Product Features & Promotions

Secure Tax Document Repository

Included in Business Essentials, the tax compliance repository is easily downloaded from the Solutions Delivery Network for fast implementation.

Allows secure (SOC 1 and 2), permission-based storage, management, and retrieval of tax documents/ records, especially important in case of an IRS audit.

Includes three pre-built storage folders for:
1. Form W-9s   2. Resale-Sales and Use Tax   3. Tax Exempt Certificates

Note: Customer can customize this to their needs

Form W-9 Web Forms

With Digital Transformation Essentials get pre-built, downloadable web forms. The W-9 web forms make collecting Form W-9 fast and simple.

Two options for collecting W-9s:

Option 1: A single page, secure form for W-9 intake. It is used for both businesses (Tax ID) and individuals (SSN) and removes confusion by ensuring only the correct inputs can be made by the user. Eliminates common errors associated with Form W-9.

Option 2: A single page, secure form where vendors or contractors who already have a completed W-9 can upload and store it directly into the Business Essentials Tax Compliance archive for review by anyone with permission.

SWOT Analysis

Strengths	Opportunities
• Available in the cloud/on-prem • Delivered quickly • Readily available pre-built, downloadable • ONE bundle solution for repository and forms in Digital Transformation Essentials • Included workflows that automatically file completed forms	• The majority of companies collect Form W9 for vendors or contractors and need to store these securely and efficiently • Increasing tax laws/regulations • Increase in remote work

Weakness and Threats

• Other preconfigured cloud solution offerings

Marketplace Conditions

• U.S. businesses spend over 2.8 billion hours a year on tax compliance work.

• Businesses are required to collect federally mandated documents for tax reporting purposes including reseller certificates, tax exempt certificates, and Form W-9.

• Businesses that hire independent contractors do not withhold income tax or pay Medicare or Social Security taxes for their independent contractors, as they do for their employees. Instead, contractors are responsible for these obligations.

• Businesses who pay a vendor or contractor $600 or more during a tax year are required by law to report these payments to the Internal Revenue Service (IRS) using a Form 1099-MISC.

• With over 24,000 hours/year spent by businesses on processes related to Form 1099-MISC, Form 1099-MISC is one of the most costly tax forms.

• Businesses use IRS Form W-9 to request Taxpayer Identification Numbers and Certification from vendors and independent contractors to complete a form 1099-MISC to report compensation to the IRS.

• Many certified public accountants consider it best practice to ensure the completion of Form W-9 by payees before issuing any payments.

• A requester using an electronic filing system for Form W-9 must ensure:
  o that the electronic system provides the same information as on a paper Form W-9
  o that a hard copy can be supplied to the IRS on demand
  o that "the information received is the information sent" and all occasions of user access that result in the submission are documented
  o that the person accessing the system and providing the information is the individual identified on the form, and that an electronic signature is used

• Businesses in violation collection mandates face penalties and withholding taxes.

• A business could face a $50 penalty for EACH instance in which Form W-9 is not filled out.

• The statute of limitations in which the IRS has to begin an audit is 3 years. The audit may include a business's tax returns, informational returns, and supporting records.

Customer Segment Value Proposition

The W-9 form is an Internal Revenue Service form used to verify and certify that you are working with a legitimate business paying its taxes.

The Square 9 Tax Compliance solution, including the tax archive and form w-9 web forms, speeds up the time to do business by efficiently and securely collecting vendor and contractor W-9's saving them right into Business Essentials (no manual entry required), making it easier, faster, and more secure for your vendors and contractors to do business with you.

Target Customer Segments and Opportunities

Both large and small businesses that use outside vendors for services

If a business:

- Uses another business for maintenance or repair
- Has vendors who they pay money to sell a product or their services
- Uses outside legal help
- Uses freelancers
- Uses an agency for advertising or attends trade shows

Target Audience:

- Accounting Staff
- Accounting department management
- Operations Department
- Administrative Team
- Human Resources Department

Why Choose Digital Transformation Essentials Tax Compliance:

#1 Safeguards Your Business

- Helps businesses stay compliant with required tax laws and securely store sensitive PHI (SSN) in a SOC and HIPAA compliant repository

#2 Improves Vendor and Contractor Relationships

- Offers a secure and convenient way to send required tax information giving vendors and contractors peace of mind their W-9 is securely stored in a repository with controlled access and audit trail logs by date and user.

#3 Increases Employee Efficiency and Productivity

- Provides a simplified way of collecting required tax documentation and speeds up the onboarding process by automating the collection and filing of the form, saving employees time pursuing, reviewing, and filing forms.

Golden Questions

1. How many outside vendors/contractors does your company work with?
2. What is your standard onboarding process for a new client, vendor, or contractor?
3. Who oversees collecting and managing the forms associated with outside vendors and contractors? Such as Form W-9?
4. How many hours do you spend collecting, tracking, and managing tax documents?
5. Where do you store your W-9s and other tax documents?
6. How easy is it to locate a W-9 in the event of an audit?
7. What do you do with the W9s after the required retention period?
8. What is your budget / spend for technology or software?

Objection Handling

We already have an efficient process for filing and storing these documents.

Ask about their process and focus on the digitization of these documents. They are reducing storage and printing costs associated with storing documents within the statute of limitations. Enforce the value by mentioning individual and business information is securely stored and retrievable in case of an audit, helping build strong vendor relationships and protecting your business while improving productivity.

Additional Resources

- Knowledge Base
- On-demand webinar