

Checklist

Risk Assessment for Tax Teams



This analysis is intended for informational purposes only and is not tax advice. For tax advice, consult your tax adviser. See the full disclaimer [here](#).

Assess Excise Tax Risks

Start assessing your risks effectively, identify gaps in your risk management strategy and prioritize areas needing attention, and minimize potential liabilities.

Regular review and updates to the checklist may be necessary to address evolving risks and changes in the regulatory landscape.

Regulatory Compliance

- Are all excise tax laws and regulations thoroughly known and understood?
- Do you have procedures in place to ensure the excise tax laws and regulations are consistently followed?
- Is there a system in place to monitor changes in tax laws and regulations, ensuring timely updates to procedures and documentation?
- Are all required licenses, permits, and registrations obtained and maintained?

Tax Determination Accuracy

- Is there a standardized automated process for calculating excise taxes on all applicable products?
- Is there a robust process in place to review tax rate and legislative changes to ensure calculation rules are updated as necessary?
- Does your tax determination consider the validity of the buyer's licenses?

Documentation & Record Keeping

- Are all transactions accurately recorded and documented?
- Are records maintained in accordance with regulatory requirements?
- Is there a secure system in place for storing and accessing tax-related documentation?

Monitoring & Reporting

- Are key performance indicators (KPIs) established to monitor the effectiveness of excise tax operations?
- Can you easily showcase the value of your excise tax team to key stakeholders?
- Do you have visibility into the workload and productivity of your team members?
- Do you file timely AND accurately every time?
- Is there a process for regular risk management and mitigation?
- Are corrective actions promptly implemented in response to identified issues or deficiencies?

Technology & Automation

- Is there a plan for regular maintenance and updates to ensure the reliability and security of technology platforms?
- Are employees adequately trained on the use of technology tools and systems?

Fraud Prevention

- Is there a process for verifying the legitimacy of suppliers and customers?
- Are employees trained to recognize potential signs of fraud and instructed on how to report suspicious activities?

Internal Controls

- Are segregation of duties and dual authorization processes in place to minimize the risk of errors and security breaches?
- Are regular internal audits conducted to evaluate the effectiveness of controls and identify areas for improvement?
- Is there a clear escalation process for addressing issues or discrepancies identified during internal reviews?

Continuity Planning

- Is there a contingency plan in place to ensure business continuity in the event of system failures or other disruptions?
- Are backup procedures established for critical tax-related data and documentation?
- Is there a process for promptly resuming tax operations following a disruption?

Collaboration & Communication

- Is there effective communication and collaboration between the excise tax team and other relevant departments, such as sales, finance, and legal?
- Are there regular updates with key organizational decisions makers to ensure changes in business such as acquisitions, new products, new markets, etc. are communicated well in advance to allow sufficient time.
- Is there a process for sharing knowledge and best practices within the excise tax team?

Training & Development

- Is your team resourced with adequate availability and relevant experience to effectively manage risk?
- Are employees provided with ongoing training and development opportunities to stay updated on tax laws, regulations, and procedures?
- Is there a process for documenting and tracking employee training and certifications?
- Are employees encouraged to pursue professional development opportunities relevant to their roles in excise tax?
- Is there budget set aside for industry events and conferences?

Ready to get started?

See how our clients have increased filing efficiencies, saved time, and improved accuracy by automating their tax compliance processes

[See client success stories here](#)

IGEN[®]

