

# ONESOURCE® TAX INFORMATION REPORTING

## Identity (W-8/W-9)



## TRANSFORMING W-8 AND W-9 FOR ACCOUNTS PAYABLE

Increase the efficiency of your accounts payable department with Identity from Thomson Reuters.

### What is Identity?

Identity enables you to collect and maintain forms W-8 and W-9 online and creates a quicker process for obtaining documentation, keeping it up to date, and reporting from it. Moving from paper to electronic forms can cut administration time by 80%. Identity also supports the import and validation of paper forms enabling an overall view of paper or electronic documentation held. Plus, Identity is flexible, which allows us to tailor it to meet your needs.

Quite simply, it's an automated, efficient way for accounts payable departments to standardise, accelerate, and improve the quality of the W-8 and W-9 form compliance process, reducing both risk and cost for your company.

Web-enabled, Identity alleviates the expensive cost of postage, printing, scanning, and storing of your paper forms and lessens the time required to review your received documentation.

### What Identity Does

- Helps detect US citizens, dual citizens, and those subject to US taxation.
- Complies with IRS audit procedures by comparing form details with the organisation's account records.
- Validates address details to eliminate P.O. boxes and maintenance of addresses.
- Validates documentation with an exception management process.

### Benefits for your company:

- Reduces the risk of non-compliance and IRS penalties. It increases documentation accuracy through a rules based engine that provides real-time guidance to the customer. The exception management queue highlights potential documentation issues

enabling you to manage inaccurate, manually reviewed paper forms that can sometimes be overlooked.

- Reduces reliance on key team members understanding the documentation compliance process. It has an inbuilt rules engine to determine if a form is documented correctly, which avoids guesswork when viewing documentation. It also saves money on training staff in this area.
- Improves communication with the organisations vendors. With real-time communication, via the website, you avoid slow communication. Additionally, real-time guidance for your customer reduces form error rate and the necessity to reissue forms.
- Has an inbuilt rules engine that prompts vendors receiving non-marketable securities to provide a TIN. This reduces the time taken in requesting TIN numbers from vendors after they have supplied a form.
- Works in-real time. Allowing your customers to complete a form online reduces the time spent sending and receiving a form via post and reduces the cost. You can also increase accuracy up to 90% by having the system guide the customer in completing the correct form.
- Identity uses a rules engine that will flag forms that require review. This means your organisation will only need to review forms by exception and can avoid looking at forms that are valid.
- Has dropdown menus that help eliminate common errors, including a defined list of capacity types.

### Who Identity Helps

Reducing noncompliance in the information and reporting regime and satisfying your IRS US tax documentation needs is a solid advantage for any accounts payable department.

In fact, users who have switched from a traditional paper-based system to Identity have reported up to a 90% increase in documentation accuracy and up to 30% in cost savings.



Organisations using Identity have commented that the software has also:

- Saved them time by reviewing forms that require manual review, as highlighted by the system, as opposed to reviewing all documentation submitted.
- Provided them with a tool that highlights, in detail, why a form could be deemed non-compliant, therefore eliminating the need to have dedicated and 1441 regulation trained staff to review the documentation.
- Significantly reduced the cost of the administrative process from printing, overseas postage, effort spent reviewing forms to time spent scanning, and storing documentation.
- Provided them an extensive reporting tool that provides real-time compliance reporting.
- Reduced repetitive calls to client relationship managers/client services teams and the customer to obtain documentation.

Your customers will find Identity helpful, too:

- Incorporates the substantial presence test to identify US persons upfront.
- Alerts you to ensure capture of TIN for treaty benefits for nonmarketable securities.
- Offers real-time document validation that highlights potential errors before they're submitted.
- Provides online help text and downloadable IRS instructions.
- Pre-populates the form with the vendors details to reduce form completion time and common name and address mismatch errors.
- Provides IRS regulation assistance.
- Offers secure storage of all data history for easy reference.
- Features dropdown menus that help eliminate common handwritten errors.
- Gives you the ability to sign forms electronically in accordance with the E-Sign Act.

## A Case In Point

Computershare, a global leader in transfer agency and share registration and other specialised financial governance and communication services, was challenged by the high cost and increased risk of managing the compliance efforts for over 100,000 account holders in 22 countries.

The Thomson Reuters team worked consultatively with them to implement Identity and deal with a number of issues including:

- Transference of paper forms to data format so that the client had a clear picture of their compliance exposure.
- Increased accuracy of documentation, reducing compliance risk.
- Lowering costs by significantly reducing end-to-end compliance.
- Increased productivity through a reduction of manual documentation reviews.
- Reduced risk through use of IRS rule-set to validate documentation.

## An Innovative Solution

Our team was delighted to receive the award for "Best Technical Innovation" for Identity at the 2009 LexisNexis Taxation awards. This award honours a product or service that shows innovation and invention in addressing a need of taxpayers.

Learn how Identity from Thomson Reuters can help you develop a clearer understanding of your current compliance position while enabling you to focus on specific high-risk and problem areas for your accounts payable department.

Contact us today.

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*"The Identity application was acquired as best-in-class software to support our documentation compliance efforts in respect of around 100,000 account holders resident in 22 countries. There really was no credible or comparable alternative."*

### Computershare Plan Managers

## ABOUT ONESOURCE

ONESOURCE from Thomson Reuters is designed to help you seamlessly manage tax needs across constantly changing worldwide tax environments, anytime, anywhere. ONESOURCE's solutions can handle all your tax planning needs, from transfer pricing and tax return compliance to global tax reporting – all in one place. Maximising profitability. Managing risk. Thomson Reuters is the global technology partner your business demands.

