

- **IKON Optimizes Performance with PTMS**
- **Less Time on Compliance Tasks, Greater Focus on Value-Added Activities Translates to Hundreds of Thousands of Dollars in Savings**



"We now spend far less time on compliance tasks and instead focus on value-added activities which save hundreds of thousands of dollars."

Brian Fichtel, Manager, Property Tax and Business Licenses at IKON

About IKON Office Solutions

IKON Office Solutions markets innovative document management systems and services throughout the United States, Canada, and Europe. From roughly 300 U.S. locations, it offers a broad portfolio of products and services to streamline document workflow and enhance customer efficiency.

Business Issues

IKON's primary property tax challenge was the need to file several thousand returns each year for fixed and leased property. Before optimizing their processes with PTMS, four people spent roughly 40% of their time—3,200 man hours—to perform the activities related to tax return generation. These tasks included obtaining source data; managing additions, deletions, and transfers; accurately classifying and depreciating assets; populating tax returns; and other duties.

IKON's struggles were not limited to tax returns. Accruals were also problematic because they were too time consuming and ended with large variances from the actual taxes. They spent several hundred hours on tax forecasting and accruals. When the bills came back, the variances averaged 20%–25%.

IKON's payment process also needed to be addressed. They continually struggled to identify bills they had not received from the collector. As a result, IKON incurred penalties and interest on an annual basis—"We were processing the mail as it arrived thus we were very reactive and not proactive," said Brian Fichtel, Manager, Property Tax and Business Licenses at IKON.

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<p>Tax Headquarters</p> <p>Houston, TX</p> <p>Locations</p> <p>300</p> <p>Returns</p> <p>2,000</p> <p>Tax Bills</p> <p>2,100</p> <p>Customer Since</p> <p>2003</p>

Streamlining Processes with PTMS Property Tax Software

"Having worked in high volume operations in the past, I wanted to take advantage of PTMS's strengths and reengineer our processes. We were wasting too much time on compliance tasks and not spending enough time on tax minimization functions," said Fichtel.

"As a first step I wanted to eliminate the inefficiencies which plagued our tax return generation process by using PTMS's jurisdictional tax data and table updates to ensure we were accurately reporting property; performing and saving manual adjustments to source data; and letting PTMS automatically reconcile our additions, deletions, and transfers. It paid off because we have reduced the time spent on activities related to tax return generation to about 150 hours of work—that's 97% less time," noted Fichtel. "Since many filing activities can now be handled by one person we have eliminated overtime, and we are also filing our returns three to four weeks ahead of schedule, on average."

IKON then turned their attention to the tax payment processes and achieved similar results. "Tax bills are now processed and submitted to AP for payment three to four weeks ahead of schedule. Penalties and interest have been virtually eliminated because we can now easily identify missing tax bills.

The forecasting and accruals process has also been streamlined. "We now spend a much smaller percentage of our time creating, reviewing and reconciling accruals. Greater accuracy has also been achieved by using local tables and jurisdiction tax rates to forecast both values and tax. Variances now average 3%–5%, which are falling into line with typical jurisdictional rate increases."

The additional time savings has allowed IKON personnel to focus on tax minimization strategies such as Freeport exemptions, real estate appeals, and even other disciplines such as license compliance. "We now spend far less time on compliance tasks and instead focus on value-added activities which save hundreds of thousands of dollars."

See How PTMS Can Optimize Your Performance and Save Time and Money on Your Property Taxes

For additional information on how to improve your property tax processes with PTMS, or to see an interactive demonstration, contact us today. You can reach us by telephone at 858-547-4100, or visit us on the Web at www.taxcomp.com.

