

CASE STUDY

CUSTOMER INFORMATION

Our client is a high-technology company that integrates safer, greener and more connected solutions for the automotive sector. Headquartered in Gillingham, U.K., our client operates technical centers, manufacturing sites and customer support services in 44 countries.

CHALLENGES/BUSINESS NEEDS

The customer had a need to implement a leading OTC tool in China and include desired compliance features of Golden Tax System in the product.

Like any other country China has its own tax system. In China for standard business scenario, Business requires to register each and every invoice to Chinese legal system. This system is called as Golden tax system.

Golden Tax System is a system developed by the China Tax Bureau (CTB) to register and pay VAT.

Without Golden Tax System a company cannot issue or print special VAT invoices. Without this company will not able to verify input VAT invoices and would not be able to submit VAT returns.

GTS was originally implemented to combat VAT fraud and invoice counterfeiting since the invoices issued and verified from the central system have unique identifier codes.

As per legal requirements, companies registered in China can issue VAT invoices only using the government owned Golden Tax System (GTS), which issues GT numbers for the VAT invoices sent to it.

SOLUTION

As a solution we understood their existing processes and proposed them a solution where OTC tool will automatically reconcile the Golden Tax Document with SAP and provide them reconciliation report.

- We developed a customized loader to load the file in a format received from GT machine to create the Invoice and GT line items from one file.
- We implemented a many to many relationships between GT Invoice and SAP invoice in OTC tool to automatically associate GT Invoice to Related SAP Invoice in OTC tool.
- We developed an automatic reconciliation report which displays GT Amount and SAP Amount.
- We developed the capability to manually match GT Invoices to related SAP Invoice in OTC tool if the auto match was not happening due to some issues.

BUSINESS RESULTS

- Our client benefited with the visibility to GT Invoice as previously that was not accessible.
- No manual work in reconciliation report was needed anymore and supported the process where every SAP Invoice must be referenced with GT, thus giving them visibility to check which GT Invoice is not linked to SAP Invoice.
- One tool for collections could serve the purpose instead of multiple discreet tools.

