

Avalara lands \$30M in new funding to spur growth

by Blair Hanley Frank on 2/12/14



Scott McFarlane of Avalara has quietly built an online tax software juggernaut on Bainbridge Island. (Photo: Sheri Pollock)

Avalara announced today that it has raised \$30 million in new financing in a funding round led by Battery Ventures and Sageview Capital, which are both existing investors in the company. The raise means that the Bainbridge Island-based tax software company has now raised more than \$100 million in almost 10 years of doing business.

According to company spokesperson Sheri Pollock, the new investment will be used to continue the company's growth, especially in sales, marketing, product development and business development.

"Avalara is proud of its growth and excited about completing this latest financing round," Founder and CEO Scott McFarlane said in a press release. "This investment should help extend our technology and integration capabilities and support growth."

McFarlane, Jared Vogt and Rory Rawlings founded Avalara in 2004 as an online sales tax software company. Today, the company sells subscription software that automates compliance with all sorts of transactional taxes including sales tax and value added tax. Late last year, it was named one of Deloitte's 2013 Technology Hot 500 companies for quadrupling its revenue from 2008 to 2012.

Last year, the company bought Tax Technology Services to bolster its sales tax exemption certificate management business, and purchased UPC Matrix Master, a multi-state product taxability database.