



AlphaVAT[®]

Flexible MTD solutions for indirect tax compliance from Tax Systems

Overview

Looking for a cloud solution built specifically to meet the requirements of Making Tax Digital (MTD)? Then look no further. The AlphaVAT family offers you a comprehensive choice in how you transition your business to MTD. Choose from: AlphaBridge, our light touch API submission module; AlphaLink, our digital data extraction module; and AlphaVAT, our end-to-end indirect tax compliance solution.

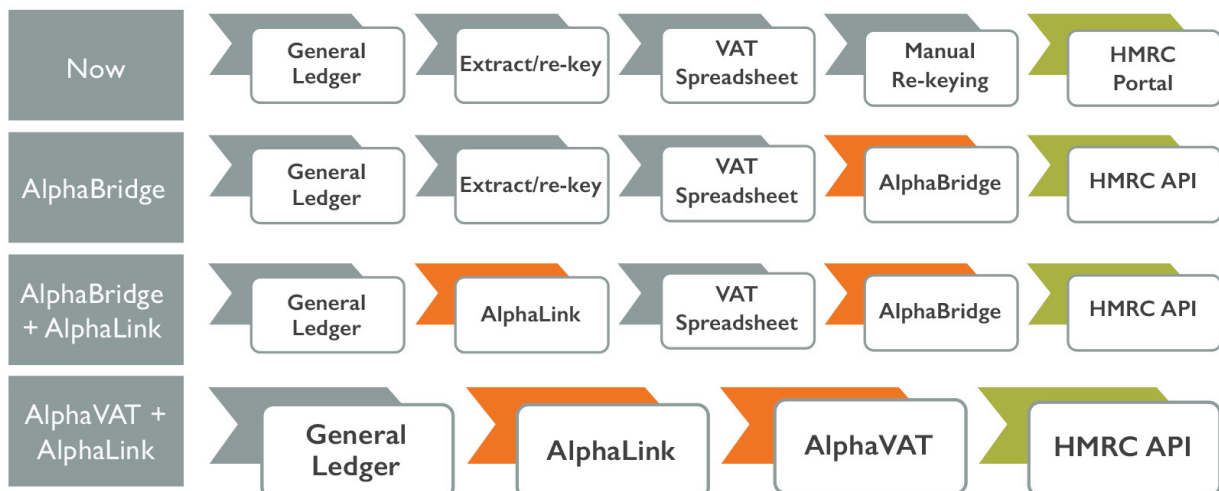
threshold to maintain digital records and submit their VAT returns to HMRC using third party software. April 2020 will see the mandation of digital links for the exchange of data between software applications used to meet the MTD obligations. MTD for corporation tax is also expected to come into force no earlier than April 2020.

Tax Systems has developed the AlphaVAT family to provide first, second and third phase support for MTD, helping businesses to gradually transition to meet evolving compliance demands. Each of the three products is designed to satisfy the requirements timetabled by HMRC, from bridging between the business and HMRC, through to digital data collection and beyond, to the automated pooling of data to meet future tax changes.

MTDfVAT Compliance

Starting from April 2019, MTD will require businesses with taxable turnover above the VAT registration

Migrating to MTD for VAT



Note: Both the record keeping and the information transfer under MTDfV must be digital, there is a soft landing period that applies to the transfer of data from the general ledger/accounting system only, the mandation of this digital transfer will not be enforced until April 2020.

KEY BENEFITS

- Creates a simple digital “bridge” between the current method of VAT calculation and HMRC
- Enables advanced guidance for complex VAT calculations removing the need for spreadsheets
- Facilitates effective data management including dashboards that give visibility of past and present obligations
- Streamlines processes, reduces time spent on calculations and frees up tax resource
- Provides a cost-effective solution without the need to change existing systems and processes
- Protects investment, mitigates risk, and futureproofs the business against subsequent regulatory change with a compliance data pool for future MTD requirements

The Path to Compliance

Three cloud based solutions deliver a path to compliance with minimum disruption to existing processes, whether that means complying with minimum change or transforming the end-to-end compliance process.

AlphaBridge™

AlphaBridge is a simple and easily integrated MTD solution, enabling businesses to digitally submit their VAT return to HMRC via API. AlphaBridge is composed of two parts: a cloud portal and an Excel template.

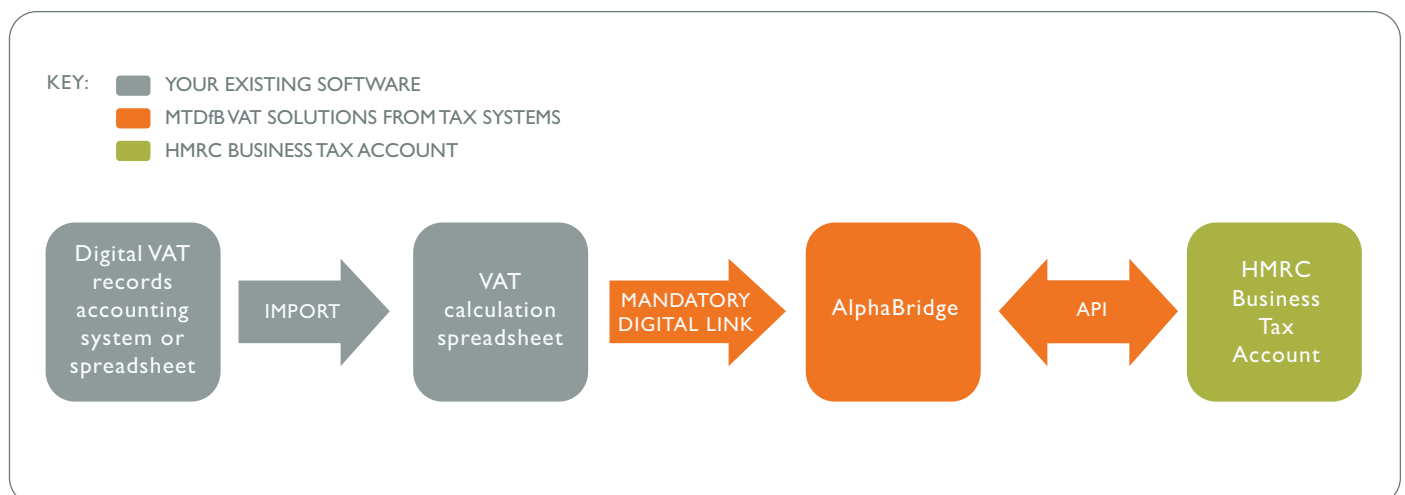
Our cloud MTD Compliance Portal features:

- **Entity management** screen to set up and manage your VAT entities

- **User management** screen for controlling users and setting permissions
- **Excel integration** template to enable the upload of digital records and/or VAT return details
- **Process management** to keep track of obligations and payments
- **Submission** of MTD data to HMRC via API
- **Retrieval** of MTD records from HMRC via API

The Excel template features:

- **Compatibility** with AlphaLink, import sales and purchase ledger data directly into the template from the accounting system
- **Simple interface** for easy integration with current spreadsheets calculations
- **Digital links** posting data to the portal using APIs written by Tax Systems, ready for review and submission

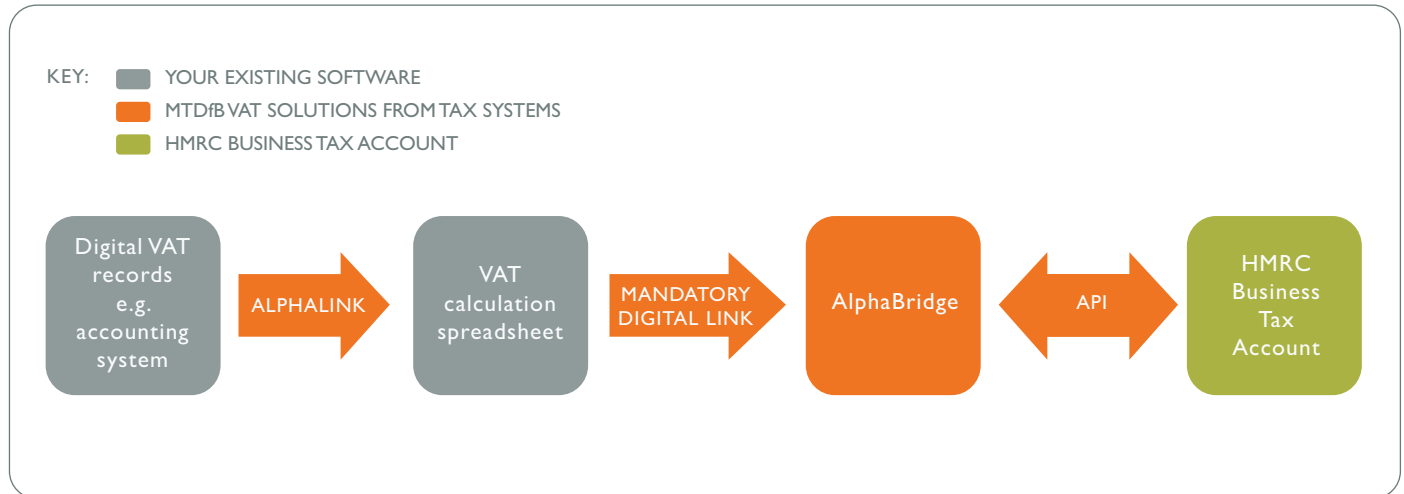


AlphaLink™

AlphaLink uses market leading OSMO® technology to extract sales and purchase data from accounting systems. It provides the digital link between the VAT records held in the accounting system and the other software systems used to constitute the functional compatible software, as required by HMRC from April 2020. AlphaLink's data extraction capabilities also position it to meet the requirements of MTD for corporation tax.

Additional features:

- **Compatibility** with AlphaBridge, to provide an end-to-end digital link that satisfies all the digital journey requirements stipulated under MTDfVAT
- **Data pool** created by AlphaLink can be used not only to drive VAT calculations but also corporation tax calculations. AlphaLink can therefore assist with future compliance demands by establishing a digital link to meet these requirements

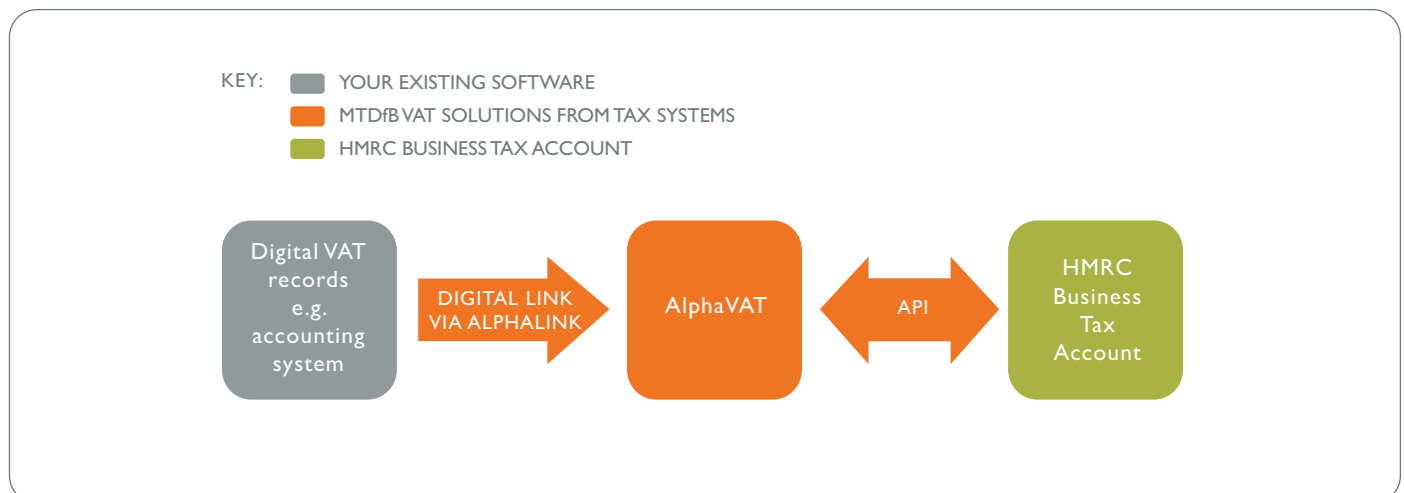


AlphaVAT

AlphaVAT removes the need for spread-sheet calculations and functions as a robust compliance engine capable of handling the simplest to the most complex VAT calculations. It provides complete control over the calculation, preparation and management of VAT returns.

AlphaVAT can be tailored to meet business need through the provision of additional modules (eg calculation templates, such as partial exemption) or need by sector.

AlphaVAT is a fully compliant MTD solution that includes the API submission functionality and benefits provided by AlphaBridge whilst offering an even more robust end-to-end VAT return process solution. It is designed to work seamlessly with AlphaLink so that data can flow continuously from accounting systems into the VAT calculation and on to HMRC.



AlphaVAT Family Capabilities

AlphaBridge

AlphaLink

AlphaVAT

MTD offering			
VAT calculation and submission software	No	No	Yes
Bridging software	Yes	No	No
Integrates with other systems (*Yes when used in conjunction with ETL software such as AlphaLink to perform data extraction and loading)	Yes*	Yes	Yes*
Cloud solution (*An Excel template is used as the interface for uploading the VAT return totals to the cloud submission tool)	Yes*	Yes	Yes
Submit VAT returns to the API	Yes	N/A	Yes
View summary API data (i.e obligations; previous payments; previous returns (MTD returns only); retrieve VAT liabilities)	Yes	N/A	Yes
Supported calculation features			
Automatic production of box level VAT returns for UK single and group submission	No	N/A	Yes
Data consolidation from ERP systems (VAT, Intrastat declaration, ESL and EPL)	No	Yes	Yes
Support for VAT grouping and divisional consolidation	No	N/A	Yes
Management of exchange rates	No	N/A	Yes
Process control and audit (access, review and sign off, audit of manual adjustments)	No	N/A	Yes
Prepare Intrastat, ESL and EPL returns and submission files	No	N/A	Yes
Reverse charge	No	N/A	Yes
VIES check	No	N/A	TBA
Partial exemption (ie group management; standard method; special method; reconciliation)	No	N/A	Yes
Bespoke partial exemption	No	N/A	Later
VAT MOSS scheme (*BREXIT outcome impacts)	No	N/A	Yes*
TOMS (*BREXIT outcome impacts)	No	N/A	Yes*
Capital goods scheme	No	N/A	Yes
Flat rate scheme	No	N/A	Yes
Annual accounting scheme	No	N/A	Yes
Retail schemes (ie Point of Sale; apportionment; direct calculation; bespoke)	No	N/A	TBA
VAT margin schemes	No	N/A	Yes
Data analysis and error checking (*limited)	Yes*	N/A	Yes
Other process and control features			
Submit and view VAT returns	Yes	N/A	Yes
Status summary to show API data by entity (obligation status, liabilities and payments)	Yes	N/A	Yes
VRN entity management	Yes	N/A	Yes
Entity dashboard (*limited)	Yes*	N/A	Yes
User management (*limited)	Yes*	N/A	Yes
Client management (for agents/firms)	Yes	N/A	Yes
Entity/Client grouping (*to be delivered in later version)	Yes*	N/A	Yes
Security			
Option of two-factor authentication to ensure user identity	Yes	N/A	Yes
Data encryption (SSL)	Yes	Yes	Yes
Multi-site data resilience (Microsoft Azure UK data centres)	Yes	Yes	Yes
Advanced user management (*Yes but limited)	Yes*	No	Yes

For more information or to book a presentation, please contact a member of our new business team:



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