Sales & Use Tax Systems

As an integrated part of a business' financial applications, AvaTax is a web-based utility that provides real-time sales and use calculation to the sales and invoicing programs. It helps these systems make appropriate account postings and automatically prepares sales tax reports for all jurisdictions with liability in a given period. It is designed for single business entities or multiple related businesses being managed with one or more accounting systems. Avalara is refreshingly upfront with its pricing paradigm for AvaTax, providing a quick calculator tool on its website to show approximate pricing based upon the number of annual transactions and the financial system in use by the company. For small concerns using QuickBooks and having up to 720 transactions per year, the pricing can start as low as $342 per year with a one-time $89 activation fee and additional transactions costing $0.60 each. For up to 7,200 transactions per year, pricing would be $2,495 annually, plus $795 activation and $0.40 per additional transaction. Several other small business and enterprise-level accounting packages, e-commerce systems and a software development kit are also supported. A product taxability option and a managed compliance service are also available through which the vendor manages all filing and remittances and notice management.
AvaTax is certified with the Streamlined Sales Tax Governing Board.

Navigation & Data Entry — 5 Stars
The AvaTax Dashboard provides supervision of the program, access to reporting features, and drilldown functionality. From these views, users can also drill-across to jurisdictional liability summaries and details. AvaTax also enables users to view sales tax information from remote locations.

As an automated, on-demand sales tax system, the business' sales platform,

than 12,000 state, county, local and special tax districts across the United States and Canada, using ZIP+4 and the more precise AvaLocate function to determine
appropriate liability. AvaTax's managed compliance service provides all required forms and electronic filing and payment capabilities. Generally, no manual data entry is required, with data automatically flowing into and populating a liability worksheet. Within AvaTax, authorized users can override transferred or calculated data if desired with an audit trail logging all system activity, but most user processes are review functions or managerial tasks such as reconciliation,
analysis and supervision. Reports can be output into Excel and other formats.

Filing, Electronic Compliance & Payment — 4 Stars
With the managed returns service, forms are automatically populated based on an approved liability worksheet, or users can easily prepare returns for remittance using the reporting features. Additional filing solutions are available. The program does not offer due-date monitoring or alerts, but Avalara offers the managed returns service, which is essentially an outsourcing of compliance to the vendor. Through this service, Avalara mails or e-files returns (as preferred by the taxing entity) and remits appropriate payment to these authorities.

Rate Updates — 5 Stars
As an online program, AvaTax and its thousands of tax rates are maintained by the staff at Avalara and updated as necessary. Changes are transparent to the user, with their accounting system automatically applying the new current tax rate to each transaction processed, but also enabling use of prior-period rates for special transactions.

Help/Training — 4.5 Stars
General Help features within AvaTax provide guidance, and the company's

support website offers a knowledgebase, FAQs, submission of support tickets

AvaTax has bridged a gap by bringing an automated, web-based, comprehensive sales tax application to the small and mid-sized market. The program is especially well-suited to businesses engaged in e-commerce activities or others that have dynamic sales that can involve multiple changing taxing jurisdictions in any given period. Through integration with the business' ERP, AvaTax simplifies the often time-consuming process of sales tax management and helps to ensure compliance.

2008 Overall Rating: 4.5 Stars