

Biz2Credit minimizes potential fraud and costs while maximizing efficiency with Tax Guard's Express Reports.

CASE STUDY SUBJECT



CLIENT TYPE

- Alternative Financing

USE CASES

- Express Tax Return Transcripts
- Due Diligence Reports
- Ongoing Monitoring

PRIMARY VALUES

- Speed to Order
- Fraud Reduction
- Customer Support

PROBLEM

Biz2Credit is a leading online financing provider, helping small businesses across the country access the capital they need to drive their business forward. Working in an extremely competitive environment, slow IRS tax transcript processing times and applicant identity verification were clogging their business processes—ultimately decreasing their speed to financing and increasing the risk of fraud.

Without access to reliable tax data on potential customers, Biz2Credit was at greater risk of presenting fraudulent deals for financing.

Some of Biz2Credit's deals require same-day turnaround decisions. Before implementing Tax Guard's solutions, their initial verification methods could take up to two weeks, slowing down informed financing processes.

Without access to reliable tax data on potential customers, Biz2Credit was at greater risk of presenting fraudulent deals for financing, threatening their long-term bottom line. For Biz2Credit to stay ahead in a high-stakes and fast-paced financing market, they needed a solution to help them feel confident in making quick and well-informed decisions.



“With Tax Guard's solutions, we have a full picture of the prospective customer's financial health at our fingertips in a matter of hours. In a competitive environment where we need to make decisions quickly, we can now more efficiently assess the deal with a complete understanding — mitigating risky deals and potential fraud.”

JAY KONIKANTI
Vice President of
Project Management
Biz2Credit



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SOLUTION

Biz2Credit leveraged Tax Guard's signature report, Same-Day Express Due Diligence Reports and Tax Return Transcripts, and ongoing monitoring services to ensure more efficient and smarter financing choices. With these tools, they're able to validate gross sales, gross profit or loss, net profit or loss, number of shareholders, payroll history, and identify any unpaid liabilities.

After Biz2Credit receives a financing application, Tax Guard's technology identifies if the applicant has a hidden tax debt—something that is not reported in their tax return or public records. It is crucial for Biz2Credit to know if an applicant has an unpaid tax debt or tax lien because it indicates a potentially risky deal and heightens the possibility of a fraudulent transaction.

In the nearly 10 years of Biz2Credit and Tax Guard's partnership, Biz2Credit has seen an approximate 15% YoY increase in financing volume.

In one instance, a prospective customer submitted their own tax return documents after applying for a \$250,000 loan. Biz2Credit leveraged Tax Guard's Express Tax Transcripts and Due Diligence Reports and quickly found that the company had not actually filed the business tax return, nor made any of the required payroll tax deposits.

Thanks to Tax Guard's data insights, Biz2Credit was able to quickly review the application, preventing them from proceeding hastily with a deal that was based on potentially false information or that carried a higher risk of default.

RESULTS

Reduces Fraud and Saves Money

Funding to a prospective customer with unpaid tax debts or tax liens could significantly increase credit risks and lead to fraudulent deals, but with Tax Guard's solutions, Biz2Credit has full visibility into the financial health of their customer—helping them increase profitability resulting in better outcomes according to deeper insights.

Increased Efficiency

Implementing Tax Guard's systems early in the decision-making process with Same-Day Express solutions saves Biz2Credit time and money by identifying credit worthiness and evaluating deals early on, preventing Biz2Credit from spending resources on potentially risky deals.

Ongoing Partnership

In the nearly 10 years of Biz2Credit and Tax Guard's partnership, Biz2Credit has seen an approximate 15% YoY increase in financing volume. Tax Guard's transparency, communication, and customer support amid broad environmental factors—such as IRS issues or a government shutdown—help Biz2Credit stay on top of their business and deliver better financing effectively in a rapidly changing landscape.