

PRODUCT TAXABILITY REVIEWS | FOR CPA & ACCOUNTING FIRMS

Give Every Client's Product Catalog a Defensible Answer.

A taxability answer for every product in the catalog, across every state, delivered by your firm.

Whether a product is taxable depends on the state, the product category, and how the item is described or bundled, and the rules change constantly. SaaS is taxable in some states, exempt in others, and partly taxable in the rest. Bundle a taxable item with an exempt one and the answer can flip. Manufacturing and resale exemptions ride on getting the classification right. Most clients do not catch a misclassification until an auditor does, and by then it carries years of back tax, interest, and penalties.

Exactera and L3i let your firm deliver a complete, defensible taxability matrix for a client's entire catalog. The platform checks every product and service against the rules of more than 10,000 jurisdictions, flags mixed-use, bundling, and exemption situations on its own, and ties every answer to the state law behind it. The finished matrix loads straight into the client's tax engine, so the answers your firm signs off on are the answers the client actually charges. The matrix is not static: every determination and every expert correction is captured, so it sharpens each time your team uses it and the whole firm draws on the same answers.

OUR APPROACH

01

Catalog the Full Universe

List every product and service the client sells, from individual items and bundles to software licenses and digital goods, and match each one to the taxability rules in every state where the client has obligations.

02

Apply Jurisdiction-Specific Rules

Taxability is never one-size-fits-all. The platform applies each state's statutes, exemption categories, and rulings item by item, accounting for bundled sales, the SaaS differences, manufacturing exemptions, and resale rules.

03

Deliver a Defensible Matrix

Every answer is documented in an audit-ready taxability matrix: the classification for each item, the exemptions, the statutory citations, and notes on how you got there, formatted to load straight into Avalara, Vertex, or whatever tax engine the client runs.

WHO WE SERVE

Any client that sells goods or services across several states and needs accurate, defensible answers. SaaS and digital-goods sellers dealing with shifting state rules, along with manufacturers and distributors carrying exemption-heavy catalogs, get the most out of it.

Every product has a taxability answer. Do your clients have theirs?

Compliance Grade AI, Verified by Design

Dean Henderson

GM, Indirect Tax Advisory

dean.henderson@exactera.com