



Brexit Runbook for VAT in SAP

A holistic approach to prepare your SAP system
for the post-Brexit VAT scenario



Are you prepared for the VAT impact of Brexit?

Brexit already occurred early 2020, but the impact from a VAT perspective is yet to come. **Are you prepared?**

What is happening?

Even though the UK left the EU on January 31st 2020, nothing has changed yet from a VAT perspective. However, after the transition period, the UK will leave the EU VAT regime. As a result, different tax treatments apply and operations may need to be executed differently. Your IT and SAP systems are at the core of your operations and need to be prepared to support the new VAT regulations.

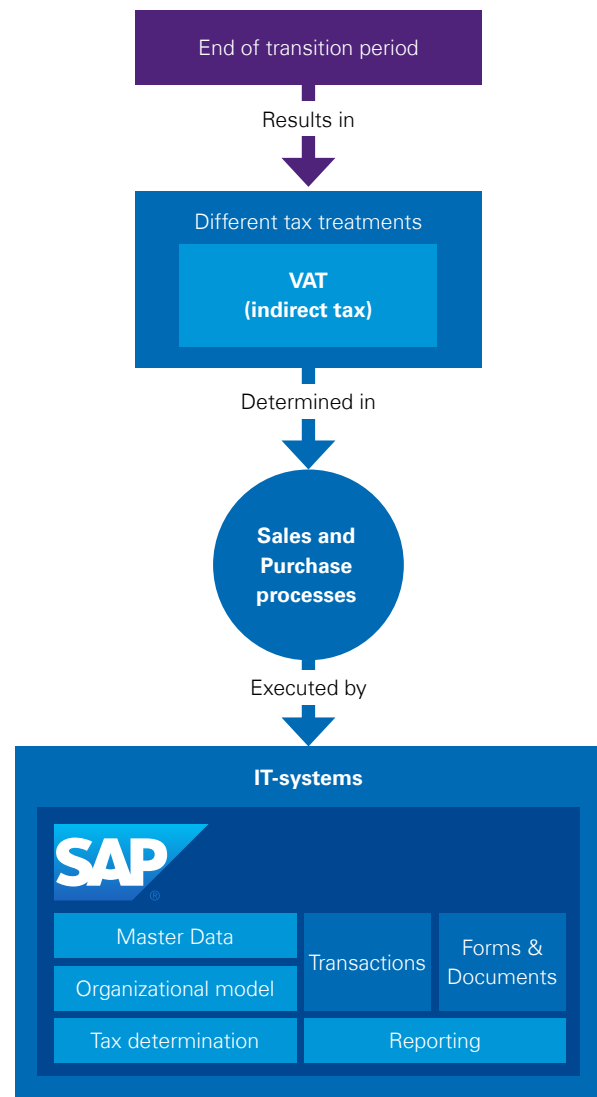
What does a tax manager need to organize?

For a tax manager it is pivotal to prepare IT and SAP system changes to comply with the new VAT regulations. To be well-prepared, a tax manager needs to organize:

1. Identification of all Brexit related topics for change in the SAP system(s).
2. Determination and design of the changes required.
3. Testing, acceptance and transport of the required changes to the production system(s) when the Brexit transition period ends.

You need to act now

Due to the complexity of the VAT setup in SAP it can be a challenging and time consuming task to identify a complete overview of topics and to determine how/ which configurations need to be adjusted to ensure compliance with the new VAT regulations. Since the end of the transition period is approaching, it is important for tax managers to act now to ensure their business is prepared.



Elements in SAP that need to be considered

How KPMG can help

To enable tax managers to efficiently prepare for Brexit before the end of the transition period, we have created a Brexit runbook for VAT in SAP. The Brexit runbook contains a holistic approach that provides tax managers with:

1. A checklist of all topics relevant to consider in SAP, including the why, what, when, and who.
2. A technical guide for IT-users to support implementation of the changes in SAP.
3. A structured planning that can be leveraged to drive the actual changes in the SAP system(s).

In addition, we can support with the end-to-end implementation of changes or any other queries you may have.


Topics on our checklist

Category	Description
Master Data	Seven topics — Customer Master Data — Country Master Data — ...
Tax Determination	Five topics — Output VAT determination — Open documents — ...
Reporting	Four topics — Intrastat reporting — Forms & documents — ...
Other configuration	Two topics — Organizational model — Plants abroad
Running projects	Dependencies with running IT projects that may have an impact on Brexit related topics.
IT Systems	Dependencies with other IT systems that are connected to SAP.


This would be of interest to you if:



You have cross border supplies of goods and services with the UK.



You are not (yet) prepared for the new tax treatments due to Brexit.



You want to verify if you are well-prepared for the new tax treatments due to Brexit.

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