



FIS TAX REPORTING MANAGER

FORMERLY COMPLIANCE PLUS

Operational Support Services,
Risk and Compliance | Tax

The Challenge: Deliver first-class tax information reporting services to customers within a cost-conscious, regulatory environment Operational Support Services

FIS® Tax Reporting Manager (formerly Compliance Plus) clients enjoy the benefit of a comprehensive, enterprisewide tax reporting service that incorporates all the FIS® Tax Information Reporting Suite (formerly Wall Street Concepts) asset class services to process transactions. Tax Reporting Manager places reports and query screens with critical tax reporting information in the hands of tax department personnel. But often, those hands are busy addressing other matters and may fail to act upon the information in a timely manner. Inaction and delays in action on time-sensitive tax information can lessen the risk mitigation and work reduction benefits Tax Reporting Manager offers.

Reduced operating budgets and an ever-increasing need to learn about and implement new legislative and regulatory initiatives makes this a year-round problem. But now, tax departments can take a positive step to maximize Tax Reporting Manager benefits and align with internal cost controlling measures by subscribing to Tax Reporting Manager Operational Support Services.

The Tax Reporting Manager - Operational Support Service

This is an “a la carte” menu offering of managed services with tiered pricing for specific tax department responsibilities. It blends the output of Tax Reporting Manager processes with the knowledge and personal touch of Tax Information Reporting Suite experts. The experienced tax professionals know how to get the most out of Tax Reporting Manager and how to navigate the tax season and the annual tax calendar. The services can also be used to supplement a firm’s staffing needs.

By engaging FIS, a firm can augment its tax reporting staff where specific needs reside. The services can fill gaps that may exist due to resource reductions or facilitate a tax department’s needs to satisfy ever-expanding regulatory responsibilities by freeing up key resources. Tax Reporting Manager Operational Support Services is the most cost-effective, high-quality alternative when outsourcing is a mandate.

The Services

Data Analysis and Data Grooming

Exception Reports are reviewed, and transactions analyzed to highlight incorrect reporting and transactional errors. Courses of action are recommended, and data will be groomed to ensure correct reporting. Analysis and grooming include transaction creation, transactional corrections, reclassifications, reporting analysis and auditing of reports, documents and prior actions. Databases are queried to identify transaction abnormalities (i.e.,

duplicate transactions, invalid signs, missing expected transactions, transactions in incorrect tax year, etc.) and FIS® TEFRA Glossary Data Services are reviewed for tax character determinations and other security information.

The service also includes reviewing deemed payments requiring 1099 reporting, taxable exchanges and other corporate action events. FIS professionals do the heavy lifting and work independently, but always bring their findings to the client for ultimate approval and booking when resolution requires decision-making and/or use of the client’s proprietary systems. As necessary, adjustments to the Back-Office System and/or Tax Reporting Manager will be recommended. staffing needs.

Reconciliation and Balancing

This service reviews and reconciles transaction and security position balancing generated by the Tax Reporting Manager asset class services. The review process also includes tax withholding reconciliations and reporting to the government authorities for Backup, NRA and State Withholding. Tax withholding reconciliation routines and reports designed to assist in Form 945 creation and deposit reconciliations are generated. Firm reconciliation needs that can be addressed include:

- Balancing the Form 2439 stock record positions to DTCC to assist in Form 990-T filings
- Querying the Tax Reporting Manager reporting date table to ensure all accounts with reportable statements are accounted for on the IRS FIRE File.
- Querying databases to identify NRA tax withholding transactions that are not included in the IRS 1042-S FIRE File and assisting in their reconciliation to the 1042-S.
- Creating retirement reconciliation routines to ensure that state tax withholdings reconcile to deposits made to states.

Tax Reporting Assessment

FIS personnel and systems assess the tax compliance “health” of a firm. This service reviews NRA and Backup Withholding processes, tax reporting on the state and federal level, and tax documentation reception and review procedures. The objective is to identify areas of risk and issues in need of remediation.

Gaps in processes are highlighted for improvement applying the FIS best practices standards. This assessment also provides feedback on proposed regulatory changes that may require changes to a back-office system to support tax reporting processes.

Training

FIS offers training through our Superlative Tax Education Program (STEP). The STEP courses include an Introduction to Tax Information Reporting, Cost Basis Reporting, Non-resident Alien Reporting and Fixed Income Tax Concepts.

Training programs can be created to meet a firm's specific needs (i.e., NRA concepts, FATCA reporting). The course materials are delivered in person or via webinar and include power points with supporting documentation and FIS write-ups. The presentations can be tailored to junior-, intermediate- and senior-level audiences. The Training Service also offers assistance in the development of custom tax reporting guides for financial advisors and end clients.

Test Statement Population

This statement service is effected through a two- pronged approach. The first part occurs prior to year-end through a creation and review process that uses a client's actual account activity. A statistically relevant test sample of accounts with all required reportable transcodes is created and reviewed. Physical test sample statements are created for specific populations of accounts.

Inaccuracies and other issues which may exist are highlighted and remediation steps are suggested. After Tax Reporting Manager processing has begun to generate year-end tax statements, a statistically relevant sample will be tested against the firm's back-office system statements for consistency and completeness. CSV and Turbo Tax downloads will also be tested for accuracy.

Whatever your challenges are when it comes to tax information reporting, FIS has products and services that can assist your firm. The Operational Support Services highlighted herein are representative of the services we can provide – but in no way the complete picture. We have long been meeting the needs of firms by placing key senior level personnel and subject matter experts into tax season challenged firms which were facing disruptive personnel departures and unanticipated levels of activity.

If you're in need of support staff, or tax department leadership FIS has the people, technology and know-how to structure, implement and execute the right solution for your firm.

About Tax Information Reporting Suite

Tax Information Reporting Suite helps financial services firms meet U.S. Federal and state tax information reporting requirements. It supports individual asset classes such as REMICs, long-term OID bonds, Master Limited Partnerships, mutual funds, REITs, Unit Investment Trusts, and Widely Held Fixed Investment Trusts (WHFITs).

These asset class services are also available as part of Tax Reporting Manager a web-based solution. Tax Reporting Manager provides a single view of process status and data availability across its services, and offers a robust correction management system, coordination with cost basis systems, and data feeds for third-party tax preparation software packages.

Enabling the adaptive enterprise

Sitting at the intersection of technology and finance, FIS is focused on delivering fresh ideas and inventive solutions to help our customers adapt and thrive in an ever-changing environment. With a blend of software solutions, cloud infrastructure, global service capabilities and deep domain expertise, FIS is capable of supporting virtually every type of financial organization, including the largest and most complex institutions in the world.

For more information, please visit www.fisglobal.com

About FIS

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally. Our employees are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS is a Fortune 500® company and is a member of Standard & Poor's 500® Index.

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