

SUCCESS STORY

Durable Medical Equipment

Sovos substantially eased Durable Medical Equipment's compliance burden, freeing tax and finance staff to focus on important growth-oriented tasks.

The Company

Durable Medical Equipment provides quality medical devices, products and services to patients recovering from surgery and injuries or suffering from chronic health issues. DME grosses over \$100 million in annual sales. The company has relied on Sovos Compliance's technology and tax research to fulfill its compliance requirements for over 16 years, growing exponentially and making numerous acquisitions throughout this period.

The Challenge: Keeping Up To Date

Prior to implementing Sovos solutions, DME's key personnel were burdened with the task of manually inputting tax rates and researching ever-changing tax laws that impacted 13,000 state and local jurisdictions.

This took up an estimated 50 percent of employees' time and proved to be ineffective, greatly decreasing reporting accuracy and increasing audit risk. DME's frequent acquisitions also created further challenges for the company as it fought to stay on top of compliance internally.



"Prior to implementing [Sovos Sales & Use Tax], I was spending 50% of my time manually inputting tax rates and researching tax law changes. Now, I spend less than 5% of my time on sales and use tax-related issues. If it wasn't for [Sovos], the increased workload from the acquisitions of other companies would have been much more difficult."

-- Sales & Use Tax Supervisor

The Solution: Sovos Sales & Use Tax

Sales and use tax compliance is especially challenging in the medical device industry. DME selected Sovos as its solution provider because it understands these challenges and supports robust tax content geared toward specific verticals. The Sovos tax engine was designed to simplify compliance and provide automation that accounts for various device types, the presence or absence of prescriptions, the identity of the payer and the customer, and a number of other factors tailored to the user.

The Results

The Sovos Sales & Use Tax solution freed up more than 95 percent of DME's time and resources. Automation allowed the company to continue growing and gave it the freedom to optimize its resources.

DME's partnership with Sovos Compliance substantially eased its compliance burden, increased accuracy and freed up tax and finance personnel to focus on more important, growth-oriented tasks. As a result, the staff was able to make more concrete contributions toward the company's growth and success.

BUSINESS CHALLENGES

- › Sales and use tax compliance was eating up a large portion of the Durable Medical Equipment tax and finance teams' time.
- › DME did not have the internal resources to internally conduct regulatory research and implement necessary updates to its filing process.

SOLUTION

- › Sovos offered automation of the complete, end-to-end compliance process.
- › The robust Sovos tax engine and wealth of content geared specifically toward the medical device industry accounted for and met all of DME's specifications.

BENEFITS

- › The Sovos Sales & Use Tax solution improved DME's reporting accuracy, simplified the entire process and gave it the freedom to optimize its internal resources.
- › DME has been able to grow continually, supported throughout by Sovos' scalable solution that met the company's constantly expanding requirements.

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