Global Tax Applications

WHITE PAPER

# Strategic ROI from Compliance

Leveraging Automation Under the New Danish Bookkeeping Act to Capture Measurable Strategic Returns and Efficiencies

| 2026 | 148% | 50% |
| --- | --- | --- |
| Digital Mandate Deadline | 3-Year ROI | Time Reduction |

EXECUTIVE OVERVIEW

# Introduction

This white paper serves as a guide for businesses to understand the importance of leveraging automation for compliance with the Danish Bookkeeping Act and to realize the strategic benefits that come with it. By adopting comprehensive solutions, organizations can ensure compliance while also driving efficiency and profitability.

In an ever-evolving regulatory landscape, compliance with the new Danish Bookkeeping Act is not merely a necessity but a strategic opportunity. This white paper explores how businesses can transform compliance from a cost center into a value-driving element by utilizing automation.

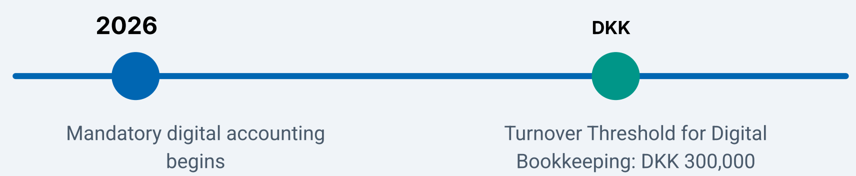
## Key Figures at a Glance

**2026**
Mandatory digital accounting begins

**DKK 300K**
Turnover Threshold for Digital Bookkeeping

**19**
Mandated data areas for compliance

# Timeline for Danish Digital Mandates



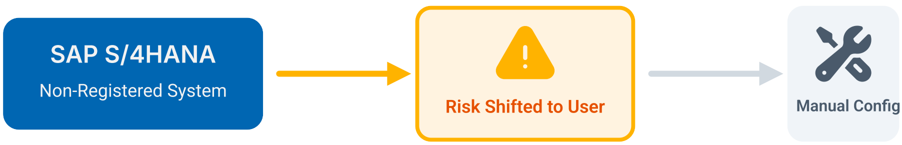

2026: Mandatory digital accounting begins.

Turnover Threshold for Digital Bookkeeping: DKK 300,000.

## Understanding the SAP Gap

The integration of SAP S/4HANA poses challenges in compliance due to its classification as a non-registered system by the Danish Business Authority.

Figure 1: Risk Shift Diagram




### Compliance Risk

All compliance risks are shifted to the user.

### Manual Configurations

Heavy reliance on standard tools without specialized add-ons requires extensive manual adjustments to meet all 19 mandated data areas.

# Native Integration for SAF-T Readiness

### Native SAP Extraction

Operates entirely within the SAP environment using the /KGT/ namespace, ensuring data security.

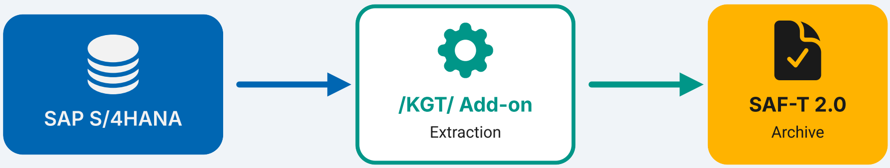
### OECD Model Alignment

Comprehensive mapping across all mandated data areas, including GL, AR, AP, and VAT details required by SKAT.

### Upgrade-Safe Design

Modular add-on that remains stable during SAP S/4HANA upgrades, safeguarding long-term investments.

Figure 2: SAP to SAF-T Data Flow




### Mandated Data Areas Coverage

GL AR AP VAT + 15 additional data areas

All 19 mandated data areas mapped and validated for SKAT submission

# Total Control with the KGT Cockpit

### Automated Error Detection

Identifies missing Master Files or ledger entries before submission to the Danish Tax Agency.

### Comprehensive Audit Trails

Tracks every data extraction and transformation for transparency and accountability.

### Centralized Validation Logic

Ensures submissions meet the SAF-T 2.0 format required for digital archiving.

# The Financial Risks of Non-Compliance

**DKK 1.5M**

Maximum fines per entity for serious breaches

Severe Financial Penalties

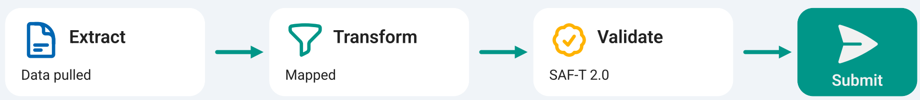
### Qualified Opinions

Failure to produce SAF-T files can lead to immediate qualified opinions in annual financial reports.

### Increased Audit Frequency

Non-compliant systems face more frequent audits and reputational damage.

Figure 3: Audit Trail Checklist



# ROI and Efficiency Gains via Automation

Transform tax compliance from a cost center into a strategic investment:

**148%**

**3-Year ROI**

Reported return on investment for automated tax reporting solutions

**6 mo**

**Payback Period**

Through operational savings and risk avoidance

**50%**

**Time Reduction**

Decrease in time spent on manual tax preparation and data collection

# Danish Audit Readiness

Please initiate a gap analysis and implement the KGT Add-on to prepare your organization for upcoming audit requests under Danish regulations.