

Tax processing

Case Study

Client

The client is a Financial and Tax service provider based at Dallas, USA having individuals and corporates as its customers.

Business Challenge(s)

- Increase efficiency in Tax preparation
- Meet the commitment of delivering high quality tax returns for individuals and corporates at reduced costs.
- Constant need to live up to client's expectations while managing volume fluctuations and scaling up of resources

Benefits to the client

- A virtual back office catering 24*7
- Resources having domain expertise in USA GAAP
- Significant savings in cost and time with high level of quality and accuracy

Description

Solution

Zenith Software limited (ZSL) initially was hired to provide workforce optimization solution, wherein part of the client's Tax processing was done at ZSL's offshore facility. At a later stage, the entire Tax preparation process was migrated to ZSL's offshore center.

FTP servers and communication protocols were established between ZSL and client offices for smooth functioning of Tax preparation work. A well-trained and expert dedicated team was formed to provide quick turnaround time as well as high quality of tax returns. Document management and workflow solution was in place to take care of the source documents.

The Process

- The scanned documents for filing of taxes were stored on the server at client's location. After scanning, an email was sent to ZSL's offshore team for tax preparation.
- ZSL's professionals access the scanned documents, analyze and prepare the tax returns using relevant tax software.
- Once the returns are prepared, ZSL's professionals will start self-assuring the work based on the Self-assure checklist provided by the Certified Public Accountants (CPAs).
- Communication to the CPAs on completion of the task is done through email.
- Finally, the CPAs file these returns.

Both Cash basis and Accrual basis accounting method was followed for tax preparation. The method was adopted based on the history of the Taxpayer. The client was billed on the number of returns or hours of work depending on the volume of Tax processing.

As part of the value addition, ZSL also provided Book Keeping services to the client. ZSL's stat-of-the-art infrastructure is fully geared to meet client's requirements on resources. ZSL consciously maintains a buffer of manpower resources in order to support rapid ramp up of projects.