

Corporate Tax and BEPS. Are your systems ready to report ?

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Corporate Tax and BEPS

There are numerous challenges to address when it comes to the introduction of Corporate Income Tax and BEPS to the UAE. Understanding the Legislation is just part of the journey. Even if the financial impact can be mitigated, the requirements for you to report accurate, auditable, relevant and timely data remains. Below we have set out 10 broad challenges to test to see if your systems are ready.

10 Challenges

1. Data granularity & segmentation

Do you have the relevant level of detail in your chart of accounts to be able to execute your tax calculations? How is your data structured? Do you have entity level trial balance data?

2. Data consistency & timing

Is your data recorded in one particular format (i.e. IFRS only) or are there multiple formats? How will you consolidate in case of a tax group? When can you use your data? Are you dependent on the financial close?

3. Data sources

Can you track your data in your ERP and/or consolidation system? Can you track your relevant tax income transactions?

4. Data quality

Can you trust your data? Do you need to put controls in place to execute frequent validation checks in order to ensure data quality?

5. Accessibility of data & data maintenance

Who has access to your data and how is security maintained? How is metadata (such as legal entities, tax groups, chart of accounts, etc.) maintained? Do you have data management systems and processes in place?

6. System aggregation and/or consolidation

Can the system aggregate financial data? Does the system have the capability to automatically eliminate relevant intercompany transactions and balances?

7. System calculations

Are there out-of-the-box calculations and schedules available for Corporate Tax purposes? Does the system allow for set up of local and/or regional calculations?

8. General system functionalities

Does the system allow for workflow management functionalities such as process, task, role and hierarchy tracking?

9. Reporting capabilities

What type of reporting capabilities does the system possess? Can you integrate reporting capabilities with existing Business Intelligence (BI) systems? Can you customise reports?

10. Connectivity, security and integration

Where and how can you access your systems? Can your systems be integrated with external sources for data gathering and reporting purposes?



We currently support a number of clients in the UAE who recognise the scale of change ahead through high-level impact assessments, reviews of systems and implementation plans.

Our approach, ensures you are well-prepared and aware of the significance and complexity of your existing system gaps. Understanding these challenges now allows you to address them timely prior to the start of your first financial year.

Jay Riche, Tax Transformation and Strategy Middle East Leader



How we can help

PwC can help you address these challenges by conducting a systems gap assessment to:

1. Address your data and system challenges
2. Set out best practices
3. Defining a 'To-be' IT architecture
4. Develop a roadmap to address system modifications and/or explore 3rd party technology

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Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

Jay Riche

Partner

Tax Transformation and Strategy

+971 56 385 4717

jay.riche@pwc.com

Elliot Severs

Director

Tax Transformation and Strategy

+971 56 968 1827

elliot.severs@pwc.com

Nike van Duurling

Senior Manager

Tax Transformation and Strategy

+971 50 378 1308

nikie.van.duurling@pwc.com

Abhinav Mangla

Senior Manager

Tax Transformation and Strategy

+971 56 385 5837

abhinav.m.mangla@pwc.com

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