Albert Lee Appliance Plugs Into Sales Tax Reform With Sage 100 ERP Sales Tax

Selling household appliances like refrigerators, stoves, washers, and dryers can be more fun than you might think. Simply take three generations of family, mix in a catchy jingle, and spice it up with great service, and you'll get Albert Lee Appliances' recipe for success.

With four locations around Seattle, Albert Lee is the largest independent appliance dealer in Washington. And while a lot has changed throughout its 70 years in the business, perhaps the most significant change in recent history was a shift in sales tax legislation. Seemingly overnight, Albert Lee went from manually calculating sales tax for just four locations to potentially hundreds of jurisdictions—all within the state of Washington.

A Shocking Change

When Washington state adopted the Streamlined Sales and Use Tax initiative in 2008, Albert Lee realized its sales tax work was going to get a lot more complicated. Specifically, the new laws shifted nexus from place of shipment (one of Albert Lee's stores) to place of destination (Albert Lee's customer locations). What used to entail a small handful of manual tax calculations suddenly turned into potentially hundreds.

"Previously, we'd calculate and track sales tax manually since there were only a few different rates to consider," says Albert Lee controller Steve Kane. "But to meet the requirements of the new law, we needed to implement a different approach. I recognized that setting up hundreds of new tax codes and staying on top of ever-changing tax law was going to be an administrative nightmare."

Surging Ahead With Sage 100 ERP* Sales Tax by Avalara

That's when Kane turned to The Macabe Associates, Albert Lee's Sage Business Partner. A consultant at Macabe suggested plugging in to Sage 100 ERP Sales Tax by Avalara—an end-to-end sales tax automation suite that's fast, accurate, affordable, and plugs right into Sage 100 ERP.

*Sage 100 ERP was named Sage ERP MAS 200 when Albert Lee Appliance initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Customer
Albert Lee Appliance

Industry
Wholesale and Retail Appliances

Location
Seattle, WA

Number of Locations
Four

Number of Employees
100

System
Sage 100 Advanced ERP

Challenge

Independent appliance dealer saw the potential for its tax calculation workload to increase exponentially with the incorporation of new Washington tax laws.

Solution

Sage 100 ERP Sales Tax by Avalara, an end-to-end sales tax automation suite that's fast, accurate, affordable, and plugs into Sage 100 ERP.

Results

Sage 100 ERP Sales Tax calculates and enters the correct sales tax information based on the ship-to address—all in real time. Software updates, tax rates, and jurisdictional changes happen automatically.

According to Mary Abdian at Macabe, "We've partnered with Avalara on numerous successful Sales Tax implementations. Since Albert Lee was already running Sage 100 ERP, we felt confident that Sales Tax would be a perfect fit and provide the accuracy and efficiency in sales tax management they were looking for."

Efficiencies That Are Simply Electric

According to Kane, "Sales Tax plugged right in to Sage 100 ERP, and it was a cinch to set up and get started. In fact, once Sales Tax is set up, everything else just happens behind the scenes." Today, Albert Lee representatives pull up a customer in Sage 100 ERP, enter transactions in Sales Order Entry, and Sales Tax automatically calculates and enters the correct sales tax information based on the ship-to address—all in real time. "It's fast, accurate, and a tremendous time-saver," says Kane. "Plus, all software updates, tax rates, and jurisdictional changes happen automatically in Sage 100 ERP Sales Tax, so we don't need to worry about doing research to stay on top of ever-changing rules and rates."

Auditors Get a Charge Out of It

One might think that a small business selling only within its state wouldn't need powerful sales tax automation software like Sage 100 ERP Sales Tax . . . but that simply isn't the case. In fact, Kane says, "Our average transaction is about $2,000, which means the state audits us regularly. In fact, we see them so often that we're on a first-name basis with a couple of the auditors."

Kane adds, "But in talking with an auditor recently, the conversation turned to our sales tax processes. When I told her that we were using Sage 100 ERP Sales Tax by Avalara, her response was, 'it is the gold standard, and you have nothing to worry about.' That made me feel really good and even more confident that we selected the right product."

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>
> Steve Kane, controller
> Albert Lee Appliance

Kane adds, "Our first tax return after the new legislation was implemented comprised 90 different tax jurisdictions; that would have been a lot to manage manually. But Sage 100 ERP Sales Tax handled it all beautifully."

"Some might say our sales tax audits are boring . . . but from my standpoint, boring is a good thing," Kane jokes. "Sage 100 ERP Sales Tax makes everything simple and uneventful, which is how we like it."

About Sage

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