

**An Internationally recognized Automotive Company required migration of its US Sales and Use tax filing and compliance to its SSO in India.**

**Background:**

Automotive Company was faced with a problem of streamlining its on time tax filing and payment system across states in US and also put a process in place to help its US tax consultant firm in clearing historical issues pending with various state tax authorities. As a solution to this problem it was decided to outsource the Sales and Use tax filing and compliance process to India.

In order to facilitate a smooth transition of the operations to India, Company's consultant used eNoah's services to file returns on time and assist them in liaising with Tax authorities on historical issues. The payables operation of effecting EFT to various State Sales Tax departments was handled by Company's SSO in Chennai.

**Challenges:**

1. The challenge was to quickly understand various State Sales and Use tax laws, their filing procedures and comply with statutory filing requirements without delay.
2. Historical issues on late/ wrong filings, penalty levies spread across all the states

**Solution:**

1. eNoah's experience in effecting quick transition of the processes helped in migrating the job to India. The eNoah management's excellent prior relationship with Company's helped in ensuring clear segregation of roles and responsibilities between eNoah and Company's SSO.
  - A state wise calendar was formulated to handle on time filing of returns.
  - State Tax Boards were given letters for converting from cheque payment to EFT mode.
  - The job was handled in real time as it involved filing of tax returns and also liaising with Tax authorities.
2. eNoah's team quickly summarized and tabulated the issue of late/wrong filing, penalty waiver etc. across states and took the following steps:
  - A dedicated team was finalized for calling the state authorities with regard to historical issues.
  - An issue tracking sheet was sent at the end of each business day to give client visibility on the progress of various cases
  - Prompt response/letters were dispatched to the authorities giving reasons for delayed/wrong filings and waivers of penalties were sought.

**Benefits:**

1. The client was able to quickly entrust this entire job without skipping deadlines for statutory payments.
2. Quick resolution of pending issues with state authorities.
3. Significant cost savings due to off shoring without compromising quality /delivery