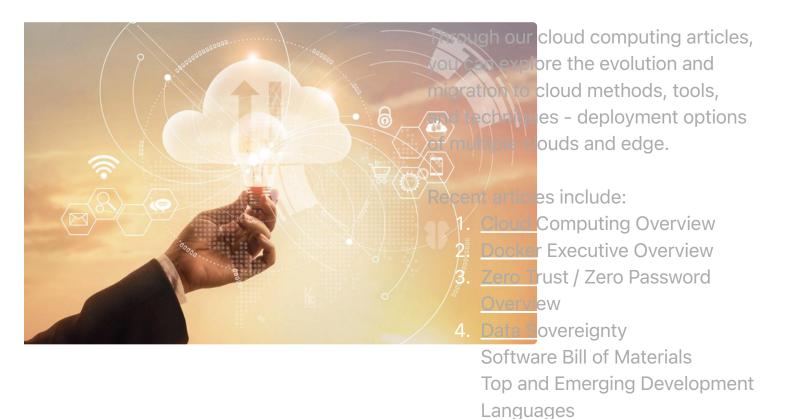
# **Cloud Computing**





### What is it?

Cloud computing is the delivery of on-demand computing services – from applications to storage and processing power – typically over the internet and on a pay-as-you-go basis.

Cloud computing is a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released.

### **How Does it Work?**

Rather than owning their own computing infrastructure or data centers, companies can rent access to anything from applications to storage from a cloud service provider. One benefit of using cloud computing services is that firms can avoid the upfront cost and complexity of owning and maintaining their own IT infrastructure and instead simply pay for what they use, when they use it.

# What is the Competition Doing With It?

All our competitors, like us, are utilizing Cloud Computing as the basis for their offerings.

<u>Avalara's products</u> are hosted in the Amazon Web Services (AWS) Cloud and take advantage of that's cloud technologies. <u>Sovos</u> is a <u>Software as a Service</u> (<u>SaaS</u>) and cloud-first company utilizing AWS. <u>TaxJar's</u> infrastructure is hosted with AWS. Wolters Kluwer also utilizes AWS.



## What is the Potential Intersection With Tax?

There are many enhancements and positive evolutions that Cloud Computing can help with in Tax.

- Increasing Scalability
- Cost Efficiencies

- Pay per use for increased efficiency
- Increased agility to market
- Real time activities
- Transparent Global Coverage

All of the above are increasingly turning into table stakes for all **SaaS** Companies.

With the advances in <u>Edge Computing</u> (as subset of Cloud Computing), this is another area that holds a lot of potential for Tax.

## **Next Steps**

Vertex's Commercial Portfolio is already utilizing Cloud Computing and will continue to evolve its utilization of Cloud Computing on its ongoing journey.

