Audit Sampling Analysis and Evaluation

Ryan's industry-leading Audit Sampling Analysis and Evaluation practice has significant influence on the statistical and non-statistical sampling methods used by many taxing authorities. Our Audit Sampling Analysis and Evaluation professionals work directly with clients on audit sampling issues and support Ryan engagement teams with training and advice, the development of audit sampling plans and evaluation of samples, and the formulation and analysis of population data files in preparation of sampling for auditing. Since 1999, our Audit Sampling Analysis and Evaluation practice has produced or evaluated more than 1,000 sampling plans annually for sales and use tax audits, unclaimed property audits, and federal income tax audits.

Leveraging years of experience comprehending the structure and methodology of audit examinations, we develop strategic tax reduction techniques, such as expanded audit samples, post-audit stratification, and differential analysis. Our combined knowledge of tax law, audit strategy, and methodology, as well as our emphasis on technical expertise, helps guarantee representation that is unmatched by any other firm.

**Overview of Services**

Ryan provides clients with solutions for all of their sampling analysis and evaluation needs, including:

- Evaluation of audit sampling plans and methodologies proposed by state and federal auditors to ensure that our clients' interests are protected during sample audits for transaction taxes, federal tax credits, and unclaimed property liability determinations.
- Design of efficient and effective audit sampling plans for our clients when the audit population consists of a large number of transactions.
- Production of a comprehensive report that documents the development of every sampling plan created by the practice for its clients. The documentation process includes archiving all relevant files and databases, and the ability to replicate all random samples if requested by state or federal auditors.
- Development and implementation of alternative sampling and statistical methodologies where state procedures are nonexistent, inadequate, or insufficient for audit sampling purposes.
- Presentations on sampling and statistical methods appropriate for sales and use tax audits to Ryan clients, auditors, and professional organizations, such as the Council On State Taxation (COST), the Institute for Professionals in Taxation (IPT), Strafford Publications, and the Tax Executives Institute (TEI) webinars on audit sampling.
Results

Ryan’s Audit Sampling Analysis and Evaluation practice has delivered outstanding value and quantifiable results for state governments and a premier portfolio of Fortune 500 companies. Our results speak for themselves:

- Developed the sampling plans and samples that resulted in several $100 million tax refunds for a national microprocessor chip manufacturer.
- Saved a Fortune 50 retailer approximately $4 million in a sales tax audit over a three-year period by resolving sampling issues associated with the audit.
- Assisted an enterprise resource planning (ERP) software company in the recovery of approximately $2 million in additional tax deductions for meals and entertainment expenses filed on corporate federal income tax returns.
- Assisted Calcasieu Parish in the state of Louisiana with the development of sampling plans and the use of the IDEA software applications in the development of those plans.
- Provided comprehensive audit sampling workshops and ongoing follow-up training for the Louisiana Association of Tax Administrators to enhance the technical ability of parish auditors conducting sales and use tax audits in Louisiana.
- Recognized as the leading practice of its kind for demonstrating proficiency in the design and evaluation of audit sampling plans for all states with sales and use taxes.