

LSB INDUSTRIES TEAMS UP WITH ESTUATE TO TAKE CONTROL OF TAX COMPLIANCE



Background

LSB is a manufacturing and marketing company. LSB's principal business activities consist of the manufacture and sale of chemical products for the agricultural, mining, and industrial markets, and the manufacture and sale of commercial and residential climate control products, such as water source and geothermal heat pumps, hydronic fan coils, modular chillers, large custom air handlers and make-up air units.

Business Challenge

The company's tax team realized that constantly-changing business conditions imposed challenging requirements from a tax perspective. Without the ability to make adjustments to their tax processes quickly, the team would have had to revert back to slow and costly manual approaches to handle these changes. With their recent deployment of Avalara Tax Management software, the company intended to increase its agility in this area to adapt to tax rules as they occurred.

However, the tedious and manual process required a tremendous amount of time from departmental resources. The possibility of errors caused by manual processing brought about a real risk that the company could inadvertently miscalculate tax or end up in violation of changing tax rules. LSB needed to automate tax calculations using a solid, automated platform, so that it could avoid this risk, and focus on its business.

The Estuate Solution

Estuate delivered a solution to accurately calculate sales tax using precise rates and taxability data from within their current ERP system--JD Edwards. This solution served as a robust connector between their Sales Tax Management Software and their ERP solution to dynamically deliver instantaneous sales tax decisions. The solution:

- ⦿ Automated and simplified sales tax calculation, management, and reporting
- ⦿ Delivered a seamless integration between the Avalara sales tax calculation engine with the LSB's JD Edwards system.
- ⦿ Enabled access to accurate sales and use tax rates and taxability databases.

Business Impact

Estuate's solution resulted in lower costs, better tax compliance, and agility to changing tax rules, allowing the team to respond quickly to new business opportunities without incurring the cost or delay of programming changes or manual workarounds. Key benefits include:

- ⦿ Increased compliance and reduced audit exposure.
- ⦿ Improved tax department productivity or reduced resource requirements.
- ⦿ Improved tax compliance and a significantly lower error rate.
- ⦿ Reduced risk of missing regulatory rule, rate, or form changes.
- ⦿ Improved audit response and tax analysis.

"In our line of business, it is extremely critical that we stay on top of changing tax rules and ensure compliance at all times. But we had to do be smart about it and leverage automated data flows between the JD Edwards ERP and the Avalara tax engine. Estuate's team of expert consultants were extremely professional and knowledgeable and delivered a connector that automated the most tedious and error-prone task of creating schedules, returns, and reports. We can now focus on our business instead of worrying about our tax transactions. "

Michael Sullivan
CIO, LSB Industries.

Get Started Today

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