

TAX MATURITY SELF-ASSESSMENT

The need for tax departments to move from independent compliance hubs to strategic, optimized business partners is becoming essential.

IS YOUR TAX DEPARTMENT OPTIMIZED? For each area of tax maturity down the left hand side, choose the statement that best describes your tax department. Total the number of statements in each column to better understand how many areas of tax maturity are in each stage.

Areas of Tax Maturity	 Initial	 Repeatable	 Defined	 Managed	 Optimized
Department Structure	Limited/outsourced tax department	Overleveraged internal tax department	Adequate internal tax department	Clearly defined roles and responsibilities	Regularly evaluate the need to reorganize the tax department to leverage/optimize strengths of team members
Knowledge Management	Limited skill sets with resources and knowledge limited to select individuals	Heavy reliance on internal individuals and outside resources	Leverage tax department personnel and knowledge sharing	Team efficiency maximized by leveraging knowledge and resources at the appropriate levels including external resources	Tax organizational structure globally aligned with corporate strategy and management
Process Documentation	Undocumented and undefined policies and processes	Documented policies, procedures and controls	Review and update documentation on an annual basis	Detailed process manuals and procedure	Existing processes have the ability to tolerate change in the company structure
Controls Management	Ad hoc processes and minimum controls	Review and maintenance of controls limited or as issues arise	Review and maintenance of controls performed annually	Continual strengthening of existing controls and processes to address changes	Use of automated solutions leveraged across multiple process areas
Tax Technology	Spreadsheet dependent	Use of standard templates and Excel spreadsheets	Standardized workpapers designed across all tax procedures (ex. Integration of tax compliance and provisioning)	Implemented effective system and spreadsheet control procedures	Implement automated solutions to build in efficiency and mitigate risk
Strategic Alignment	Not strategically aligned within organization	Ad hoc communication related to initiatives and decisions	Tax plays a role in execution of strategic initiatives and decisions	Tax plays a role in execution of strategic initiatives and decisions	Strategic alignment of tax/accounting/finance/IT, tax is proactive in implementing solutions to adapt to the changing environment
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL

If there are areas you'd like to improve, the experienced tax professionals at True Partners Consulting can help. To learn more, contact us at connect@TPCtax.com.

