

AIG

The Need for Automation and Risk Mitigation in International Compliance

The Challenge for AIG

AIG grappled with a collection of complex spreadsheets for Outside Basis (APB 23/ASC 740-30) data collection and calculation—resulting in lost time, redundancy, added cost, and elevated risk in their process. They faced:

- Manually maintaining and updating Excel®-based calculations
- Lack of workflow limiting their ability to track data
- Inadequate security around tax-sensitive data
- Duplicative data input, data mapping, and setup
- Manual reconciliation back to CSC Corptax® Compliance
- Limited reporting and analysis capabilities

AIG engaged Corptax Professional Services to help them use Corptax International Compliance and Corptax Provision workpapers to standardize and automate their U.S. Shareholder Outside Basis process and solve security and control challenges inherent in their Excel process.

Collaborative Consultation

Working closely with several AIG groups, Professional Services reviewed AIG's existing process to define their requirements for an automated solution, and identified automated workpapers to replace a significant portion of AIG's Outside Basis process.

According to Gulom Narmuratov, Associate Director, AIG, "It was pleasant to work with the Professional Services group of Corptax. SMEs from Corptax are knowledgeable in multiple areas of the software, including provision workpapers, international processing, and Outside Basis, which helped foster successful collaboration during different phases of the project."

"It's challenging to find comprehensive international tax software that's also a capable ASC 740 provision software able to accommodate intricate outside basis framework. Corptax can do just that."

—Anna Rubinstein, Tax Director of
U.S. International Reporting, AIG

Client Profile

American International Group, Inc. (AIG) is a leading international insurance organization serving customers in more than 100 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through an extensive worldwide property-casualty network and are leading providers of life insurance and retirement services in the U.S.



Using a Single System in Multiple Ways

The Corptax solution includes data collection schedules, calculation schedules, and diagnostic and analytic reports. With entity data and attributes in one place, AIG can use the power of the Corptax calculation engine to eliminate the risk of using erroneous data and the time and cost associated with exporting data out of Corptax into spreadsheets.

Corptax provides end users with a streamlined workflow process, decreasing man-hours and enabling status tracking and real-time collaboration with Tax and Finance. Further, using Corptax security substantially cuts the risk of input errors.

By moving data collection for Outside Basis entities into Corptax, users all over the world can work on the provision simultaneously. AIG now has clear audit trails and a simplified workflow with preparer/reviewer sign offs—giving AIG needed controls for SOX compliance.

Web-based data collection lets AIG:

- Replace numerous Excel attachments in email
- Consolidate separate Excel files and calculations

The web-based solution furnishes extensive security controls to:

- Prevent unauthorized user access
- Provide detailed audit trails of inputs and changes

Corptax functionality enables AIG to:

- Automate pre-population of source data
- Perform comparative reporting and analysis
- Use automated international calculations for Subpart F Dividends, Cash Dividends, and Section 78 Gross Up and Exchange G/L on PTI

“We’re already seeing significant benefits, such as increased efficiency, accuracy, and ease of review—and I believe there’s much more potential to unlock,” said Anna Rubinstein, Tax Director of U.S. International Reporting for AIG.

As a result of benefits achieved, AIG continues to work with Corptax Professional Services in an ongoing effort to automate and improve processes as they strive to reduce risk and gain time for value-added analyses.

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