

## Issues Arising from the Integration of Industry, Finance and Taxation in the Application of Child King Enterprise

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**Abstract:** Nowadays, the enterprise's understanding of financial management is not limited to its role in the financial department, financial management is gradually becoming the mainstay of the enterprise, running through the management and development of the whole enterprise. Therefore, large, small and medium-sized enterprises have set up financial sharing centre, integrate industry with finance and even tax, scientific management, so that it is more in line with the requirements of the times. This paper takes the Child King Children Co., Ltd. as an example, discusses how enterprises should implement the integration of industry finance and tax, analyzes the problems that still exist in the integration of industry finance and tax, and puts forward corresponding countermeasures and suggestions.

### 1. Introduction

The integration of industry, finance, and tax refers to the collaborative management behavior in which enterprises, based on tax planning requirements, integrate business, financial, and tax activities by mining data, disseminating information, and sharing information. On the basis of legitimate operations, they utilize financial means, tax policies, legal tools, etc. to comprehensively improve efficiency, reduce costs, and achieve maximum enterprise value from the aspects of planning, decision-making, organization, control, and evaluation<sup>[1]</sup>. Realizing the integration of industry, finance, and taxation can make various decisions in financial management more feasible and better implemented. However, in practical work, there are many financial personnel who do not deeply understand and listen to the various problems and difficulties encountered by business departments in the complex and ever-changing business environment, and do not understand the business problems, resulting in their inability to truly participate in operational management and provide more effective support for the survival and development of enterprises.

### 2. Implement the Requirements for the Integration of Industry, Finance and Taxation

The implementation of the integration of industry and finance mainly requires the following three aspects:

#### 2.1. Requirements for Business Personnel

As the business personnel of the enterprise, its job requirements are to complete the performance indicators distributed by the department and improve the sales revenue of the enterprise. The implementation of the integration of industry finance and taxation makes business personnel not only need to meet customer needs in one direction, but also need to master some financial management knowledge, have certain business thinking and risk awareness, and clearly understand that the development of business is not only to create value and profits for the company, but also to

control risks and reduce losses for the company. At the same time, business personnel also need to take the initiative to approach financial personnel and communicate in a timely manner. Only in this way can we better enhance our business capabilities and maximize business value.

## **2.2. Requirements for Financial Personnel**

As a financial staff of an enterprise, it is also an important bridge to implement the integration of industry finance and taxation. It is necessary to change from accounting to management accounting in a timely manner, take the initiative to approach the business, put themselves at the front of the business, constantly learn business related knowledge, fully understand the status quo of the business operation of the enterprise, and communicate with the business department in a timely manner, so as to cooperate with the business department to jointly improve the business ability of the enterprise. In addition, financial personnel also need to understand the market environment in real time, prepare the budget for the business department, and avoid unnecessary waste of resources. Moreover, financial personnel should also build a bridge with tax personnel, understand basic tax knowledge, provide tax personnel with correct financial data, reports, etc., and strictly follow tax accounting laws, regulations and policies.

## **2.3. Requirements for Tax Officers**

As the tax personnel of enterprises, it is necessary to accurately calculate the tax payable of enterprises, and strive to reduce the tax burden of enterprises within a reasonable range and improve the economic benefits of enterprises. On the one hand, the implementation of tax work is based on the implementation of financial work, so tax personnel also need to reserve financial management knowledge to avoid a series of problems caused by differences in financial and tax accounting. On the other hand, tax personnel should also have a proper understanding of business activities, especially the connection between business and finance, so as to better grasp the overall situation and lay the foundation for the development of enterprise tax activities. Finally, tax personnel also need to pay attention to a number of tax policies issued by the State Administration of Taxation, and timely adjust the tax management decisions of enterprises.

## **3. The Significance of Implementing the Integration of Industry, Finance and Taxation**

The implementation of the integration of industry, finance and taxation has the following three aspects of significance for enterprises:

### **3.1. Beneficial to Improve the Efficiency of Enterprise Communication**

The integration of industry, finance, and taxation can promote communication among enterprise business, finance, and taxation<sup>[2]</sup>. Especially after the establishment of a financial sharing centre, the responsibilities of the finance department become more segmented, and the processes become more standardized. Business departments and tax departments can simultaneously obtain financial information and make timely adjustments and improvements. Financial personnel can also timely obtain various business information in the market and convert it into financial data, which can be presented to enterprise managers and decision makers more quickly, avoiding communication inefficiency and information lag caused by information asymmetry among various departments. Further improve the enterprise financial system.

### **3.2. Beneficial to Improving the Economic Benefits of Enterprises**

The main goal of enterprises is profitability, and the integration of industry, finance, and taxation can enhance efficiency through timely coordination and communication between departments, transforming business information into financial information, which is beneficial for enterprises to control costs, business volume, budget, and other aspects, and provide timely feedback, ultimately achieving maximum profit<sup>[3]</sup>. At the same time, implementing the integration of industry, finance, and taxation can reduce enterprise management costs, improve enterprise economic efficiency, and simultaneously achieve the maximization of enterprise value.

### 3.3. Beneficial for Reducing Corporate Financial Risks

By ensuring the value realization of enterprises through the above two aspects, the integration of industry, finance, and taxation can supervise and control various production and operation processes of enterprises, especially changes in business, finance, and taxation. In this way, when there is a change in the business, the enterprise can accurately determine whether the change will affect financial indicators, whether it is good or bad, and whether it is compliant, legal, and reasonable for taxation, thereby better reducing financial risks and preventing potential risks.

## 4. The Current Situation and Corresponding Issues of the Integration of Industry, Finance and Taxation in Enterprises

This section takes Kid King Enterprise as an example to introduce the current application status of the integration of industry, finance and tax in the enterprise from four aspects: invoice management, expense reimbursement, tax copying and reporting process, and personnel management, and propose relevant issues.

### 4.1. Company Profile

Kid King Children's Products Co., Ltd. is an innovative new family omnichannel service platform driven by data and operated based on user relationships. Through the integration of online and offline development, it has created a true omnichannel business model around member scenarios to meet customers' all-round consumption needs.

Under such a diversified business model and over 200 accounting entities, Kid Wang has utilized the concept of industry finance tax integration to establish nearly a thousand standardized processes in six categories, designed nearly 20 related information platforms, and dozens of financial sharing personnel can calculate hundreds of store businesses. The voucher automation rate is as high as 98%, which greatly saves manpower and plays a huge role in assisting the company's development.

### 4.2. Current Situation and Corresponding Issues of Invoice Management Application

#### 4.2.1. Centralized Management

The invoice management under the integration of industry, finance, and taxation makes the invoicing rules more flexible. Kid Wang adopts the method of summarizing the invoicing data from stores to branches, and then the branches uniformly upload the invoicing data to the headquarters. The finance department establishes an invoice pool to achieve centralized management of invoice information. At the same time, the business department determines whether marketing is necessary for the operation of each store through screening. The tax department can also pay taxes and fees through monthly summarized invoicing data. As shown in Figure 1:

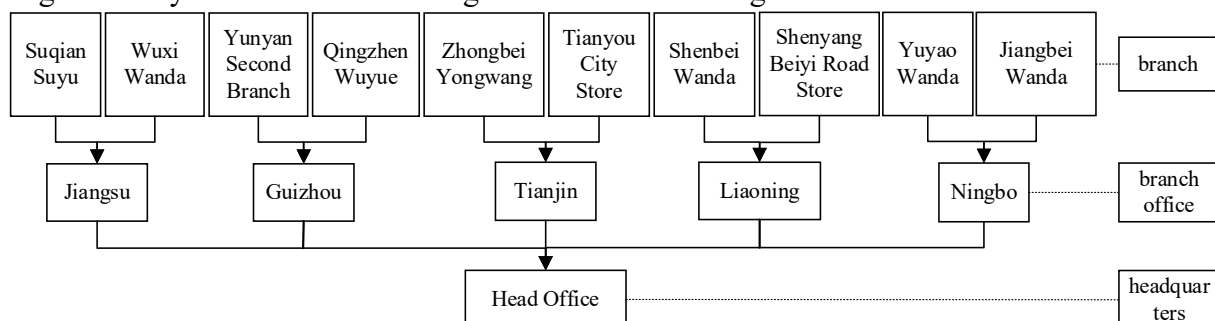


Figure 1 Billing data summary process

#### 4.2.2. Inefficient Invoice Borrowing

The implementation of the integration of industry, finance, and taxation has to some extent improved communication between departments, but the coordination ability between departments still poses certain obstacles to work, especially in terms of bill storage. In terms of bill management, Kid Wang may encounter the problem of some bills being stored in the archives in the form of

paper invoices, while others are stored in the financial sharing centre in the form of electronic invoices, which makes it difficult for both business, finance, and When tax personnel borrow invoices, they often encounter the phenomenon of running from one end to the other, which increases the difficulty of their original work. Ultimately, the reason is that the management departments for invoices do not coordinate with each other, leading to other departments not knowing where the invoices they are looking for are stored, increasing work difficulty and reducing work efficiency.

### 4.3. Current Situation and Corresponding Issues of Expense Reimbursement Application

#### 4.3.1. Automated Reimbursement Process

The integration of industry, finance, and taxation eliminates the need to manually fill out expense reimbursements, but automatically captures tax numbers, amounts, and other information by taking photos and uploading them, avoiding duplicate reimbursements. The system will also automatically classify and organize invoice information, which not only reduces the inspection burden on financial personnel, but also enables them to focus on the dynamics of abnormal invoices. VAT special invoices can also be directly certified and deducted in the system, improving efficiency. As shown in Table 1-2:

Table 1 Reimbursement Information Form.

<b>Reimbursement Form for Missed Meals and Transportation Expenses in the City</b>		
<b>Basic information</b>		
Request No		Application Date
Applicant Name	Application Labor Number	Applicant Department
Creator Name	Voucher Preparation Manual Number	Creator's contact number
<b>Payment information</b>		
Payee	Name of Payee's Account Bank	
<b>Reimbursement Information</b>		
Cost Bearing Department	Cost Attribution Period	Expense Category
Expense Application Type	Project Information	Remaining Budget
Software Project Information	Software Project Phase	
Invoice Issuing Title	Is there a VAT Special Invoice Available	
Total Reimbursement Amount (in figures)	Total Reimbursement Amount (in words)	Posting Date
Reason for Reimbursement		
Attachment Upload		

Table 2 Reimbursement Form Printing Form.

<b>Reimbursement Form for Missed Meals and Transportation Expenses in the City</b>	
Corporate Name	Accounting Voucher Number
Department Name	Application Date
Payment Recipient	Name of Initiator
Reimbursement Type	Currency
Reason for Reimbursement	
Total Reimbursement Amount	Total (in words)
Current Payment Amount	Number of Attachments
Print Date	Creator's Signature

#### 4.3.2. Lack of Management in the Reimbursement Process

The first step in financial management of enterprises is to establish a clear and standardized

management system. The integration of industry, finance, and taxation can certainly help enterprises better manage their departments, but this integration also needs to be implemented based on a sound management system. At present, many enterprises still have omissions in the management of industry, finance, and tax personnel: for example, when financial risks arise in enterprises, departments shift responsibility to each other, and the responsibility attribution system is not clear; Lack of comprehensive response methods when project implementation exceeds budget; The imperfect expense reimbursement system has led to the phenomenon of disorderly reimbursement. Therefore, only by establishing a sound, standardized and strict management system can we ensure the implementation of the integration of industry, finance and tax, and improve the economic benefits of enterprises.

#### 4.4. The Current Situation and Corresponding Problems in the Application of Tax Copying and Reporting Processes

##### 4.4.1. One Click Declaration

Kid Wang collaborates with a third-party Cai yun tong platform to conduct unified tax copying and reporting work. The platform will automatically capture the data of tax types that need to be declared in the electronic tax bureau before monthly tax reporting, generate tax declaration work drafts, and perform one click declaration, greatly reducing the workload of tax personnel. For small taxes such as stamp duty, fund, and consumption tax, when building a tax sharing platform, we will work with the business department to sort out the source of the business, identify the tax related links in each process, and then connect data with the sharing platform to ensure that tax payment is based on evidence and paid according to the facts. As shown in Figure 2:

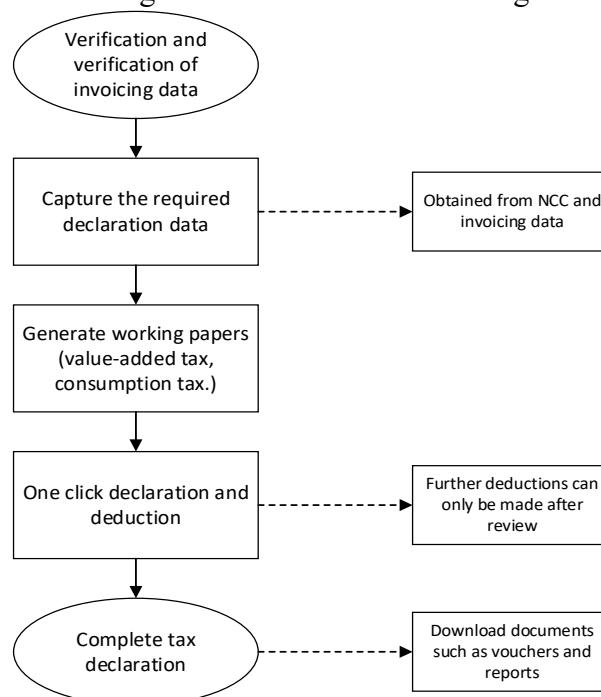


Figure 2 Process of tax submission

##### 4.4.2. Data Crawl Error

Although the integration of industry, finance, and tax can greatly reduce the burden on tax personnel and workload, the automatic data retrieval function of third-party platforms still needs to be improved: for example, when extracting data, it is easy to encounter unrecognizability, identity verification failure, invalid data, etc. This makes it difficult for tax personnel to declare and pass the tax declaration with one click, not only increasing time costs, but also bringing new tax declaration problems. Reviewers should also be more cautious and careful when reviewing the declaration form compared to before, to prevent the occurrence of errors and omissions.

## **5. Countermeasures and Suggestions for the Integration of Industry, Finance and Taxation**

### **5.1. Strengthen Departmental Coordination and Communication**

Strengthening communication between departments is the most efficient and necessary way to coordinate departmental work, and also one of the guarantees for the smooth implementation of the integration of industry, finance, and taxation. Firstly, enterprises can regularly or irregularly hold departmental level discussions based on their own situation, summarize and inventory any communication difficulties or difficulties that have occurred over a period of time, and propose solutions for implementation. For difficulties that still cannot be solved, they can be directly reported to the management for unified decision-making. Secondly, enterprises can organize employees to study in other departments and understand the workflow of other departments, in order to better lay the foundation for coordinating work.

### **5.2. Improve the Reimbursement Management System**

Establishing a sound, strict, standardized, and complete management system, clearly dividing the functions of each position, and implementing the responsibilities and risks undertaken are the cornerstone for enterprises to implement the integration of industry, finance, and taxation. First of all, improve the responsibility attributing system. When the enterprise risk again, it can quickly locate the root of the problem and clear solutions; Secondly, clarify the budget management system. It control the project budget within the acceptable range, beyond the scope except for special circumstances will be rejected; Finally, the expenses reimbursement system should be strictly managed, verbal warnings should be given for disorderly reimbursement, and certain administrative penalties should be given to serious violators.

### **5.3. Improve Data Capture Programs**

Effectively improving the platform's data capture function and improving data accuracy is the prerequisite and foundation for successfully completing tax copying and reporting. Enterprises can hold regular meetings with third-party platforms, and tax personnel can record the issues related to the platform or data that arise during the monthly tax filing process, as well as the impact of the issues. Managers can raise these issues at each meeting and communicate with both parties. If it is a platform issue, relevant technical personnel can update and repair a certain program. If it is a data issue, Enterprises can also strengthen internal management to prevent repetitive errors from occurring.

### **5.4. Strengthen Talent Management**

The most essential aspect of enterprise development is talent, and talent construction is an important driving force for enterprise development. For the cultivation of talents, enterprises should first strengthen the training of in-service employees, offer skill training courses related to the integration of industry, finance and tax, and encourage employees to consciously cultivate the idea of business, finance and tax integration<sup>[4]</sup>. Secondly, the number and arrangement of positions in the industry finance and tax departments should be reclassified to reduce the recruitment of repetitive work positions, enhance employees' sense of responsibility, and avoid the occurrence of laziness and perfunctory inaction. Finally, when recruiting employees, more attention should be paid to introducing professional talents who integrate industry, finance and tax, improving the overall quality level of enterprise employees, reducing training costs, and further reflecting the effectiveness of industry, finance and tax integration in enterprise management.

## **6. Conclusion**

In summary, the integration of industry, finance, and taxation is an inevitable trend for enterprise development and a necessary requirement for enterprise development in the era of Internet information. The integration of industry, finance, and taxation can reduce communication barriers, optimize workflow, achieve expected economic benefits, maximize enterprise value, and reduce the

probability of financial risks for enterprises. Although there are still many shortcomings in the implementation of industry finance tax integration by enterprises, with the continuous improvement of management systems, diversification of performance evaluations, and continuous growth of talent team construction, industry finance tax integration will inevitably play an important role in enterprise management, enhance enterprise competitiveness, and ultimately realize its value.

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