



# Tax

# Intelligence Solution

**New Zealand Customs and Trade**



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[kpmg.com/nz/tax](http://kpmg.com/nz/tax)

# Turning customs data into value for your business

## The Challenge

In many organisations, trade and customs professionals are tasked with “doing more with less” and “running lean compliance functions” although the number of import and export transactions actually increases.

Simultaneously, the global trade landscape is changing. Robust reporting, analytics, and ultimately, proactive compliance is becoming the default. Strategic trade and customs compliance and operational efficiency through data and analytics (D&A) are key to running a successful trade and customs function.

Leading companies have adopted processes and controls to evaluate their data on a continuous, periodic basis, and many organisations use such information to trace key performance indicators for their trade function and third-party agents, such as customs brokerage and freight forwarders.

## The Opportunity

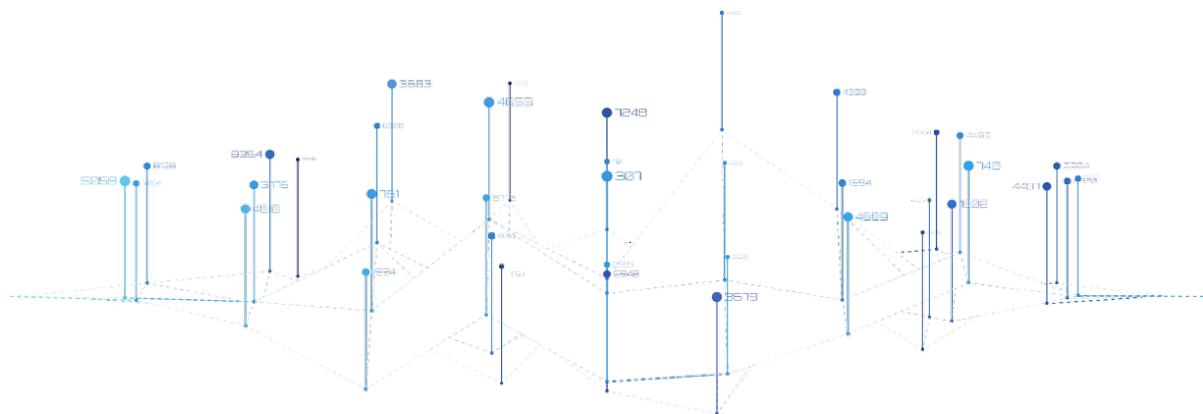
Organisations should prepare for a new era in trade, and it all starts with D&A. Using D&A tools, organisations now have the opportunity to transform trade and customs data into value.

Imagine being more certain of your duty spend and Customs declarations, finding overpaid or under claimed duties, and revealing hidden business opportunities or efficiencies.

By having access to your organisation’s trade data and the corresponding analytics in a concise, meaningful, and user-friendly way, businesses will be empowered to drive their own trade and customs function, focusing on identifying risks, leveraging opportunities, and improving performance.

**Stop struggling with your data.**

**Start winning with it.**



# How can KPMG's Tax Intelligence Solution help?

KPMG has developed the New Zealand ready version of the **Tax Intelligence Solution (TIS) for Customs and Trade** an integrated suite of trade and customs analytical tools, methodologies, and insights that allow organisations to gain quantitative insights and visibility into their compliance, process efficiencies, and opportunities—driving real quantitative value for the trade and customs department, financial department as well as the overall business.

Experienced KPMG New Zealand trade and customs advisers combined with the powerful D&A methodology of TIS, can help you transform your trade and customs data into insights. From uncovering compliance risks to unlocking opportunities in transactional data, TIS can help businesses check the accuracy of their import declarations, maximise savings opportunities, and create new trade efficiencies for the business.



# Key features of TIS Customs & Trade



**Identification of irregularities and inconsistencies** in the data reported to the New Zealand Customs Service:

- Screening for **inconsistent tariff classifications** declared on the similar imported product into New Zealand.
- Capturing **abnormal import prices** declared to the New Zealand Customs Service.



Insight into **supply chain savings opportunities** as well as opportunities for **process improvements**.



Ability to **highlight different areas (valuation, classification or country of origin)** that may have led to over payments of customs duty and GST.



The ability to analyse trade and customs data on **free trade agreements** available based on specific trade lanes and identify untapped trade agreement benefits.

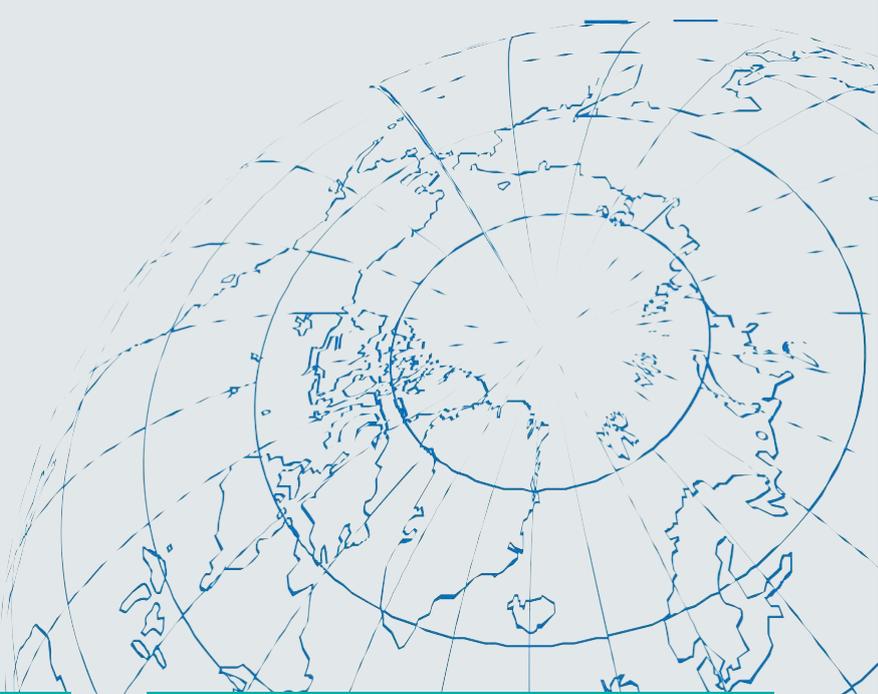


Data visualisation and reporting to allow easy manipulation and refinement of relevant trade data topics (e.g. tariff classification, country of origin, entry type, etc.).



Quantification of potential exposure because of identified trade compliance risks.

# Global case studies



## CASE STUDY 1

### Tariff analyses

KPMG reviewed Enterprise Resource Planning (ERP) and Customs data for a large importer and uncovered the company's classification were spread out over multiple commodity codes with respect to a unique article number. In addition, the company did not use preferential tariffs.

Upon further analysis, KPMG noted that the company did not use preferential tariffs. By setting up a tariff classification process the company could potentially achieve considerable duties and cost savings. As a result of the analysis, the company realised savings.

## CASE STUDY 2

### Managing risk of successor liability with TIS

An industrial manufacturer recently used the TIS to review five years of import transactions of a target entity that was being acquired in a corporate transaction.

By uploading the target entity's import data for review, the acquiring company was able to team up with KPMG to identify a latent compliance error, which could have resulted in potential duties and penalty exposure. By identifying the error early, the acquiring entity was able to manage successor liability associated with acquiring the target entity.

TIS puts your trade professionals proactively in control of the trade process, which can enhance compliance and savings and ultimately help your organisation avoid financial, reputational, strategic, and operational risks.

# Why KPMG?

# KPMG Trade & Customs

KPMG has developed a comprehensive suite of data and analytics tools to provide insights into GST and Customs and Trade which have all been specifically adapted for New Zealand.

The New Zealand ready version of the Tax Intelligence Solution for Customs and Trade is designed to interrogate your Customs data to assess and identify risks and opportunities. If data is incorrect through errors or omissions, it can increase customs duty liabilities and expose your business to penalties and disputes with the New Zealand Customs Service. TIS provides valuable insights into your global supply chain and has been built with data security at the forefront.

KPMG's extensive Trade and Customs (T&C) experience can help companies identify cost- savings opportunities around the world and manage compliance risks associated with supply chains and global trade operations. We work with clients to deliver value and efficiency for their business, including:

- establishing and maintaining efficient cross-border operations keeping costs down to maintain strategic advantage.
- ensuring compliance with local laws and regulations associated with cross-border trade.
- customising trade processes and controls to a business unit, company, or industry.
- mitigating risk issues related to conducting cross-border business.



# Contacts

If you are interested in seeing a demonstration of TIS for Customs & Trade or for further information, please contact:



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