



Are tax accounting
vulnerabilities putting
your company at risk?



Heightened scrutiny spurs companies to call on Crowe's tax accounting expertise.

In an ideal world, *Financial Accounting Standards Board Accounting Standards Codification*[™] (FASB ASC) Topic 740, "Income Taxes," would be easily understood. The business world, however, is riddled with increasing complexity, and income tax accounting deficiencies may keep many chief financial officers up at night. Crowe Horwath LLP provides a comprehensive suite of services – cosourcing, consulting, and outsourcing – to help management reduce the risks facing businesses today.

Tax accounting inadequacies lead to additional headaches.

Income taxes. More and more, they can weigh on the minds of CFOs.

- Do you understand what drives your effective tax rate?
- Are multistate or international operations creating issues with your tax processes?
- Do you have the right personnel to handle complex and often voluminous calculations?

The risks can be considerable.

Misrepresentation of taxes on financial statements can cascade to expensive and time-consuming restatements.

The pressures aren't letting up due to the scrutiny of Sarbanes-Oxley requirements, along with continual changes in accounting standards and tax laws. Many companies choose to rely on Crowe's expertise to help them alleviate the headaches and avoid material weaknesses in this area.

Call on Crowe to help you reduce tax accounting risks.

Experienced tax professionals are in high demand. To address the resource constraints facing many companies, Crowe has a comprehensive range of tax accounting services:

- **Cosourcing or loan staffing.** Your company might have qualified personnel, but not enough of them jeopardizes getting the tax provision done accurately and on time.
- **Consulting services** (including compliance with requirements for accounting for income tax uncertainties). Even if personnel are not an issue, you might need improved processes. Crowe provides high-level consulting skills to help you enhance efficiency and reliability.
- **Outsourcing.** If your tax group is overburdened, outsourcing the entire process to Crowe may reduce your tax accounting risks.

Crowe's approach: melding people, technology, and processes

Crowe starts by evaluating performance in each critical component of your tax accounting function to locate and recommend improved processes that can, in turn, better utilize your people resources.

For example, how long does it take the tax department to compute or confirm income tax expense at each quarter-end? This is a time-sensitive exercise even with the best designed workflow and most qualified personnel. If tax accounting continually results in last-minute surprises or a "reopening of the books," you may not have adequate processes, or the right people involved.

Crowe can identify root causes of persistent tax accounting problems. We can help organizations integrate the appropriate processes, systems, and people to improve accounting for income taxes on an ongoing basis. Our services are flexibly tailored to meet each organization's unique needs, whether for staffing resources, technical expertise, or outsourcing the entire tax provision process.

Examples of companies benefiting from Crowe's guidance:

An agribusiness called on Crowe to address its material weakness surrounding the company's reporting for income taxes. Crowe provided technical consulting services to resolve problematic areas, improve tax processes, and educate the company's people on preparing reliable tax provisions.

A multibillion-dollar manufacturing company, which had been using a Big Four provider for both attest and tax functions, utilized Crowe for tax services. Crowe's experienced tax professionals assisted with tax functions the other service provider could not deliver due to independence issues.

A large home healthcare organization asked Crowe to address its risks related to income tax accounting. Crowe's tax professionals helped the public company with tax provision calculations, evaluation of controls, and improved processes for greater efficiency.



Contact Information

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To learn why companies are turning to Crowe as The Unique Alternative to the Big Four, visit us online at www.crowehorwath.com.

Your trusted, independent source of tax accounting talent

Auditor independence rules have spurred a number of companies to separate their professional providers of tax services from those performing the attest function. As a consequence, an increasing number of organizations are turning to Crowe.

Crowe has professionals dedicated to delivering excellent tax and tax accounting services. Depending on the needs of your organization, Crowe can leverage its expertise in international, federal, state, local, and other specialty tax areas.

About Crowe Horwath LLP

Crowe Horwath LLP is one of the largest public accounting and consulting firms in the United States. Under its core purpose of "Building Value with Values[®]," Crowe assists public and private company clients in reaching their goals through audit, tax, advisory, risk, and performance services. With 26 offices and 2,400 personnel, Crowe is recognized by many organizations as one of the country's best places to work. Crowe serves clients worldwide as an independent member of Crowe Horwath International, one of the largest networks in the world, consisting of more than 140 independent accounting and management consulting firms with offices in more than 400 cities around the world.

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