



Sales Tax Calculation Doesn't Have to Be a Hassle

Here's how Spryker & Avalara can help!

Countless issues affect sales tax compliance in the United States. U.S.-based businesses often find the process of adequately computing, collecting, and remitting sales tax to be quite burdensome. In addition to state-level taxation, many cities and other taxing bodies or regions have the right to levy Sales Tax or Use Taxes. This makes tax compliance complex and challenging, not just for businesses within the U.S but also for those looking to conduct business activities within the country.

The inconsistencies with sales tax often create a ripple effect by impacting how much a customer pays for an item based on what county, city, or state their goods are shipped from. In some cases, frugal buyers are discouraged from purchasing products online due to increased sales tax rates. To prevent this, online retailers or merchants must effectively monitor, streamline, automate, and validate the sales calculation process.

The good news? A solution exists to achieve this!

Avalara aims to ensure that tax compliance is handled coherently and intuitively. With AvaTax, a cloud-based sales tax calculation system, the process of collecting sales data and calculating your sales tax becomes almost effortless.

To further streamline the process, **Spryker** has partnered with Avalara. The integration offered through this partnership guarantees that your Marketplace, B2B, or B2C store meets all state-imposed sales tax requirements.



How does this work?

To get started, sellers are required to set up an Avalara account; registrations can be done directly on Avalara's platform. However, sales tax calculations and the management of tax compliance documents can be implemented through your Spryker-enabled e-commerce platform.

What does this mean for you and your customers?

The Avalara feature allows you to **validate both customer and warehouse addresses** to improve the rate of accuracy when calculating sales tax during the checkout process. Additionally, **cross-border e-commerce** becomes possible without damaging tax implications. **From your U.S.-based warehouse, you can ship products to Canada, Mexico, or anywhere in Europe without worrying about how that would impact your business when filing sales tax returns.**

Through this ERP integration, **cancellation of orders** will automatically result in tax cancellations in Avalara. Similarly, when **partial refunds** are initiated, taxes are then recalculated. Furthermore, B2B customers have the freedom to **upload exemption certificates** that prevent them from paying non-obligatory taxes. These functionalities significantly reduce exposure to sales tax risks and minimize the chances of erroneous sales tax calculations for customers.

In this current age of digitization, automation and real-time insights are fundamental for shortening and optimizing your customer's journey. With this partnership, Avalara and Spryker aim to collaboratively eliminate the daily hassles buyers and sellers often face when they try to quantify taxes placed on their goods and services.

