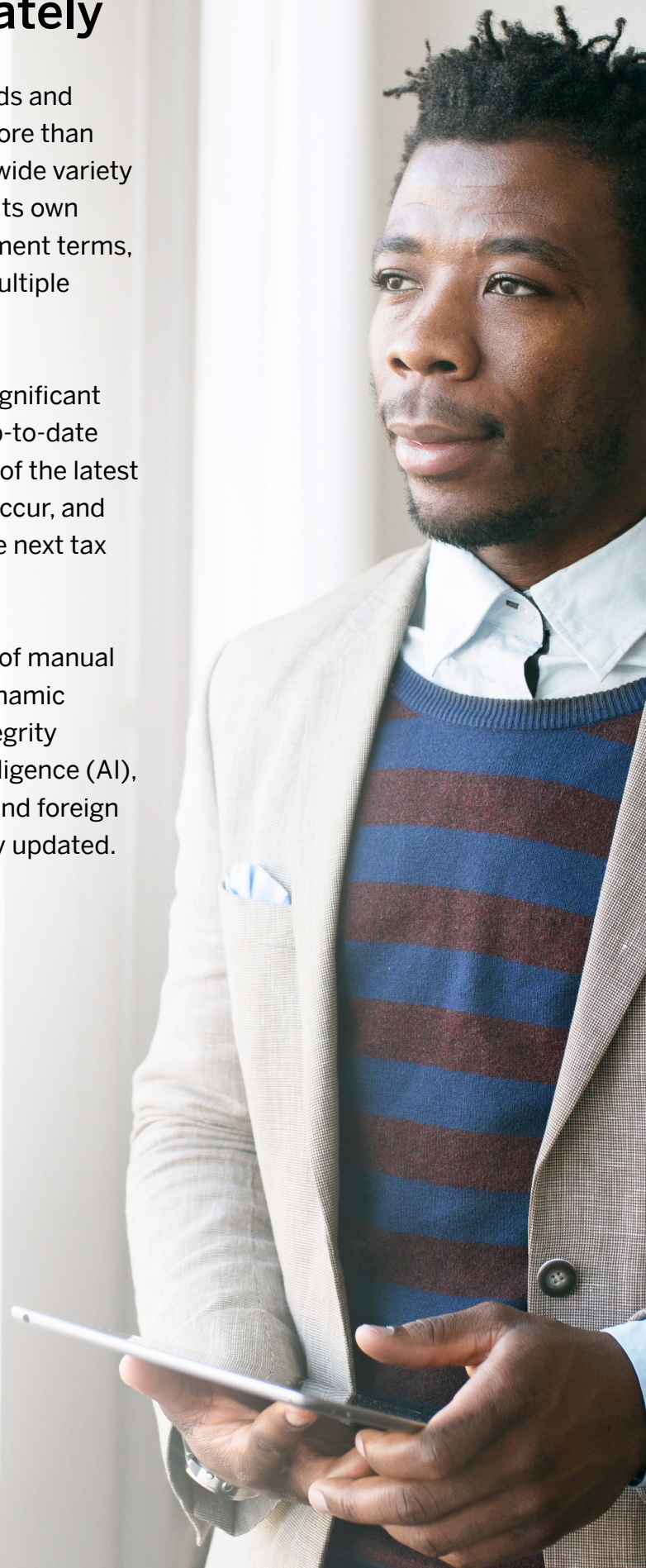
**US\$74.9  
billion**

in global market potential for VAT reclamation

**54%**

of eligible VAT left unclaimed annually

– [“The Hidden Potential of VAT Reclaim,”](#) SAP Concur, 2021.



# Best Practices for Navigating Complex Regulations Worldwide

Keep up with ever-changing, country-specific regulations with regularly updated AI algorithms, tax tables, and specific subject matter expertise.

Reduce the inevitable errors that come with manual processes by digitalizing and automating the compliance process.

Recover your business's eligible tax expenses with embedded analysis of future value based on time and expense data.

Protect your business against external audits and penalties with three-way matching of supplier data, transactional evidence, and reporting.



# Maintain an Updated Source of Compliance Requirements

As quickly as businesses moved toward a hybrid of in-office, at-home, and remote work arrangements, government agencies updated their tax regulations and policies on taxable benefits that are part of an employee's compensation package. Perks typically regarded as everyday business expenses are increasingly taxed or allowed for deduction, including home Internet service, professional membership fees, training and seminars, cell phone plans, work-from-home setup, IT equipment, and Wi-Fi.

Your business must interpret that new guidance with great precision; adjust existing systems, processes, and practices quickly; and put in place mechanisms to report proof of compliance as required. This effort is not as simple as taxing traditional benefits – such as healthcare, car allowance, and supplemental life insurance – through payroll. Instead, your finance professionals must review every expense report line by line to identify taxable items and deductions in the context of purchase purpose and geographic regulatory knowledge and expertise.

Unfortunately, such a highly manual and burdensome task has no place in an era where governments lean toward digital processes to maximize tax revenue and employees expect a more modern work experience. Your management of taxable employee benefits must be also digitalized to drive continuous transparency and compliance while applying changes accurately and generating critical compliance information in an audit-ready format. More importantly, you can scale and streamline tax and deduction identification, assessment, and reporting according to appropriate country and local laws and company tax agreements.

## Nearly 70%

of executives agree that the increased use of AI and machine learning provide opportunities to increase productivity and efficiency.

– "[Becoming More Efficient](#)," Oxford Economics, 2022.

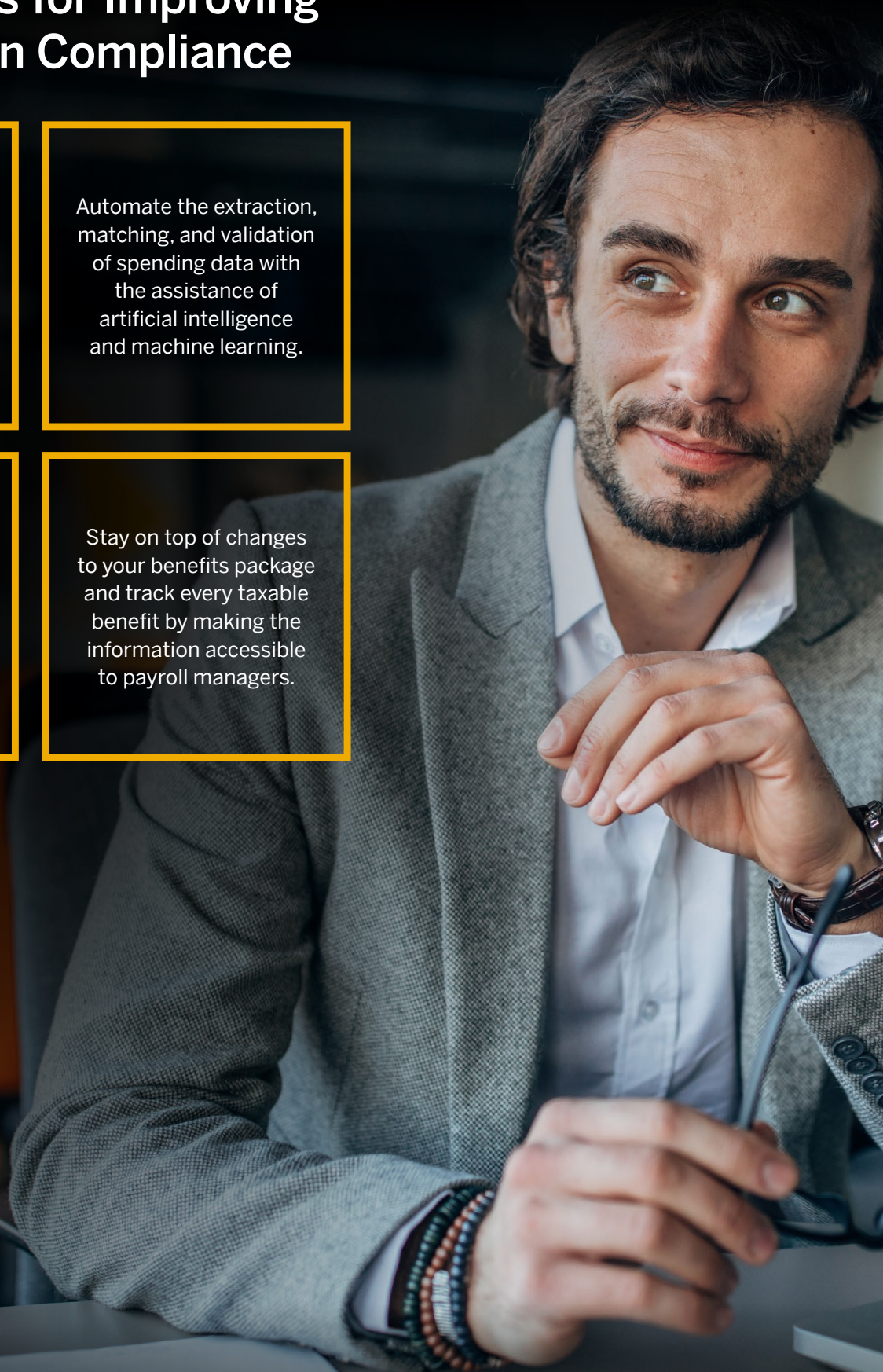
# Best Practices for Improving Tax Regulation Compliance

Identify taxable and deductible expenses with greater ease, including office supplies, home Internet, and mobile phone plans.

Automate the extraction, matching, and validation of spending data with the assistance of artificial intelligence and machine learning.

Base spending decisions on a complete understanding of taxable benefit costs everywhere you spend and do work.

Stay on top of changes to your benefits package and track every taxable benefit by making the information accessible to payroll managers.



# Guide Tax Strategies with Expert Guidance and Insights

The time and energy needed to adapt to new systems, workflows, processes, and practices that will likely change again in a few months can severely impact the employee experience. Knowing which employee expenses have reclamation potential becomes even more time-consuming, error-prone, and costly as tax laws evolve and vary by country and local regions.

With the right technology partner, your business can benefit from human expertise as well as AI and machine learning delivered through a single, cloud-based platform. Expert-led guidance provides a clear window into emerging risks, root causes, and opportunities for improvement. You can then fully take advantage of this insight to make more informed business and tax decisions, simplify expense management, and lay the foundation for continuous and trusted governance.

For example, receipts, billings, expense reports, and VAT and GST checks can be automatically recorded, assessed, and validated with a single image and in multiple languages, then aligned with expense line items to help ensure adherent tax claims. As a result, you can plan and make compensation and expensing decisions based on accurate data and policies, receive tax reclamations faster, and reconcile and report taxable expenses with greater ease and confidence.

# 100%

of finance managers say their roles have become more challenging due to staffing shortages, additional auditing and paperwork requirements, or involvement in internal communications.

– [SAP Concur Pulse Survey](#), 2022

# Best Practices for Intelligence-Enabled Tax Compliance

Extend your workforce through a lasting partnership with third-party expertise that can save your business time and money.

Make more-informed decisions for the future with real-time tax analytics and access to deeper data insights.

Collaborate with an experienced tax and process consultant who can help interpret new tax rules and maximize data usage across your business.

Modify existing reports or customize your own to meet your specific needs when complying with various tax regulations.



# Bring More Capital to Your Business with Strategic Compliance

When tax and financial policies, expense activities, and auditing processes are integrated and automated, compliance becomes more than just a task that protects your business from fines and reputational damage. It's also a strategic effort to mitigate risks and improve profitability.

**With the combination of Blue dot technology and SAP Concur® expertise, your tax compliance programs can fulfill those promises. For example:**



[Concur Benefits Assurance by Blue dot](#) simplifies and automates the identification of taxable employee benefits within expense reports. The customizable, technology-driven service can incorporate and update company and country-specific policies, so businesses can accurately track, report, and calculate taxable employee benefits.



[Concur Tax Assurance by Blue dot](#) further digitalizes compliance processes and maximizes recovery by optimizing the integrity of business and tax regulation data. The dynamic platform for updated data completion and VAT and GST compliance features sophisticated AI algorithms and deep, up-to-date tax knowledge used to capture, analyze, and enrich data from expense transaction processes in the Concur Expense solution.

These digital transformation steps can dramatically change how tax management is incorporated into everyday business decision-making and long-term compliance strategies. Taxable employee benefits can be better managed with AI algorithms that parse out reported expense charges. Your team no longer needs to spend countless hours sifting through paperwork and question whether their auditing trail is complete and accurate. And more importantly, you gain control over your VAT and GST reclamation outcomes – recovering funds that rightfully belong to your business and giving your employees the confidence to expense eligible goods and services.

Listen to our [podcast](#) to learn more about tax compliance. For more information, please contact your SAP Concur sales representative.



## ABOUT BLUE DOT

Founded in 2013, Blue dot is a market pioneer in the tax tech arena, having developed the first technology-based and dynamically updated financial platform for employee-driven transactions in the market. The Blue dot tax compliance platform harnesses digitization, tax compliance and automation to process and analyze a company's employee spend data for value-added tax and taxable employee benefits.

For more information visit [www.bluedotcorp.com](http://www.bluedotcorp.com)

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## ABOUT SAP CONCUR

SAP® Concur® is the world's leading brand for integrated travel, expense, and invoice management solutions, driven by a relentless pursuit to simplify and automate these everyday processes. The highly-rated SAP® Concur® mobile app guides employees through business trips, charges are directly populated into expense reports, and invoice approvals are automated. By integrating near real-time data and using AI to analyze transactions, businesses can see what they're spending, improve compliance, and avoid possible blind spots in the budget. SAP Concur solutions help eliminate yesterday's tedious tasks, make today's work easier, and support businesses to run at their best.

Learn more at [concur.com](http://concur.com) or at the SAP Concur [blog](#)

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