



Taxation





Tax Challenges and Automation

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Tax Challenges & Automation

Objectives today:

- **Review** the changing landscape of technology as it applies to the tax function
- **Examine** specific challenges and technology solutions to be on the lookout for





Robotic Process Automation

What is it?

- Lower-cost automation
- Easier learning curve
- On-ramp to Artificial Intelligence
- Cheaper integrations





Robotic Process Automation

How can tax use it?

- Routine tasks
 - Data cleaning processes
 - Reporting & compliance steps
- Integrations
 - Merging data from multiple interfaces
 - Using systems with no API's!





Robotic Process Automation

What is it **not**?

- Zero maintenance
- Replacement for complex development
- The only way to get AI, ML





Artificial Intelligence

What is it?

- Allows a computer perform human tasks
- Includes text recognition, pattern discovery, anomaly detection
- Accessible





Artificial Intelligence

What is it **not**?

- Infallible technology
 - 5-10% error rates are considered great on some tasks
- Accessible only to Ph.Ds.
- Self-service applications and workflows already exist





Artificial Intelligence

How does Tax use it?

- Document search
- Task learning
- Prediction tasks

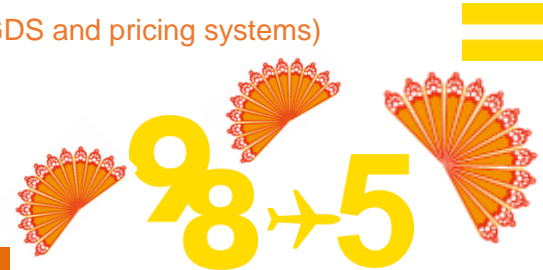




Tax Content & Decision Processes

What is on the horizon?

- Industry aligned turnaround logic for global tax processing
- US Tax processing based on TTBS stopover logic versus the traditional fare component logic
- Proration of domestic portion of international travel
- Faster time to market for quickly changing tax legislation requiring new automated capabilities
 - **2017:** New Indian GST regime (B2B processing in discussions with GDS and pricing systems)
 - **2019:** Newly announced Japanese departure tax



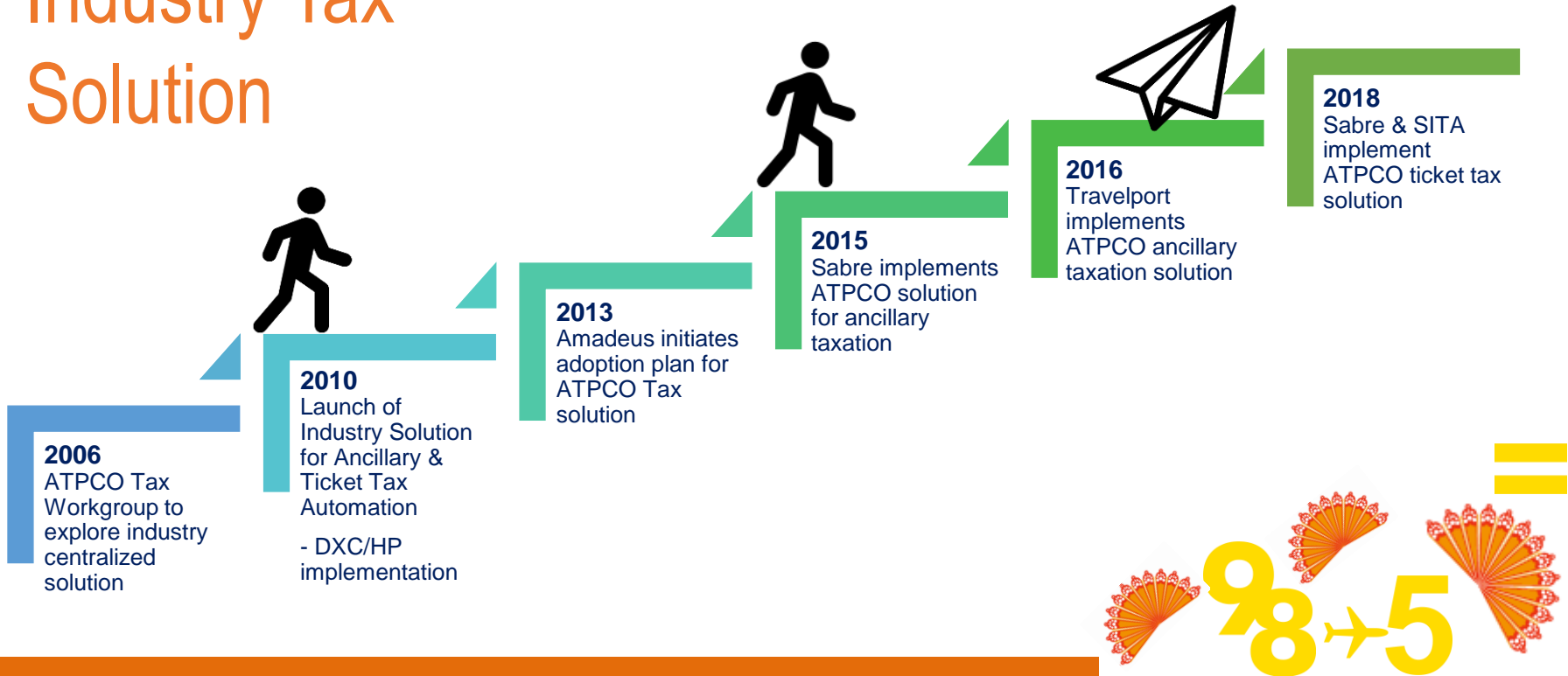


ATPCO-Industry, Data Distribution Platform

- ✈️ **Evolution of the industry tax solution**
- ✈️ **Centralized source for automated IATA-TTBS tax data**
- ✈️ **GDS/Pricing system/OTA adoption**
- ✈️ **Agile processing solutions for complex tax pricing**



Evolution of the Industry Tax Solution





Evolution of the Industry Tax Solution



More than 60 carriers file ancillary tax data with ATPCO, and the number grows each year

- Includes taxation on baggage charges, seat fees, and other ancillary revenue products and services



IATA transitioned the publication of carrier specified amounts (CSA) for airport departure and arrival taxes to ATPCO in January 2015

- **Benefit:** Data available in the Revenue Accounting Tax Database (RATD Viewer)



“One stop shop” for the filing of carrier tax exceptions and distribution to GDS, OTAs, and pricing systems

- **Benefit:** Comprehensive tax data for interline settlement purposes



IATA-TTBS and ATPCO partnership to align tax interpretation across industry distribution channels through the single automated source solution

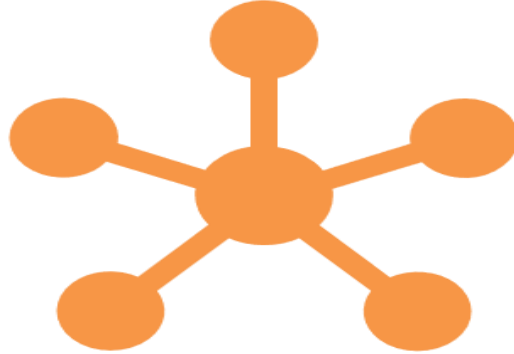


ATPCO: Single Source of Automated Tax Data



IATA-TTBS

ANCILLARY & FEE TAXATION



CARRIER TAX EXCEPTIONS

CARRIER SPECIFIED AMOUNTS – CSA
(Reported to IATA & Automated by ATPCO)

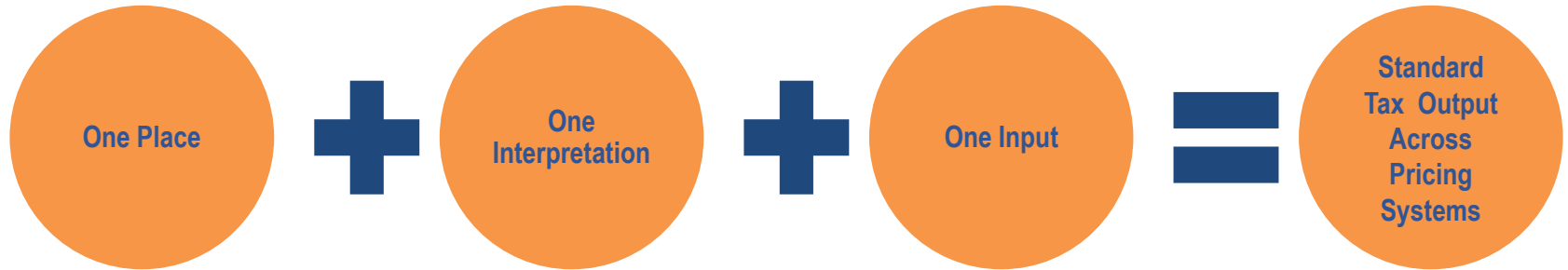
AIRLINE-TERMINAL NOTIFICATION
PROCESS FOR AIRPORT
DEPARTURE / ARRIVAL TAXES




One place for all your tax data filing needs





ATPCO Tax Data Alignment Processes



-  Russian Terminal User Charge Notification (RI tax) for ALL carriers operating to/from Moscow
-  Indian State Registry Notification (K3 tax) for ALL carriers selling India originating travel itineraries
-  Terminal Tax Notification for ALL airports where departure/arrival/transfer/transit tax rates vary by terminal



Global Adoption of the ATPCO Tax Solution



33% of the world's automated tax data is now sourced by ATPCO

System Subscribers in Production	Ticket Taxes	Ancillary Taxes
Sabre	X	X
SITA	X	
Amadeus	X (89 markets)	Development Stage
Travelport (Apollo/Galileo/Worldspan)	Testing	X
Datalex	X	
Farelogix	X	X
Google	X (all except Canada)	
Sirena Travel	X	
C-Trip	X	
Vayant (PROS)	X	
Travelsky	Projected 3Q 2018	
Expedia	X	







Agile Solutions for Complex Tax Processing

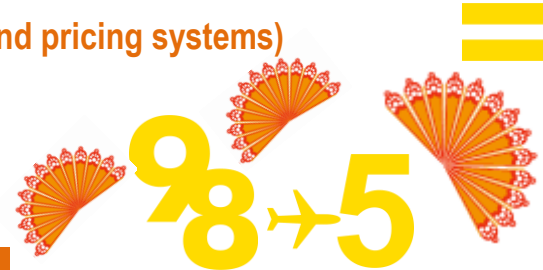


Agile Tax Solutions



New Processes to comply with Tax Legislation

-  Industry aligned turnaround logic for global tax processing
-  US Tax processing based on TTBS stopover logic versus the traditional fare component logic
-  Proration of domestic portion of international travel
-  Faster Time to Market for quickly changing tax legislation requiring new automated capabilities
 - 2017: New Indian GST regime (B2B processing in discussions with GDS and pricing systems)
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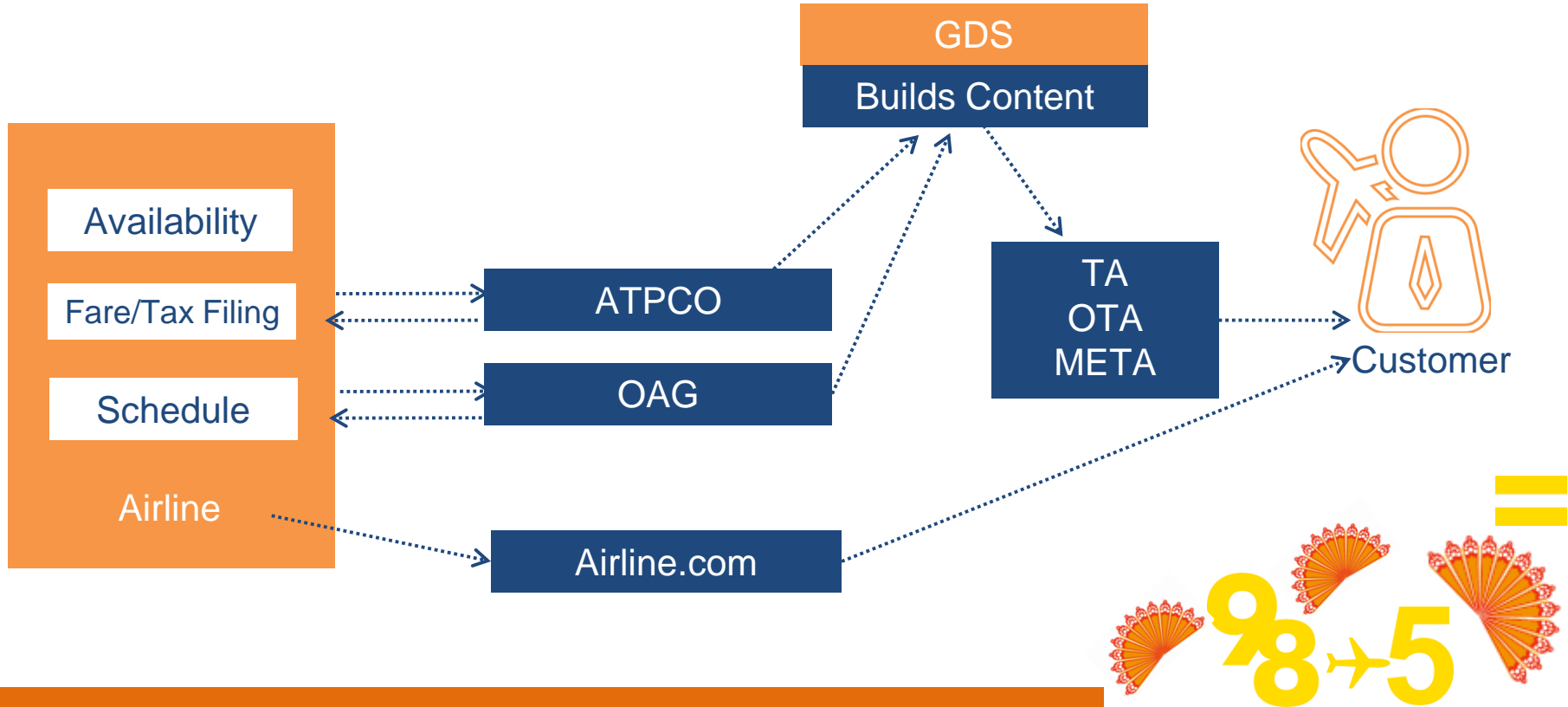




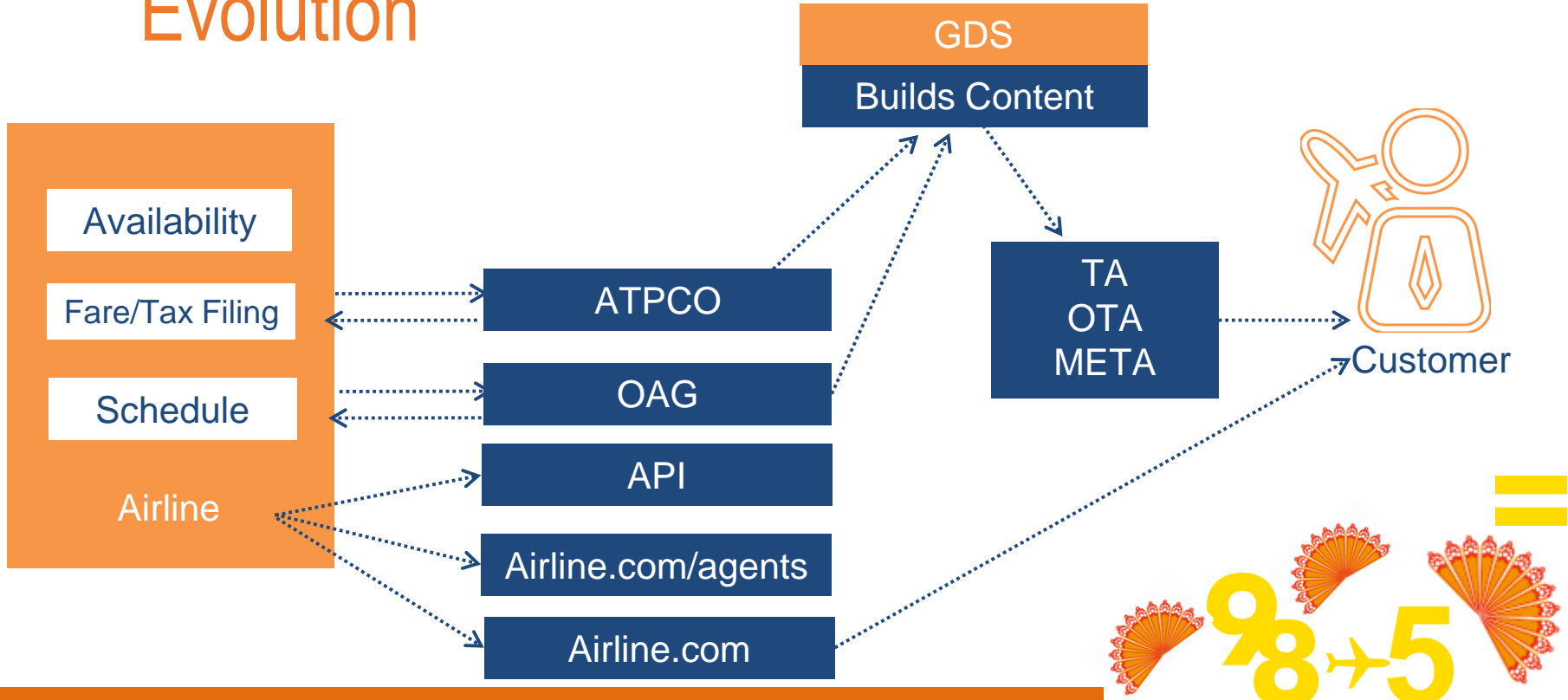
Distribution Revolution -NDC



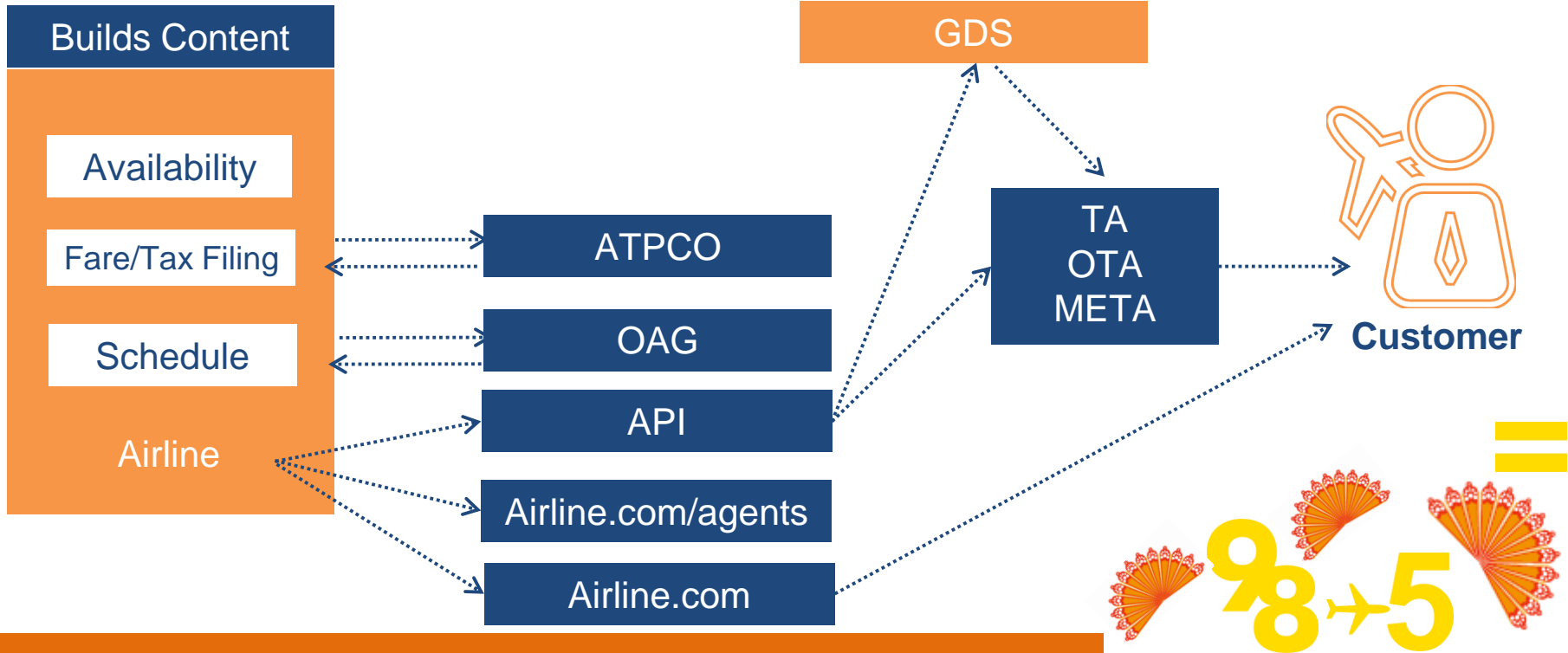
Airline Distribution



Airline Distribution Evolution



Airline Distribution Future State





SELLERS

SUPPLIERS



Universal Message Translation
(Version and Format Agnostic)
Industry Owned and Trusted

API Management | Pricing Data Enrichment | Airline Profile | Government Compliance

How it Works





Key Benefits

Aggregators use industry-aligned tax data

Connect to non-traditional distribution points of sale, experiencing data consistency across industry sales channels

Stay current with NDC

Reduce your development time and get your offers to market faster when you access real-time translations from any industry standard schema to the latest version of IATA's NDC message format

Faster time to market tax solutions

A single automated source of IATA TTBS data providing processing efficiencies and consistency across pricing and shopping system subscribers





Thank you!

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Meet the Experts

TAXATION

Future of Financial Compliance





Meet the Experts – TAXATION :

Future of Financial Compliance

Moderator:

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