

Checklist

What to Look for in a Fuel Tax Reporting Solution



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The Data Most Teams Don't Realize They're Missing

Selecting a tax reporting solution often starts with automation promises. But for complex excise taxes – especially fuel – accuracy depends less on automation and more on whether the right data exists, in the right form, at the right time.

Use this checklist to evaluate whether a solution can support accurate filings today – and scale as your business grows.

1. Data Completeness: Beyond Basic Transactions

A tax reporting solution should do more than extract totals.

Look for the ability to retain and interpret:

- ☐ Transaction relationships (buyer, seller, carrier, position holder)
- ☐ Movement and ownership context—not just volume
- ☐ Product attributes that affect taxability (e.g., blending, dyed fuel, exemptions)
- ☐ Jurisdiction-specific details required for reporting and audit support

Ask yourself:

Does the solution preserve the full context of each transaction, or does it collapse under the complexity too early?

2. Transformation vs. Extraction

Not all tax solutions handle data the same way.

Look for clarity on:

- ☐ How raw transactional data is transformed into tax-ready logic
- ☐ Whether business rules are applied dynamically or hard-coded
- ☐ How exceptions are handled without manual workarounds
- ☐ What happens when required data is missing or inconsistent

Ask yourself:

Does the solution simply extract data—or does it actively prepare data for accurate reporting?

3. Readiness Before Filing

Errors often surface too late—after returns are already created.

Look for:

- ☐ Validation checks before filings are generated
- ☐ Visibility into data gaps or inconsistencies early in the process
- ☐ Tools that help teams identify risk before deadlines
- ☐ Clear indicators of whether data is “filing-ready”

Ask yourself:

Does the solution simply extract data—or does it actively prepare data for accurate reporting?

4. Operational Reality and Scalability

A solution that works today should still work as complexity increases.

Evaluate:

- ☐ Implementation effort and time to value
- ☐ Ongoing reliance on professional services
- ☐ Flexibility when adding new states, products, or business models
- ☐ How much manual intervention is required month over month

Ask yourself:

Will this solution reduce effort over time—or require more work as we scale?

5. Auditability and Defensibility

Tax reporting doesn’t end when a return is filed.

Look for:

- ☐ Traceability from reported values back to source data
- ☐ Clear documentation of how tax was calculated
- ☐ Support for audits, amendments, and inquiries
- ☐ Confidence that reported numbers can be explained—not just submitted

Ask yourself:

Could we confidently defend our filings three months – or three years – from now?

6. Fit for Excise and Fuel-Specific Complexity

Generic tax solutions aren't always designed for excise use cases.

Confirm the solution can handle:

- ☐ Complex excise structures and reporting requirements
- ☐ Industry-specific scenarios without custom builds
- ☐ Regulatory change without reimplementation
- ☐ Real-world operational nuances, like transloading, diversions, and flash titles, not just ideal data

Ask yourself:

Was this solution designed with excise complexity in mind—or adapted to it later?

Final Thoughts

Many tax reporting challenges don't stem from effort, staffing, or even systems—they stem from **missing or oversimplified data**.

The right solution doesn't just automate reporting.

It ensures the data behind every filing is complete, accurate, and ready before returns are ever created.

If these questions raised concerns, it may be worth reviewing how your current tax solution handles data before your next filing cycle.

**Talk with a tax reporting
specialist about data readiness**