

ONESOURCE[®]

Case Study

NABORS INDUSTRIES, LTD

Tax professionals across the globe are looking for ways to increase efficiency and improve clarity within their tax reporting processes. A company's provision process is a determining factor in the overall efficiency of their tax life cycle. Investing in software like ONESOURCE Tax Provision can accelerate this process tremendously through seamless consolidation of multiple general ledgers, automation, and on-the-fly configuration. Learn how Nabors Industries, Ltd., a long-time user of ONESOURCE Tax Provision, has utilized the system to increase efficiencies and consolidate tax data from multiple global entities and general ledger systems.

OVERVIEW

Nabors has been a ONESOURCE Tax Provision client since February of 2006. As a client, Nabors has relied on ONESOURCE Tax Provision to provide solutions for the challenges facing its tax department. The decision to implement ONESOURCE Tax Provision has provided a huge benefit to its tax department, especially considering Nabors' large number of entities around the globe.

ONESOURCE Tax Provision was a huge advantage over the manual process that was previously in place for this relatively small tax department. With the goal of further automating their processes, the oil and gas driller next implemented the Active Workpapers module of ONESOURCE Tax Provision in the United States and Canada, so they could easily embed their custom calculations from their workpapers directly into the provision software. Plans include incorporating the module to their other offices around the globe.



STORY

Consolidating multiple GLs and automating the provision process and workpapers were the key goals of Nabors in purchasing ONESOURCE Tax Provision. In addition, its auditors had been encouraging them to eliminate manual spreadsheet calculations, and begin working with an SAS70 compliant platform.

Due to its large number of entries and custom calculations, ONESOURCE Tax Provision provided Nabors with the ability to consolidate data from its GLs in a fraction of the time it took to complete the calculations manually.

Nabors is now a heavy user of the system, and uses ONESOURCE Tax Provision for both quarterly and annual provisions. With the assistance of the Active Workpapers module, Nabors reports increasing their domestic provision automation from 60% to greater than 80%.

In addition, Nabors uses several other Thomson Reuters products. This oil and gas driller was one of the first clients to integrate ONESOURCE Income Tax and ONESOURCE Tax Provision, even before the acquisition of TaxStream, LLC by Thomson Reuters.

SPOTLIGHT ON NABORS INDUSTRIES, LTD

Nabors Industries, Ltd. is one of the largest oil and natural gas drillers located in the United States and various international locations. Nabors is a publicly traded company and is listed in the S&P 500.

COMPANY SNAPSHOT

- Energy & Utilities Industry

December Fiscal Year-End

- 2010 Revenue: \$4.22B
- 2010 Employees: 23,412

Provision Specifics

- State provisions are individually calculated
- 606 States
- 55 Entities with 109 Foreign
- Implementation completed as a coordinated effort between ONESOURCE Tax Provision and an in-house system.

Global Provision Software

- Active Workpapers module of ONESOURCE Tax Provision
- ONESOURCE Tax Provision

U.S. Tax Return Software

- ONESOURCE Income Tax



NABORS INDUSTRIES LTD KEY TIME SAVINGS STATISTICS		
	BEFORE	ONESOURCE TAX PROVISION
DOMESTIC PROVISION	Completed in 7 Days	Completed in 1 Day
	30% automated M-1s	+ 80% automated M-1s
INTERNATIONAL PROVISION	Completed in 2 to 3 weeks	Completed in 1 to 1.5 weeks
	0% book-tax differences	50% book-tax differences

This chart compares Nabors Industries, LTD's tax provision statistics before and after utilizing ONESOURCE Tax Provision.

INTERVIEW WITH MARK MORROW

TAX MANAGER AT NABORS INDUSTRIES, LTD

What provision-related challenges were you facing prior to migrating to ONESOURCE Tax Provision?

"Prior to our migration to ONESOURCE Tax Provision, our quarterly provision exercise tended to be excessively time consuming and prone to last minute surprises. Pre-ONESOURCE Tax Provision, our provision was Excel-based and this tended to contribute to unwanted surprises and a rather haphazard and time-consuming review process."

What business issues were you hoping to solve by migrating to dedicated tax provision software?

"Accuracy, consistency, transparency and upgradeability."

What aspects of your tax process have been automated as a result of using ONESOURCE Tax Provision?

"With the exception of our Canadian future rate reductions and uncertain tax positions, which we will look into automating in the future, all other provision related processes have been automated using ONESOURCE Tax Provision."

What has been the most valuable part of switching to ONESOURCE Tax Provision?

"The greatest value would be related to greater accuracy, consistency and transparency. Our internal and external reviews are now more substantive and issue-based."

INTERESTED IN FINDING OUT HOW ONESOURCE CAN HELP YOU?

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