

Oracle Enterprise Taxation Management Cheat Sheet

ETM ELEVATOR PITCH – WHAT WE DO

<ul style="list-style-type: none"> ETM is the first true COTS solution for integrated tax administration. 	<ul style="list-style-type: none"> <i>This provides a solution that is upgradeable, configurable and easy to maintain.</i> <i>This means higher productivity with a lower total cost of ownership, including lower maintenance costs than other alternatives.</i>
<ul style="list-style-type: none"> ETM provides out of the box functionality for tax administration agencies. Agencies can also add their own site-specific process & rule definitions without compromising their ability to upgrade the base ETM package as new releases of the COTS package come out. 	<ul style="list-style-type: none"> <i>This translates into an adaptable application framework that provides tax agencies the flexibility they require to adapt to business changes.</i>
<ul style="list-style-type: none"> ETM provides an integrated view of taxpayer accounts. This single taxpayer view creates process improvement opportunities by making it easier to respond to taxpayer inquiries, resolve issues & carry out consistent interventions & audits as required. 	<ul style="list-style-type: none"> <i>Seeing a holistic view of all transactions for a single taxpayer:</i> <ul style="list-style-type: none"> – <i>Increases productivity for employees.</i> – <i>Results in fewer taxpayer service issues.</i>
<ul style="list-style-type: none"> The ETM taxpayer data model is extensible & allows agencies to add new data attributes to their taxpayer data & model complex relationships between taxpayers to better identify patterns in filing, payment & compliance – all without having to worry about upgradeability of their solutions. 	<ul style="list-style-type: none"> <i>Having an extensible data model means:</i> <ul style="list-style-type: none"> – <i>Being able to store more relevant data related to a taxpayer case, which helps close cases more efficiently.</i> – <i>Better productivity because of the ability to hold more relevant and granular taxpayer data</i> – <i>Preserving the upgradeability of the overall investment.</i>
<ul style="list-style-type: none"> The ETM base solution features a powerful workflow management & case management framework. These capabilities are used to support a number of processes including registration, taxpayer service, collections, audit & exception condition handling. 	<ul style="list-style-type: none"> <i>User definable workflow can adapt better to changing business conditions, improving productivity on taxpayer service & compliance related employee time.</i>
<ul style="list-style-type: none"> ETM Business Application is built on SOA principles from the ground up – differentiating the ETM solution from other solutions in the industry. 	<ul style="list-style-type: none"> <i>Standards-based integration lowers the costs of business process integration for tax agencies.</i> <i>This means that it can support industry-standard integration with legacy assets in the environment, as well as standards based integration with third parties.</i>
<ul style="list-style-type: none"> ETM integration with Oracle Business Intelligence solutions provides the real-time intelligence required for agency executives to measure & monitor business operations in a responsive & effective manner. 	<ul style="list-style-type: none"> <i>Pre-defined data warehouse schema & dashboards save time & money, while enhancing the management controls over key processes in the agency.</i>

TAX & REVENUE MARKET OVERVIEW

- Significant pent-up demand for a true COTS integrated taxation administration management business application exists in the market presenting huge sales potential in almost every taxing authority worldwide.
- 3 broad markets – *Central/National Gov't, State, Municipality.*
- Projects can typically range from \$1M - \$25M in license revenue.
- Most integrated taxation administration management systems are either custom-built or transfer systems.
- Tax & revenue agencies are among the largest spenders on IT.
- Very risk-averse, conservative buyer – rely on relationships, references, qualifications.
- Agencies must have a strong integration story & phased approach to migrate off of legacy systems where millions of dollars have already been invested.
- Internationally, custom development systems & SAP are biggest challenges faced by Oracle.

PAIN POINTS

- Replacement of aging legacy systems
- Expectation to improve constituency service & support
- Demand improvement in operational efficiency
- Require timely response to regulatory & tax law changes
- Pressure to collect correct amount of tax due under existing budgetary constraints
- Improvement of control & audit processes
- Consolidate taxpayer view across all tax & revenue sources
- Integration with external data & processes

OPENING/HIGH YIELD QUESTIONS

1. Is your tax administration business processes split across a number of technologies & databases? What are the business & technical impacts of this split?
2. What types of improvements are you looking to achieve?
3. What are the main barriers to change from a technical point of view?
4. What are the main barriers to change from an organizational view?
5. What kinds of demands are you facing from the taxpayer population?
6. How often are you asked to make changes to your IT systems?
7. What is the role of e-services/taxpayer portal in your overall strategy?
8. How well does you agency work with other government agencies or other third party partners?
9. What types of security & privacy risks are most pressing for your agency?
10. How well does the agency define & measure business results?
11. What are your most compelling compliance or taxpayer service challenges?
12. What concerns do you have over your current IT capabilities?
13. Is the core tax solution built on technologies that you can maintain in the long-term, using people & skills that you can sustain?

ETM VALUE PROPOSITION

- End-to-end innovative COTS solution for revenue authorities
 - Best-of-breed solution components
 - Plug & play capability
 - Best-in-class functionality
 - Built using SOA & Web Services standards
- Lower total cost of ownership
- Upgradeable, scalable, easy to manage & maintain
- Fully configurable to meet customer-specific requirements
- Multiple deployment options - flexibility & choice
- Supported by the #1 Enterprise Software provider dedicated to the Public Sector

TARGET CUSTOMER PROFILE

North America Federal & State Administrations:

- Looking to move toward COTS packages from outdated legacy systems.
- ETM is scalable to support all National & State Revenue Authorities & is licensed appropriately.
- Taxes include personal, business, employment, resource, VAT/GST & excise tax types, user fees.

County, Municipal & Local Administrations:

- Counties/cities represent one of the largest growth areas in the next few years. There are 3,066 counties and over 19,000 cities in the U.S. Approximately 80% of them are looking for new systems.
- Taxes include Property (Real & Personal), Individual, Business & Excise Taxes. Major focus on subscription/usage, utilities, fuel, leases, renewable & non-renewable resource, residential, animal, & property tax types, impact fees, recreation fees.

International Prospects:

- Developed countries that are replacing their existing Tax infrastructure component by component.
- Developing countries that are building/replacing their entire tax/revenue infrastructure with new solutions as large complex projects – often funded by agencies like World Bank, Asian Development Bank, USAID etc., animal, & property tax types, impact fees, recreation fees.

COMPETITORS

FAST/Gentax

FAST is a small company that offers a product with solid functionality along with strong tax domain expertise, but the scalability of their solution is questionable.

Strengths

- Has a solid install base, successful proven track record & continues to compete at the state level, small to midsize counties & cities.
- Integrated system with comprehensive tax functionality. Provides single view of the taxpayer, similar to ETM.
- Has a good forms-processing tool to create forms, mail & reporting.
- Offers companion products to supplement core product offering.
- Utilizes Microsoft SQL server technology and is tied to Microsoft's development platform, thus taking advantage of the cost benefits associated to the Microsoft technology/development stack.

Weaknesses

- Positioned as a COTS solution, but is essentially a transfer solution.
- Changes/upgrades must be done through FAST.
- Product extensibility limited & FAST has never successfully completed an upgrade.
- Changes/code extensions break integrity of the Gentax upgrade path.

- Microsoft dependent and thus inherits any associated vulnerability risks that come with the Microsoft platform.
- Has to be implemented on a Microsoft stack.

SAP

SAP has acceptable functionality, architecture (Netweaver) & their tax product is very scalable. However they lack tax domain expertise.

Strengths

- Widely recognized global brand.
- Integrates with other SAP products through Netweaver.
- Scalable & extensible over the long term.
- Positioned well for large-scale implementations, complex environments, offering large amount of pre-built modules over broad range of solutions.

Weaknesses

- Highly modular & inflexible requiring customization rather than configuration, which is highly complex & expensive.
- Requires tight controls to maintain & upgrade: costly & complex to manage & support.
- Application not specific to tax & revenue management.
- Cannot produce an integrated solution without bundling.
- Poor case management CRM & Customer Master Data Management.
- Utilizes SAP ERP & SAP CRM as foundation solutions.
- Higher TCO, especially if not already an SAP client.
- Based on proprietary development environment, ABAP & Java. Few people know both.

CUSTOMER CASE STUDIES

Dutch Tax (Belastingdienst)

Business Drivers

- Reducing the number of complexity systems
- Manage tax collection & refund disbursement for the government's 12 million taxpayers
- Process more than 60 million receivables, 90 million payments & 40 million refunds annually
- Standardize collection procedures

Solution/Results

- Reducing from 30 collections systems down to 1
- Improved internal operational efficiency
- Improved taxpayer compliance with government regulations
- Reduced revenue loss due to bad debts & fraud (revenue leakage)

SALES SUPPORT & RESOURCES

VP & General Manager	John Andrus	973-727-9286
VP Business Development	Herb Harrison	480-287-3568
Director of Strategy	Andre van der Post	27-83-630-4023
NA East Sr.Sales Executive	Alexander Spelman	347-821-2598
NA West Sr.Sales Executive	Peter Lincoln	303-349-3401
Director, Pre-Sales	Jeff Mossop	484-678-5242