2025

E-INVOICING COMPLIANCE GUIDE

Table of Contents

Belgium 4
Brazil 5
Croatia 6
Denmark 7
France 8
Germany 9
Hungary 10
India 11
Indonesia 12
Italy 13
Japan 14
Latvia 15
Malaysia 16
Mexico 17
Philippines 18
Poland 19
Saudi Arabia 20
Singapore 21
Slovakia 22
South Korea 23
Spain 24
Vietnam 25

Comprehensive Guide to E-Invoicing Implementation

What Is E-Invoicing?

Definition: Digital issuance, submission, and storage of invoices.

Key Features:

- Real-time validation.
- Seamless archiving.

E-Invoicing Trends

- Tailored systems by country.
- Shared goals:
  - Transparency.
  - Tax compliance.
  - Fraud prevention.

Why Is E-Invoicing Important?

- Benefits:
- Tax Compliance: Adheres to local laws.
- Efficiency: Reduces errors and costs.
- Global Integration: Simplifies cross-border transactions.

Benefits for Businesses

- Compliance: Simplifies adherence to complex tax regulations.
- Efficiency: Automates invoicing processes, reducing costs and time.
- Accuracy: Minimizes errors and facilitates VAT refunds.
- Global Reach: Aligns with international trade standards.

Steps for Implementation

- Understand Local Regulations: Familiarize yourself with country-specific requirements.
- Evaluate Current Systems: Ensure compatibility with regulatory standards.
- Adopt Certified Software: Use tools approved by local tax authorities.
- Train Teams: Educate employees on creating compliant e-invoices.
- Collaborate with Stakeholders: Align practices with customers and suppliers.

LOVAT

Learn more about e-invoicing here

Application of E-Invoice in

Belgium

Regulated under the EU Directive 2014/55/EU and the Peppol framework.

- Mandatory for public procurement and encouraged for private sector transactions.

Implementation Timeline

Date	Requirement	Details
January 1, 2017	Mandatory for Public Sector Suppliers	All suppliers to federal public entities must issue e-invoices using the Peppol BIS Billing 3.0 standard.
April 18, 2019	EU Directive Compliance	Mandatory e-invoicing extended to suppliers of regional and local public administrations.
2024 (Planned)	Mandatory B2B E-Invoicing	Belgium is preparing legislation to require e-invoicing for private sector B2B transactions, in line with EU initiatives for harmonized VAT reporting.

Who Needs E-Invoices?

E-invoicing in Belgium is required for:

- Public Sector Suppliers: Federal, regional, and local suppliers.
- Private Sector B2B: Planned for 2024.
- Exporters: Required for cross-border VAT reporting within the EU.
- Non-Resident Businesses:Applies to transactions with Belgian public entities if VAT-registered.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with Belgian and EU regulations	Informal or internal transactions
Validation	Real-time via Peppol network	Not validated
Format	Structured (Peppol BIS Billing 3.0)	Flexible, non-regulated formats
Archiving	Mandatory for seven years	Optional

Key Features of Belgium's E-Invoicing System

Belgium's e-invoicing system involves:

- Submission: Via the Peppol network using BIS Billing 3.0.
- Validation: Ensures compliance with tax regulations and mandatory fields.
- Archiving: E-invoices must be stored for 7 years as per Belgian tax laws.

Dataset Requirements

- Buyer/Seller IDs: VAT IDs
- Invoice Details: Number, issue date, payment terms.
- Goods and Services: Descriptions, quantities, prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total amount, currency, payment method.
- Delivery Info: Date and location.

E-Invoicing Across Transaction Types

B2B Transactions

- Belgium is planning to mandate e-invoicing for B2B transactions by 2024.
- E-invoices improve efficiency, VAT compliance, and reduce errors in cross-border transactions.

B2C Transactions

- E-invoicing is not mandatory for B2C transactions but is encouraged for better transparency and internal process optimization.

B2G Transactions

- Mandatory for all suppliers to public entities at federal, regional, and local levels.
- E-invoices must be submitted via the Peppol network and comply with BIS Billing 3.0 standards.

Penalties for Non-Compliance

- Invoice Rejections: Delayed payments.
- Fines: For failure to meet procurement requirements.
- Legal Risks: Audits and reputational damage for repeated violations.

Application of E-Invoice in

Brazil

- Brazil's Nota Fiscal Eletrônica (NF-e) system ensures real-time validation by SEFAZ (tax authority), enhancing transparency and reducing fraud.
- E-invoicing is mandatory for most businesses and customized for industries like retail (NFC-e) and logistics (CT-e).

Timeline for e-invoicing implementation

Date	Description
Sep 1, 2023	Micro-entrepreneurs (MEIs) were required to adopt e-invoicing using formats like NF-e or NFS-e.
Sep-Oct 2025	A testing phase allows businesses to adapt to new tax compliance systems.
Nov-Dec 2025	Systems go live, enabling final business preparations.
Jan 1, 2026	Full compliance with CBS and IBS becomes mandatory. Selective Tax implementation follows in 2027.

Who Needs to Issue E-Invoices?

E-invoicing is required for:

- B2B and B2C Transactions: Most companies must issue XML-based e-invoices validated by SEFAZ.
- Retail and Logistics: Mandatory NFC-e (retail) and CT-e (freight) formats.
- MEIs: Required to issue e-invoices since September 2023.
- Non-resident businesses: Potential requirement for e-invoices starting in 2026.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance, SEFAZ validation	Billing and payment management
Format	NF-e, NFS-e, CT-e	Informal, not SEFAZ-validated
Usage	Required for B2B, B2G transactions	Customer relationship and record-keeping
Archiving	Mandatory for 5+ years	Not required for regulatory purposes

In Brazil, e-invoicing is a regulatory requirement, particularly for NF-e issuance, while e-billing serves customer management needs without mandatory compliance aspects.

Key Features of Brazil's E-Invoicing

- Real-Time Validation: SEFAZ reviews invoices in XML format before transactions finalize.
- Authorization Code: Issued by SEFAZ after validation to ensure compliance.
- Tax Reporting: Simplifies tax audits by providing itemized details of goods/services, taxes (ICMS, IPI, PIS/COFINS), and transport info for logistics.

E-Invoicing Dataset

E-invoices in Brazil contain detailed data required for tax compliance, including:

- Taxpayer Identification Numbers for both buyer and seller.
- Itemized descriptions of goods or services, quantities, and prices.
- Applicable taxes, such as ICMS(Tax on Circulation of Goods and Services), IPI(Tax on Industrialized Products), and PIS/COFINS(Social Integration and Contribution for Social Security Financing).
- Transport details (for logistics invoices). The comprehensive nature of the e-invoicing dataset allows for streamlined tax reporting and auditing by SEFAZ.

E-Invoicing Across Transaction Types

- B2B: NF-e ensures compliance with SEFAZ via real-time validation and digital signatures. Requires archiving for 5 years.
- B2C: NFC-e integrates with payment systems for seamless point-of-sale operations.
- B2G: Strict compliance with NF-e for transparency in government contracts.

Penalties for Non-Compliance

Non-compliance with Brazil's e-invoicing regulations can result in:

- Fines: €100–€5,000 per invoice.
- Operational Risks: Business suspension, retroactive tax penalties.
- Legal Risks: Repeated violations may lead to reputational damage and civil or criminal actions.

Application of E-Invoice in

Croatia

- Regulated under the EU Directive 2014/55/EU, mandating e-invoicing for public procurement.
- National frameworks promote efficiency, transparency, and compliance in public and private sectors.

Timeline for E-Invoicing Implementation in Croatia

Date	Requirement	Details
July 1, 2019	Mandatory for Public Sector Suppliers	E-invoicing became mandatory for suppliers to public entities in Croatia, requiring invoices to comply with the EU standard EN 16931.
2024 (Planned)	Mandatory B2B E-Invoicing	Croatia is expected to introduce mandatory e-invoicing for B2B transactions in line with EU initiatives for VAT harmonization.

Who Needs to Issue E-Invoices in Croatia?

E-invoicing in Croatia is required for:

- Public Sector Suppliers: Required for all suppliers providing goods or services to public entities.
- B2B Transactions: Expected to become mandatory in 2024 for private sector businesses.
- Exporters: Required for cross-border transactions involving EU VAT reporting.
- Non-Resident Businesses: Must issue e-invoices for transactions with Croatian public entities if VAT-registered in Croatia.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with Croatian and EU regulations	Informal and internal transactions
Format	Structured XML via certified platforms	Non-regulated formats
Usage	B2B and B2G transactions	Customer relationship and record-keeping

Key Features of Croatia's E-Invoicing System

Croatia's e-invoicing system involves:

- Submission via Certified Platforms: Invoices are processed through platforms authorized by FINA.
- Validation: Ensures compliance with mandatory tax fields and regulations.
- Archiving: E-invoices must be stored electronically for 10 years under Croatian tax laws.

E-Invoicing Dataset

E-invoices in Croatia include the following critical data:

- Buyer/Seller IDs: OIB (Personal Identification Numbers).
- Invoice Details: Number, issue date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total amount, currency, and payment method.
- Delivery Info: Date and location.

E-Invoicing Across Transaction Types

- B2B: Expected to become mandatory in 2024. Enhances VAT compliance and reduces errors for domestic and cross-border transactions.
- B2C: Not mandatory but encouraged for transparency and process optimization.
- B2G: Mandatory since 2019. Must comply with EU EN 16931 and be submitted via certified platforms.

Penalties for Non-Compliance

Non-compliance with Croatia's e-invoicing regulations may result in:

- Invoice Rejections: Non-compliant invoices may delay payments.
- Fines: Penalties for failing to meet public procurement requirements.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Application of E-Invoice in

Denmark

- Denmark was an early adopter of e-invoicing, mandating it for public sector suppliers since 2005.
- Regulated under EU Directive 2014/55/EU, ensuring compliance and standardization for cross-border public sector transactions.

Implementation Timeline

Date	Requirement	Details
April 18, 2019	EU Directive Compliance	Denmark fully implemented the EU Directive 2014/55/EU, standardizing e-invoicing for cross-border transactions within the public sector.
2025	Mandatory for Public Sector Suppliers	Denmark was one of the first countries to mandate e-invoicing for all suppliers to public sector entities via the NemHandel system.

Who Needs E-Invoices?

E-invoicing in Denmark is required for:

- Public Sector Suppliers: Required to use NemHandel or PEPPOL platforms.
- B2B Transactions: Voluntary adoption is growing for improved efficiency and VAT compliance.
- Non-Resident Businesses: Required for transactions with Danish public entities if VAT-registered in Denmark.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with EU and Danish regulations	Informal and internal transactions
Format	OIOUBL or PEPPOL BIS	Unregulated formats
Usage	Mandatory for B2G, growing in B2B	Customer relationship and record-keeping

Key Features of Denmark's E-Invoicing System

Denmark's e-invoicing system ensures efficient validation and processing, involving:

- Submission Platforms: NemHandel or PEPPOL using OIOUBL or PEPPOL BIS format.
- Validation: Ensures compliance with standards and legal requirements.
- Archiving: E-invoices must be stored electronically for 5 years under Danish tax laws.

E-Invoicing Dataset

E-invoices in Denmark include the following critical data:

- Buyer/Seller IDs: VAT IDs.
- Invoice Details: Number, issue date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total amount, currency, and payment method.
- Delivery Info: Date and location.

E-Invoicing Across Transaction Types

- B2B: Voluntary adoption in private sector to reduce costs, improve payment cycles, and ensure VAT compliance.
- B2C: Not mandatory but enhances transparency and customer experience.
- B2G: Mandatory for all public sector suppliers. Requires compliance with OIOUBL or PEPPOL BIS standards.

Penalties for Non-Compliance

Non-compliance with Denmark's e-invoicing regulations may result in:

- Invoice Rejections: May delay payments.
- Operational Risks: Processing delays or contract losses with public entities.
- Legal Risks: Fines and audits for repeated violations.

Application of E-Invoice in

France

- France is modernizing its invoicing process to combat VAT fraud and increase transparency.
- E-invoicing is rolled out in phases based on company size and revenue, using the Chorus Pro platform.

Implementation Timeline

Date	Category	Description
Sep 1, 2026	Issuing E-Invoices (Large Enterprises)	• Mandatory for large enterprises (5,000+ employees, revenue > €1.5B, or balance sheet total > €2B). • Mid-cap companies (250–5,000 employees, revenue €50M–€1.5B, balance sheet total €43M–€2B).
Sep 1, 2026	Receiving E-Invoices	Mandatory for all VAT-registered businesses
Sep 1, 2027	Issuing E-Invoices	• Mandatory for SMEs (<250 employees, revenue < €50M, balance sheet total < €43M). • Mandatory for micro-enterprises (<10 employees, revenue or balance sheet total < €2M).

Who Needs E-Invoices?

E-invoicing in France is required for:

- Large Enterprises: From September 2026, both issuing and receiving e-invoices are mandatory.
- Mid-Cap Companies: Must comply with 2026 deadlines.
- SMEs and Micro-Enterprises: Required to adopt e-invoicing by 2027.
- Non-Resident Businesses: Not currently required but should prepare to meet future regulations and customer demands.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance, mandatory by law	Billing and payments, customer-focused
Platform	Chorus Pro	Non-mandatory systems
Format	Factur-X, validated by Chorus Pro	Flexible and informal
Archiving	Required for 6+ years	Not legally required

Key Features of France's E-Invoicing System

The French e-invoicing system ensures real-time validation of invoices via Chorus Pro, France's central platform for invoice submission and processing. Businesses must:

- Submission: Businesses must use approved formats like Factur-X and validate invoices via Chorus Pro.
- Real-Time Validation: Ensures compliance before transaction completion.
- Archiving: Digital storage for 6 years is mandatory for audit purposes.

E-Invoicing Dataset

E-invoices in France require the following key data:

- Buyer/Seller IDs: Taxpayer identification numbers.
- Invoice Details: Number, date, and payment terms.
- Goods and Services: Descriptions, quantities, and prices.
- Taxes: Detailed VAT breakdown.
- Transaction Info: Total amount payable and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory for all taxable supplies by 2026 (large enterprises) and 2027 (SMEs).
- Improves accuracy and payment efficiency.

B2C Transactions

- Not mandatory but encouraged for efficiency and transparency.
- Customers may request e-invoices for compliance.

B2G Transactions

- Already mandatory for all transactions with government agencies via Chorus Pro.

Penalties for Non-Compliance

Non-compliance with France's e-invoicing regulations may result in:

- Fines: Per invoice penalties for failing to meet requirements.
- Operational Delays: Payment disruptions and strained customer relationships.
- Legal Risks: Potential audits or disputes due to incomplete or non-compliant records.

Application of E-Invoice in

Germany

- Regulated under the EU Directive 2014/55/EU, requiring e-invoicing in public procurement.
- National framework E-Rechnung governs specific e-invoicing mandates for federal and state-level transactions.

Implementation Timeline

Date	Requirement	Details
November 27, 2020	Mandatory for B2G Invoices	Suppliers to federal government agencies must submit invoices electronically via the ZRE (Zentraler Rechnungseingang) or OZG-RE platforms.
January 1, 2022	State-Level Requirements	E-invoicing became mandatory for suppliers dealing with state-level public entities in most German states, following the XRechnung standard.

Who Needs E-Invoices?

E-invoicing in Germany is required for:

- Federal Government Suppliers: Required for transactions with federal public entities.
- State-Level Suppliers: Mandatory for suppliers to state-level public entities in participating states.
- B2B Transactions: Encouraged for cross-border transactions within the EU for VAT compliance.
- Non-Resident Businesses: Required for transactions with German public entities if VAT-registered in Germany.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with EU and German regulations	Internal and informal processes
Format	XRechnung, PEPPOL BIS Billing 3.0	Flexible, non-regulated formats
Usage	Public procure-ment, encouraged for B2B	Customer-focused billing and payments

Key Features of Germany's E-Invoicing System

Germany's e-invoicing system involves:

- Submission Platforms: Federal suppliers must use ZRE or OZG-RE, while state-level transactions use certified platforms.
- Validation: Ensures compliance with XRechnung or PEPPOL BIS standards.
- Archiving: E-invoices must be stored electronically for 10 years under German tax laws.

E-Invoicing Dataset

E-invoices in Germany include the following critical data:

- Buyer/Seller IDs: VAT identification numbers.
- Invoice Details: Number, date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Delivery Info: Date and place of delivery.

E-Invoicing Across Transaction Types

B2B Transactions

- Not mandatory but recommended for efficiency and EU cross-border alignment.
- Reduces processing time and ensures VAT compliance.

B2C Transactions

- Optional, used for streamlining processes and improving customer satisfaction.

B2G Transactions

- Mandatory for all federal and most state-level public entities. Requires compliance with XRechnung or PEPPOL BIS standards.

Penalties for Non-Compliance

- Invoice Rejections: Non-compliant invoices may result in delayed payments.
- Fines: Penalties for failing to meet public procurement requirements.
- Operational Delays: Repeated non-compliance may damage reputation and attract increased scrutiny.

Application of E-Invoice in

Hungary

- Regulated by the Hungarian National Tax and Customs Administration (NAV).
- Real-time invoice reporting requirements aim to reduce VAT fraud and improve transparency.

Implementation Timeline

Date	Requirement	Details
July 1, 2018	Real-Time Invoice Reporting (RTIR) Introduction	Businesses required to report invoices with a VAT amount exceeding HUF 100,000 (approximately €250) to the NAV in real time.
July 1, 2020	Extension to All B2B Transactions	All B2B invoices, regardless of VAT amount, must be reported to the NAV in real time.
January 1, 2021	Inclusion of B2C Transactions	Businesses must report invoices for B2C transactions and cross-border supplies of goods and services in real time.

Who Needs E-Invoices?

E-invoicing in Hungary is required for:

- All VAT-Registered Businesses: Mandatory for domestic and cross-border transactions.
- Public Sector Suppliers: Must issue e-invoices for transactions with public entities.
- Non-Resident Businesses: Required if registered for VAT in Hungary.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance with NAV requirements	Internal or customer-focused processes
Format	XML via NAV Online Invoice System	Flexible, non-regulated formats
Usage	Mandatory for all taxable transactions	Optional for customer relationships

Key Features of Hungary's E-Invoicing System

Hungary's e-invoicing system involves:

- Submission Platform: Businesses must report invoice data via the NAV Online Invoice System in XML format.
- Validation: Ensures compliance with VAT regulations and mandatory fields.
- Archiving: E-invoices must be stored for 8 years under Hungarian tax laws.

E-Invoicing Dataset

E-invoices in Hungary include the following critical data:

- Buyer/Seller IDs: VAT identification numbers.
- Invoice Details: Number, date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total amount payable, currency, and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory real-time reporting streamlines VAT compliance and cross-border transactions.
- Improves accuracy and speeds up VAT refunds.

B2C Transactions

- Includes simplified invoices at the point of sale, reported in real time.
- Enhances transparency and reduces underreporting risks.

B2G Transactions

- Compliant with EU Directive 2014/55/EU for public sector suppliers.
- Ensures accurate reporting and alignment with EU standards.

Penalties for Non-Compliance

Non-compliance with Hungary's e-invoicing regulations may result in:

- Fines: Up to HUF 500,000 (€1,250) per invoice for non-reporting.
- Operational Risks: Rejected invoices may delay payments and harm client relationships.
- Legal Risks: Repeated violations can lead to increased audits and reputational damage.

Application of E-Invoice in

India

- Managed by the Goods and Services Tax Network (GSTN).
- Centralized Invoice Registration Portal (IRP) validates and issues e-invoices.
- Aims to simplify GST compliance, reduce tax evasion, and improve transparency.

Implementation Timeline

Date	Phase	Requirement
October 1, 2020	Phase 1: Large Enterprises	Mandatory for businesses with an aggregate turnover exceeding 500 crore (approximately €60 million).
January 1, 2021	Phase 2: Medium Enterprises	Extended to businesses with an aggregate turnover exceeding 100 crore (approximately €12 million).
April 1, 2021	Phase 3: Broader Scope	Businesses with an aggregate turnover exceeding 50 crore (approximately €6 million) were included.
April 1, 2022	Phase 4: SMEs	Mandatory for businesses with an aggregate turnover exceeding 20 crore (approximately €2.4 million).
October 1, 2022	Phase 5: Micro Businesses	Extended to businesses with an aggregate turnover exceeding 10 crore (approximately €1.2 million).

Who Needs E-Invoices?

E-invoicing in India is required for:

- Large Enterprises: Businesses with turnover above 10 crore must comply by issuing e-invoices.
- SMEs: Included in rollout based on turnover thresholds.
- Exporters: Required for export transactions, ensuring integration with GST returns.
- Non-resident businesses: Exempt unless GST-registered for business transactions in India.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	GST compliance, mandatory by law	Internal/customer transactions
Validation	Real-time via IRP	Not validated
Format	JSON with structured GST details	Flexible, non-mandatory formats
Archiving	Required for 8 years	Optional

Key Features of India's E-Invoicing System

India's e-invoicing system ensures real-time validation through the Invoice Registration Portal (IRP), which includes:

- Real-Time Validation: IRP validates invoices, generates an Invoice Reference Number (IRN) and a QR code.
- Submission Format: JSON format for digital processing.
- Archiving: E-invoices must be stored electronically for 8 years.

E-Invoicing Dataset

- Buyer/Seller IDs: GSTINs for both parties.
- Invoice Details: Number, date, and supply type (domestic/export).
- Goods and Services: HSN codes, quantities, unit prices, and VAT details.
- Taxes: CGST, SGST, or IGST amounts.
- Transaction Info: Total payable amount, currency, and payment terms.
- QR Code: Encodes invoice data for simplified verification.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory validation through IRP.
- Facilitates compliance and input tax credit claims.

B2C Transactions

- Not mandatory, but QR-coded invoices improve customer experience.

B2G Transactions

- Required for goods/services supplied to government entities.

Penalties for Non-Compliance

- Fines: Penalties up to 10,000 (approximately €120) per invoice, along with additional late fees for filing discrepancies.
- Input Tax Credit Denial: Buyers may lose eligibility for tax credits on non-compliant invoices.
- Legal Risks: Repeated violations can trigger audits and reputational damage.

Application of E-Invoice in

Indonesia

- Managed by the Directorate General of Taxes (DGT) through the e-Faktur platform.
- Aims to enhance tax compliance, reduce VAT fraud, and streamline business operations.

Implementation Timeline

Date	Event	Details
July 1, 2016	Introduction of e-Faktur	Mandatory e-invoicing for VAT-registered businesses (Pengusaha Kena Pajak or PKP) to issue invoices electronically through the e-Faktur platform.
December 1, 2020	Version Update	The introduction of e-Faktur 3.0, requiring businesses to adapt to enhanced compliance requirements, including pre-validation of invoice data.
2025 (Planned)	Expansion to All Transactions	Indonesia is planning to extend mandatory e-invoicing to all business sectors and transactions as part of its digital tax transformation.

Who Needs E-Invoices?

E-invoicing in Indonesia is required for:

- VAT-Registered Businesses (PKP): Required for all taxable supplies.
- Exporters: Must issue e-invoices for cross-border transactions to ensure VAT compliance.
- Non-Resident Businesses: Required if VAT-registered for transactions within Indonesia.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with tax regulations	Informal or customer-focused transactions
Format	XML via e-Faktur	Non-regulated formats
Usage	Mandatory for taxable supplies	Optional for internal use

Key Features of Indonesia's E-Invoicing System

Indonesia's e-invoicing system involves:

- Submission Platform: Invoices must be submitted via e-Faktur in XML format.
- Validation: DGT ensures compliance with tax regulations and assigns a unique invoice code.
- Archiving: E-invoices must be stored electronically for 10 years under Indonesian tax laws.

E-Invoicing Dataset

E-invoices in Indonesia include the following critical data:

- Buyer/Seller IDs: NPWP (Taxpayer Identification Number).
- Invoice Details: Number, date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Digital Signature: Ensures authenticity and data integrity.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory for VAT compliance and record-keeping.
- Facilitates cross-border transactions and VAT refunds.

B2C Transactions

- Not yet mandatory but encouraged to improve transparency and process optimization.

B2G Transactions

- Required for transactions with government entities to ensure compliance and transparency.

Penalties for Non-Compliance

Non-compliance with Indonesia's e-invoicing regulations may result in:

- Fines: IDR 500,000–5,000,000 (€30–€300) per violation.
- Operational Challenges: Rejected invoices may disrupt payments and operations.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Application of E-Invoice in

Italy

- Italy's e-invoicing system is driven by the government's efforts to combat VAT fraud and streamline business processes.
- Implemented through the Sistema di Interscambio (SDI) platform, ensuring compliance and efficient communication.

Implementation Timeline

Date	Event	Details
January 1, 2019	Mandatory for Domestic Transactions	All B2B and B2C transactions involving VAT-registered businesses in Italy are required to issue e-invoices via the SDI platform.
July 1, 2020 January 1, 2021	Extension to Cross-Border Transactions	Businesses are required to report cross-border invoices to the Agenzia delle Entrate using the Esterometro format if not processed through the SDI.
July 1, 2022	Micro-Businesses Included	Businesses with revenue below €65,000 are required to adopt e-invoicing.
January 1, 2024	Full Adoption of E-Invoicing	Mandatory for all taxpayers, including cross-border transactions processed exclusively through the SDI platform.

Who Needs E-Invoices?

- Large Enterprises: Complying since 2019 for all domestic transactions.
- Small and Medium Enterprises (SMEs): Required to issue e-invoices through the SDI platform.
- Micro-Businesses: Included since 2022 for issuing all invoices electronically.
- Non-Resident Businesses: Must comply for transactions with Italian VAT-registered entities and report others through Esterometro (until 2024).

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	VAT compliance, regulated by SDI	Billing and payments, customer-focused
Validation	Via SDI with compliance checks	Not validated
Archiving	Digitally stored for 10+ years	Optional

Key Features

Submission Platform: All invoices must be submitted via the SDI for validation.

- Compliance Checks: SDI validates invoice format, VAT details, and compliance requirements.
- Archiving: Digital storage for 10 years is mandatory.

E-Invoicing Dataset

- Buyer/Seller IDs: VAT identification numbers.
- Invoice Details: Number, date, and payment terms.
- Goods and Services: Descriptions, quantities, and pricing.
- Taxes: VAT rates and amounts.
- Transaction Info: Total payable amount and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory via SDI to ensure compliance and accurate tax reporting.
- Facilitates faster payments and reduces errors.

B2C Transactions

- Mandatory for VAT-registered businesses, providing simplified digital invoices or receipts.

B2G Transactions

- Required for all transactions with government entities to ensure transparency in public procurement.

Penalties for Non-Compliance

- Finess: Up to 100% of the VAT amount, with a minimum of €500 per invoice.
- Operational Delays: Rejected invoices can disrupt payments and operations.
- Legal Risks: Potential audits and investigations due to non-compliance.

Application of E-Invoice in

Japan

- Regulated under the Qualified Invoice Issuing System (QIIS).
- Aligns with Japan's consumption tax requirements and international e-invoicing standards.

Implementation Timeline

Date	Event	Details
Oct 1, 2023	Introduction of Qualified Invoice System	Businesses began issuing qualified invoices to comply with Japan's new consumption tax credit system, ensuring accurate input tax credits for recipients.
2025 (Planned)	Further Expansion	Additional requirements and refinements to the QIIS are expected as Japan continues its transition to digital invoicing for all taxable transactions.

Who Needs E-Invoices?

- Registered Businesses: Must issue qualified invoices under QIIS to enable recipients to claim consumption tax credits.
- Exporters: Required for cross-border transactions to ensure accurate tax reporting.
- Non-Resident Businesses: Must comply with QIIS if registered for consumption tax purposes in Japan.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance under QIIS	Informal or customer-focused transactions
Validation	Via certified systems	Not validated
Archiving	Required for 7 years	Optional

Key Features of Japan's E-Invoicing System

Japan's e-invoicing system involves:

- Submission via Certified Systems: Invoices must adhere to QIIS standards.
- Validation: Ensures compliance with consumption tax regulations.
- Archiving: Digital storage required for 7 years under Japanese tax laws.

E-Invoicing Dataset in Japan

E-invoices in Japan include the following critical data:

- Issuer/Recipient IDs: Registration numbers under QIIS.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable consumption tax rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Digital Signature: Ensures authenticity and integrity of the invoice.

E-Invoicing Across Transaction Types

B2B Transactions:

- Mandatory to ensure compliance with consumption tax regulations.
- Facilitates accurate tax credit claims, streamlines record-keeping, and audits.

B2C Transactions

- Not mandatory but encouraged for transparency and internal efficiencies.

B2G Transactions

- Expected to align with international e-invoicing standards, ensuring compliance and transparency.

Penalties for Non-Compliance in Japan

Non-compliance with Japan's e-invoicing regulations may result in:

- Fines: Monetary penalties for non-compliance.
- Loss of Tax Credits: Non-compliant invoices may result in ineligibility for tax credits.
- Legal Risks: Repeated violations may lead to audits and reputational damage.

Application of E-Invoice in

Latvia

- Regulated under EU Directive 2014/55/EU, mandating e-invoicing for public procurement.
- Latvia has developed a national framework to promote seamless and compliant e-invoicing practices for both public and private sectors.

Implementation Timeline

Date	Event	Details
April 18, 2019	Mandatory for Public Sector Suppliers	E-invoicing became mandatory for all suppliers to public entities, requiring compliance with the EU standard EN 16931.
2025 (Planned)	Mandatory B2B E-Invoicing	Latvia plans to introduce mandatory e-invoicing for private sector B2B transactions in alignment with EU VAT digital reporting initiatives.

Who Needs E-Invoices?

E-invoicing in Latvia is required for:

- Public Sector Suppliers: Required for transactions with public entities.
- B2B Transactions: Expected to become mandatory for private sector businesses by 2025.
- Exporters: Required for cross-border VAT reporting within the EU.
- Non-Resident Businesses: Must issue e-invoices for transactions with Latvian public entities if registered for VAT in Latvia.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with Latvian and EU regulations	Informal and internal transactions
Format	XML via certified platforms	Flexible, non-regulated formats
Usage	Mandatory for B2G, planned for B2B	Customer-focused or internal use

Key Features of Latvia's E-Invoicing System

Latvia's e-invoicing system involves:

- Submission Platforms: E-invoices must be submitted via certified platforms authorized by the State Revenue Service (SRS).
- Validation: Ensures compliance with VAT laws and mandatory invoice fields.
- Archiving: Electronic storage is required for five years under Latvian tax laws.

E-Invoicing Dataset

E-invoices in Latvia include the following critical data:

- Buyer/Seller IDs: VAT registration numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total amount, currency, and payment method.
- Delivery Info: Date and location for goods or services.

E-Invoicing Across Transaction Types

B2B Transactions

- Planned to be mandatory by 2025.
- Improves VAT compliance, reduces errors, and streamlines domestic and cross-border transactions.

B2C Transactions

- Not mandatory but encouraged to improve transparency and internal efficiency.

B2G Transactions

- Mandatory since 2019 for all public sector suppliers.
- Must comply with EU EN 16931 and be submitted via certified platforms.

Penalties for Non-Compliance

Non-compliance with Latvia's e-invoicing regulations may result in:

- Invoice Rejections: Non-compliant invoices may be rejected, causing payment delays.
- Fines: Penalties for failing to meet public procurement requirements.
- Legal Risks: Repeated violations may lead to audits and reputational damage.

Malaysia

- Regulated by the Royal Malaysian Customs Department (RMCD).
- Aims to modernize tax reporting, enhance transparency, and ensure tax compliance in line with regional initiatives.

Implementation Timeline

Date	Event	Details
2024 (Planned)	Introduction of E-Invoicing Framework	The RMCD plans to introduce a phased approach to e-invoicing, starting with larger businesses to comply with the national tax reporting requirements.
2025 (Planned)	Mandatory E-Invoicing for VAT-Registered Businesses	All VAT-registered businesses will be required to issue e-invoices for both domestic and cross-border transactions.

Who Needs E-Invoices?

E-invoicing in Malaysia is expected to be mandatory for:

- Large Enterprises: Early adoption through pilot programs.
- VAT-Registered Businesses: Required to comply under the new framework.
- Exporters: Must issue e-invoices for cross-border transactions.
- Non-Resident Businesses: Required for transactions with VAT obligations in Malaysia.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with RMCD regulations	Informal or customer-focused transactions
Format	Standardized XML via certified platforms	Flexible, non-regulated formats
Usage	Mandatory for taxable transactions	Optional for internal use

Key Features of Malaysia's E-Invoicing System

Malaysia's e-invoicing system will involve:

- Submission Platforms: Businesses must submit invoices via certified platforms in XML format.
- Validation: RMCD validates compliance and assigns a unique Invoice Reference Number (IRN).
- Archiving: E-invoices must be stored electronically for 7 years under Malaysian tax laws.

E-Invoicing Dataset

E-invoices in Malaysia are expected to include the following critical data:

- Buyer/Seller IDs: Taxpayer identification numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Descriptions, quantities, unit prices, and VAT/GST details.
- Taxes: Applicable VAT or GST rates and amounts.
- Transaction Info: Total amount payable, currency, and payment method.
- Digital Signature: Ensures authenticity and data integrity.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory to ensure compliance with VAT regulations.
- Streamlines cross-border transactions and VAT refunds.

B2C Transactions

- Not yet mandatory but encouraged for transparency and process optimization.

B2G Transactions

- Required for government-related transactions to ensure compliance and transparency.

Penalties for Non-Compliance

Non-compliance with Malaysia's e-invoicing regulations may result in:

- Fines: Monetary penalties for failure to issue or report e-invoices correctly.
- Operational Challenges: Rejected invoices can disrupt payments and business operations.
- Legal Risks: Risk of audits and reputational damage for repeated violations.

Application of E-Invoice in

Mexico

- Managed by the Servicio de Administración Tributaria (SAT) under the Comprobante Fiscal Digital por Internet (CFDI) system.
- Aims to simplify tax compliance, reduce fraud, and enhance transparency.

Implementation Timeline

Date	Event	Details
2011	Introduction of CFD	Mandatory for large businesses with revenue exceeding MXN 4 million (€200,000).
2014	Expansion to SMEs	Businesses with revenue over MXN 250,000 (€12,500) were included.
2022	Transition to CFDI 4.0	Mandatory from July 1, 2022, requiring additional details like postal codes and precise taxpayer information

Who Needs E-Invoices in Mexico?

- Large Enterprises: Businesses with revenue exceeding MXN 4 million (approximately €200,000) are required to comply.
- SMEs: Gradually included since 2014 based on revenue thresholds.
- Exporters: E-invoicing is mandatory for export transactions, ensuring compliance with SAT and international standards.
- Non-Resident Businesses: Required to issue CFDIs for transactions with Mexican entities.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with SAT regulations	Informal or customer-focused transactions
Validation	Via Authorized Certification Provider (PAC)	Not validated
Format	XML-based CFDI	Flexible, non-regulated formats
Archiving	Required for 5 years	Optional

Key Features

Submission Platform: Invoices must be submitted via PACs in CFDI XML format.

- Validation: PAC validates compliance and issues a digital stamp.
- Archiving: Digital storage for 5 years is mandatory for audit purposes.

E-Invoicing Dataset

- Buyer/Seller IDs: Federal Taxpayer Registry (RFC) numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods/Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, payment method, and fiscal purpose.
- Digital Stamp: Issued by the PAC to validate the invoice.

E-Invoicing Across Transaction Types

B2B Transactions

- E-invoices are mandatory for all B2B transactions.
- The CFDI system ensures compliance with VAT reporting and facilitates input tax credit claims.

B2C Transactions

- Businesses must issue simplified CFDIs to individual consumers, including details of the transaction and applicable taxes.
- Simplified receipts include a QR code for verification.

B2G Transactions

- Mandatory for businesses transacting with government entities to ensure transparency and adherence to procurement regulations.

Penalties for Non-Compliance

- Fines: MXN 12,000–70,000 (€600–€3,500) per violation.
- Operational Risks: Rejected invoices may delay payments and disrupt operations.
- Legal Risks: Repeated violations may lead to audits, suspension of tax certificates, or reputational damage.

Application of E-Invoice in

Philippines

- Regulated by the Bureau of Internal Revenue (BIR) under the Tax Reform for Acceleration and Inclusion (TRAIN) Act.
- Aims to enhance tax compliance, reduce fraud, and increase transparency in business transactions.

Implementation Timeline

Date	Event	Details
July 1, 2022	Introduction of E-Invoicing for Large Taxpayers	E-invoicing became mandatory for large taxpayers and exporters, requiring them to submit electronic invoices and receipts through the Electronic Invoicing/Receipting System (EIS).
2025 (Planned)	Expansion to All VAT-Registered Taxpayers	The BIR plans to roll out e-invoicing requirements to all VAT-registered taxpayers nationwide.

Who Needs E-Invoices?

E-invoicing in the Philippines is required for:

- Large Taxpayers: Entities classified as large taxpayers by the BIR.
- Exporters: Required for businesses exporting goods or services.
- VAT-Registered Businesses: Planned expansion to all VAT-registered entities by 2025.
- Non-Resident Businesses: Required for taxable transactions if VAT-registered in the Philippines.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with BIR regulations	Informal or customer-facing transactions
Validation	Real-time via EIS	Not validated
Format	XML-based format via EIS	Flexible, non-regulated formats
Archiving	Required for 10 years	Optional

Key Features of the Philippines' E-Invoicing System

The Philippines' e-invoicing system involves:

- Submission via EIS: Invoices must be submitted in XML format through the BIR's EIS platform.
- Validation: The BIR validates invoices and assigns a unique Invoice Reference Number.
- Archiving: E-invoices must be digitally stored for 10 years as per tax laws.
- Digital Signature: Ensures authenticity and integrity of the invoice.

E-Invoicing Dataset

E-invoices in the Philippines include the following critical data:

- Buyer/Seller IDs: Taxpayer Identification Numbers (TIN).
- Invoice Details: Number, date, and payment terms.
- Goods/Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory for VAT-registered businesses to ensure compliance with tax regulations.
- E-invoices streamline VAT refunds and facilitate efficient record-keeping.

B2C Transactions

- Not mandatory but encouraged for improved transparency and customer trust.

B2G Transactions

- E-invoicing is mandatory for transactions with government entities to ensure compliance and transparency.

Penalties for Non-Compliance

Non-compliance with the Philippines' e-invoicing regulations may result in:

- Fines: PHP 10,000–100,000 (€160–€1,600) per violation.
- Operational Challenges: Rejected invoices can disrupt payments and business operations.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Application of E-Invoice in

Poland

- Managed by the Ministry of Finance through the Krajowy System e-Faktur (KSeF) platform.
- Aims to enhance tax compliance, reduce VAT fraud, and streamline business operations.

Implementation Timeline

Date	Event	Details
January 1, 2022	Voluntary Use of KSeF	Businesses were allowed to start issuing e-invoices using the KSeF platform on a voluntary basis.
July 1, 2024	Mandatory Adoption for VAT-Registered Businesses	All VAT-registered businesses will be required to issue e-invoices through KSeF for both domestic and cross-border transactions.

Who Needs E-Invoices?

E-invoicing in Poland is required for:

- Large Enterprises: Mandatory starting July 2024 for all domestic and cross-border VAT transactions.
- SMEs: Subject to the same mandatory requirements starting July 2024.
- Non-Resident Businesses: May be required to issue e-invoices for transactions with Polish VAT-registered entities.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance through KSeF	Informal or customer-focused transactions
Validation	Real-time via KSeF	Not validated
Format	Structured formats required by KSeF	Flexible, non-regulated formats
Archiving	Mandatory for 10 years	Optional

Key Features of Poland's E-Invoicing System

- Submission Platform: Invoices must be submitted via KSeF for validation before being shared with recipients.
- Compliance Checks: Validation includes format checks, VAT calculations, and buyer-seller identification.
- Archiving: Invoices must be archived digitally for at least 10 years.

E-Invoicing Dataset

- Buyer/Seller IDs: VAT identification numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Descriptions, quantities, and pricing.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory e-invoicing ensures accurate tax reporting and faster payment cycles.
- Cross-border B2B transactions must also comply with KSeF requirements starting in 2024.

B2C Transactions

- While not mandatory for most B2C transactions, e-invoicing can be used to streamline processes and improve customer experience.
- Businesses may issue electronic receipts for transparency and efficiency.

B2G Transactions

- E-invoicing is already mandatory for transactions with government entities, ensuring compliance with public procurement regulations.

Penalties for Non-Compliance

- Fines: Up to 100% of the VAT amount or a specified monetary penalty per invoice.
- Operational Delays: Rejected invoices can disrupt payment and cash flow.
- Legal Risks: Increased likelihood of audits or disputes due to non-compliance.

Saudi Arabia

- E-invoices are mandatory for VAT-registered businesses.
- Overseen by ZATCA, e-invoicing enhances transparency and streamlines operations.

Implementation Timeline

Date	Phase	Details
Dec 4, 2021	Phase 1: Generation and Storage	All VAT-registered businesses must generate and store e-invoices electronically, meeting XML and QR code requirements.
Jan 1, 2023	Phase 2: Integration and Reporting	Integration with Fatoora, requiring real-time validation and issuance of invoices with cryptographic stamps, hash values, and unique identifiers.

Compliance Dates by Revenue Threshold (SAR)

Saudi Arabia has implemented a phased approach to e-invoicing compliance, with deadlines based on annual revenue thresholds. Below is the timeline for businesses to comply with the regulations:

Wave	Annual Revenue Threshold (SAR)	Compliance Date
1	Over 3 billion	Jan 1, 2023
2	Over 500 million	Jul 1, 2023
3	Over 250 million	Oct 1, 2023
4	Over 150 million	Nov 1, 2023
5	Over 100 million	Dec 1, 2023
6	Over 70 million	Jan 1, 2024
7	Over 50 million	Feb 1, 2024
8	Over 40 million	Mar 1, 2024
9	Over 30 million	Jun 1, 2024
10	Over 25 million	Oct 1, 2024
11	Over 15 million	Nov 1, 2024
12	Over 10 million	Dec 1, 2024
13	Over 7 million	Jan 1, 2025
14	Over 5 million	Feb 1, 2025
15	Over 4 million	Mar 1, 2025
16	Over 3 million	Apr 1, 2025
17	Over 2.5 million	Jul 31, 2025
18	Over 2 million	Aug 31, 2025

Who Needs E-Invoices

- Large Enterprises: Must integrate with Fatoora for issuing and validating invoices.
- Small and Medium Enterprises (SMEs): Gradually included in the rollout.
- Non-resident businesses: Currently exempt, but future obligations may apply for transactions with Saudi entities.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Regulation	Mandatory (ZATCA)	Not regulated for compliance
Purpose	Tax compliance	Internal/customer interactions
System Integration	Required (Fatoora)	Not required

Key Features of Saudi Arabia's E-Invoicing System

- Submission via Fatoora: Businesses must submit invoices in XML format.
- Validation: ZATCA ensures compliance and issues cryptographic stamps and hash values.
- Archiving: Invoices must be stored electronically for 6 years for audits.

E-Invoicing Dataset

- Buyer/Seller IDs: VAT identification numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods/Services: Descriptions, quantities, unit prices, and VAT details.
- Taxes: Detailed VAT rates and amounts.
- Transaction Info: Total payable amount, payment method, and currency.
- QR Code: Mandatory for simplified invoices.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory validation via Fatoora ensures VAT compliance and reduces manual errors

B2C Transactions

- Simplified e-invoices with QR codes are required for consumer transactions.

B2G Transactions

- Mandatory for government transactions, ensuring transparency and compliance.

Penalties for Non-Compliance

- Fines: €1,250–€12,500 per violation.
- Operational Disruptions: Rejected invoices can delay payments and negatively impact cash flow.
- Legal Risks: Repeated violations may lead to audits, legal action, and reputational damage.

Application of E-Invoice in

Singapore

- Led by IMDA through the InvoiceNow network (based on Peppol framework).
- Benefits: Secure, real-time processing, reduced manual work, enhanced business interoperability.
- Standard Format: BIS Billing 3.0 UBL XML ensures seamless integration with accounting and ERP systems.

Implementation Timeline

Date	Event	Details
May 2018	IMDA Appointed as Peppol Authority	IMDA appointed as the national agency to manage the Peppol network
January 2019	Launch of InvoiceNow	Launch of InvoiceNow with 11 access points.
January 2020	New Submission Channel	Introduction of a new submission channel for vendors.
March 2020	E-Invoicing Registration Grant	Announcement of the E-Invoicing Registration Grant to encourage adoption.
September 2020	Rebranding of InvoiceNow	Nationwide rebranding of the system to InvoiceNow.
September 1, 2026	Mandatory Receipt of E-Invoices	Businesses required to receive e-invoices (possibly deferred to December 1, 2026).

Who Needs E-Invoices?

- B2B Transactions: Recommended for seamless operations and tax compliance.
- B2C Transactions: Enhances efficiency in retail and receipt management.
- Government Vendors: Mandatory for invoices to public agencies.
- MSMEs: Streamlines operations and reduces administrative workload.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Tax compliance via IMDA regulations	Customer-focused billing and payments
Validation	Real-time via Peppol	Not validated
Format	BIS Billing 3.0 UBL XML	Flexible, non-regulated formats
Archiving	Required for audits	Optional

Key Features of Singapore's E-Invoicing System

- Real-Time Validation: Automatic compliance checks through Peppol.
- Standardized Format: Ensures interoperability across systems using BIS Billing 3.0 UBL XML.
- Integration: Compatible with major accounting and ERP platforms

E-Invoicing Dataset

- Taxpayer IDs: Identification numbers for buyers and sellers.
- Goods and Services Info: Detailed descriptions, quantities, and pricing.
- Applicable Taxes: GST details and other levies as applicable.
- Standardized XML Format: Ensures uniformity and interoperability across all platforms.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory for taxable supplies.
- Enhances cross-border interoperability and GST compliance.

B2C Transactions

- Encouraged for GST-compliant digital receipts and accurate tax reporting.

B2G Transactions

- Mandatory for public procurement, ensuring transparency and compliance.

E-Invoicing Penalties

- Operational Challenges: Increased manual workload and inefficiencies.
- Lost Opportunities: Loss of government grants and delays in payment.
- Competitive Disadvantage: Falling behind digitally adapted businesses.

Adopting InvoiceNow is essential for businesses to remain competitive, ensure compliance, and embrace the future of digital commerce in Singapore.

Application of E-Invoice in

Slovakia

- Regulated under EU Directive 2014/55/EU, mandating e-invoicing for public procurement.
- Slovakia is working to expand e-invoicing requirements to the private sector as part of its digital transformation initiatives.

Implementation Timeline

Date	Event	Details
April 18, 2019	Mandatory for Public Sector Suppliers	E-invoicing became mandatory for all suppliers to public entities, requiring compliance with the EU standard EN 16931.
2024 (Planned)	Mandatory B2B E-Invoicing	Slovakia is preparing legislation to introduce mandatory e-invoicing for B2B transactions, aligned with EU initiatives for VAT reporting and digital transformation.

Who Needs E-Invoices?

- Public Sector Suppliers: Required for transactions with Slovak public entities.
- B2B Transactions: Expected to become mandatory for all private sector businesses by 2024.
- Exporters: Required for cross-border transactions involving VAT reporting within the EU.
- Non-Resident Businesses: Must issue e-invoices for transactions with Slovak public entities if registered for VAT in Slovakia.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with Slovak and EU regulations	Informal or internal transactions
Format	XML via certified platforms	Flexible, non-regulated formats
Usage	Mandatory for B2G, planned for B2B	Optional for customer-focused interactions

Key Features of Slovakia's E-Invoicing System

- Submission Platforms: Invoices must be submitted via certified platforms authorized by the Slovak Financial Administration.
- Validation: The platform ensures compliance with mandatory fields and VAT regulations.
- Archiving: E-invoices must be stored electronically for 10 years under Slovak tax laws.

E-Invoicing Dataset

- Buyer/Seller IDs: VAT registration numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Delivery Info: Date and location for goods or services.

E-Invoicing Across Transaction Types

B2B Transactions

- Planned to become mandatory by 2024.
- E-invoicing enhances efficiency, reduces errors, and ensures VAT compliance for domestic and cross-border transactions.

B2C Transactions

- E-invoicing is not mandatory for B2C transactions but is encouraged to improve transparency and internal processes.

B2G Transactions

- Mandatory for all suppliers to Slovak public entities since 2019.
- E-invoices must comply with the EU EN 16931 standard and be submitted via certified platforms.

Penalties for Non-Compliance

- Rejection of Invoices: Non-compliant invoices may be rejected, delaying payments.
- Fines: Penalties for failure to comply with public procurement requirements.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Application of E-Invoice in

South Korea

- Regulated by the National Tax Service (NTS) to ensure transparency, enhance tax compliance, and streamline business transactions.
- Mandatory for VAT-registered businesses, with phased implementation based on annual sales thresholds.

Implementation Timeline

Date	Event	Details
January 1, 2011	Introduction of Mandatory E-Invoicing	E-invoicing became mandatory for businesses with annual sales exceeding KRW 3 billion (approximately €2.1 million).
January 1, 2014	Expansion to SMEs	Businesses with annual sales exceeding KRW 300 million (approximately €210,000) were required to adopt e-invoicing.
January 1, 2022	Integration with Electronic Tax Invoice System	All VAT-registered businesses, regardless of size, must issue e-invoices through the NTS platform.

Who Needs E-Invoices?

- Large Enterprises: Businesses with significant turnover, mandatory since 2011.
- SMEs: Required based on turnover thresholds, phased in by 2014.
- Exporters: Required for cross-border transactions to ensure accurate VAT reporting.
- Non-Resident Businesses: Must issue e-invoices for transactions with South Korean entities if VAT-registered in South Korea.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with NTS regulations	Informal transactions
Validation	Real-time via NTS platform	Not validated
Format	XML-based format via certified platforms	Flexible, non-regulated formats
Archiving	Mandatory for 5 years	Optional

Key Features of South Korea's E-Invoicing System

South Korea's e-invoicing system involves:

- Submission Platform: Invoice data must be submitted in XML format via the NTS platform.
- Validation: The NTS system validates compliance with mandatory fields and tax regulations.
- Archiving: E-invoices must be electronically stored for 5 years under South Korean tax laws.

E-Invoicing Dataset

E-invoices in South Korea include the following critical data:

- Buyer/Seller IDs: Business registration numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory for all VAT-registered businesses.
- Real-time e-invoicing ensures compliance, reduces errors, and facilitates VAT refunds for cross-border transactions.

B2C Transactions

- Not mandatory but encouraged for improved transparency and internal records.

B2G Transactions

- Required for suppliers to public entities via the NTS platform.

Penalties for Non-Compliance

Non-compliance with South Korea's e-invoicing regulations may result in:

- Fines: KRW 500,000–5M (€350–€3,500) per invoice.
- Operational Challenges: Rejected invoices can disrupt payments and business operations.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Application of E-Invoice in

Spain

- Governed by the Ley Crea y Crece and aligned with EU Directive 2014/55/EU.
- Aims to enhance tax compliance, reduce fraud, and streamline business transactions.

Implementation Timeline

Date	Event	Details
January 18, 2015	Mandatory for Public Sector Suppliers	Mandatory e-invoicing for suppliers to public administrations via FACe (Factura Electrónica).
July 1, 2017	Immediate Supply of Information (SII)	Introduction of the Immediate Supply of Information (SII) for large businesses and VAT-registered entities under special regimes.
2024 (Expected)	Mandatory B2B E-Invoicing	Mandatory B2B e-invoicing for businesses with annual turnover exceeding €8 million, with smaller companies to follow.

Who Needs E-Invoices?

- Public Sector Suppliers: Required to issue e-invoices via FACe.
- Large Enterprises: Businesses with turnover > €8M will need to comply with the upcoming B2B e-invoicing mandate.
- Exporters: E-invoicing is mandatory for transactions involving cross-border VAT reporting.
- Non-Resident Businesses: Required to issue e-invoices for transactions with Spanish public entities if registered for VAT in Spain.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with Spanish and EU regulations	Informal or internal transactions
Validation	Real-time via FACe or SII platforms	Not validated
Format	Facturae XML	Flexible, non-regulated formats
Archiving	Mandatory for six years	Optional

Key Features of Spain's E-Invoicing System

- Submission Platforms: Invoices must be submitted via FACe for public sector transactions or SII for VAT reporting.
- Validation: The platform ensures compliance with mandatory fields, digital signatures, and VAT rules.
- Archiving: E-invoices must be stored electronically for 6 years in compliance with Spanish tax laws.

E-Invoicing Dataset

- Buyer/Seller IDs: NIF (Tax Identification Numbers).
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Delivery Details: Ensures authenticity and integrity of the invoice.

E-Invoicing Across Transaction Types

B2B Transactions

- Upcoming mandate will make e-invoices mandatory for all B2B transactions.
- Integrated with AEAT for real-time VAT reporting.

B2C Transactions

- E-invoicing is not mandatory for B2C transactions but is encouraged to enhance transparency and simplify tax reporting.

B2G Transactions

- Mandatory for all suppliers to public administrations via the FACe platform.
- Invoices must comply with Facturae standards and include a digital signature.

Penalties for Non-Compliance

- Fines: Up to €10,000 per violation for failing to meet public sector requirements.
- Operational Delays: Rejected invoices may lead to payment delays and strained client relationships.
- Legal Risks: Audits and reputational damage for repeated non-compliance.

Application of E-Invoice in

Vietnam

- Regulated by the General Department of Taxation (GDT) under Decree 123/2020/ND-CP and Circular 78/2021/TT-BTC.
- Aims to improve tax compliance, reduce fraud, and enhance transparency in business transactions.

Implementation Timeline

Date	Event	Details
2024 (Planned) November 1, 2020	Introduction of E-Invoicing Regulations	Businesses were encouraged to adopt e-invoicing voluntarily in preparation for future mandatory requirements.
July 1, 2022	Mandatory E-Invoicing Nationwide	All businesses and organizations must issue e-invoices for domestic transactions in compliance with GDT regulations.

Who Needs E-Invoices?

- Domestic Businesses: All VAT-registered businesses must issue e-invoices for domestic transactions.
- Exporters: E-invoicing is mandatory for cross-border transactions to ensure compliance with tax reporting.
- Non-Resident Businesses: Entities registered for VAT in Vietnam must issue e-invoices for transactions within the country.

E-Invoicing vs. E-Billing

Aspect	E-Invoicing	E-Billing
Purpose	Compliance with GDT regulations	Informal or customer-facing transactions
Validation	Real-time via GDT e-invoicing system	Not validated
Format	XML-based format	Flexible, non-regulated formats
Archiving	Mandatory for 10 years	Optional

Key Features of Vietnam's E-Invoicing System

- Submission Platform: Businesses must submit invoices in XML format through the GDT platform.
- Validation: The GDT validates invoices to ensure compliance with tax regulations and issues a unique invoice code.
- Archiving: E-invoices must be stored electronically for at least 10 years in accordance with Vietnamese tax laws.

E-Invoicing Dataset

- Buyer/Seller IDs: Taxpayer identification numbers.
- Invoice Details: Invoice number, issue date, and payment terms.
- Goods and Services: Line-item descriptions, quantities, unit prices, and subtotals.
- Taxes: Applicable VAT rates and amounts.
- Transaction Info: Total payable amount, currency, and payment method.
- Digital Signature: Ensures authenticity and integrity of the invoice.

E-Invoicing Across Transaction Types

B2B Transactions

- Mandatory e-invoicing ensures compliance with tax regulations and streamlines VAT refunds for domestic and cross-border transactions.
- E-invoices facilitate efficient record-keeping and auditing processes.

B2C Transactions

- E-invoicing is mandatory for all B2C transactions, including retail and service industries.
- Simplified e-invoices are used for small-scale transactions.

B2G Transactions

- Mandatory for suppliers to government entities, requiring submission through the GDT platform to ensure compliance and transparency.

Penalties for Non-Compliance

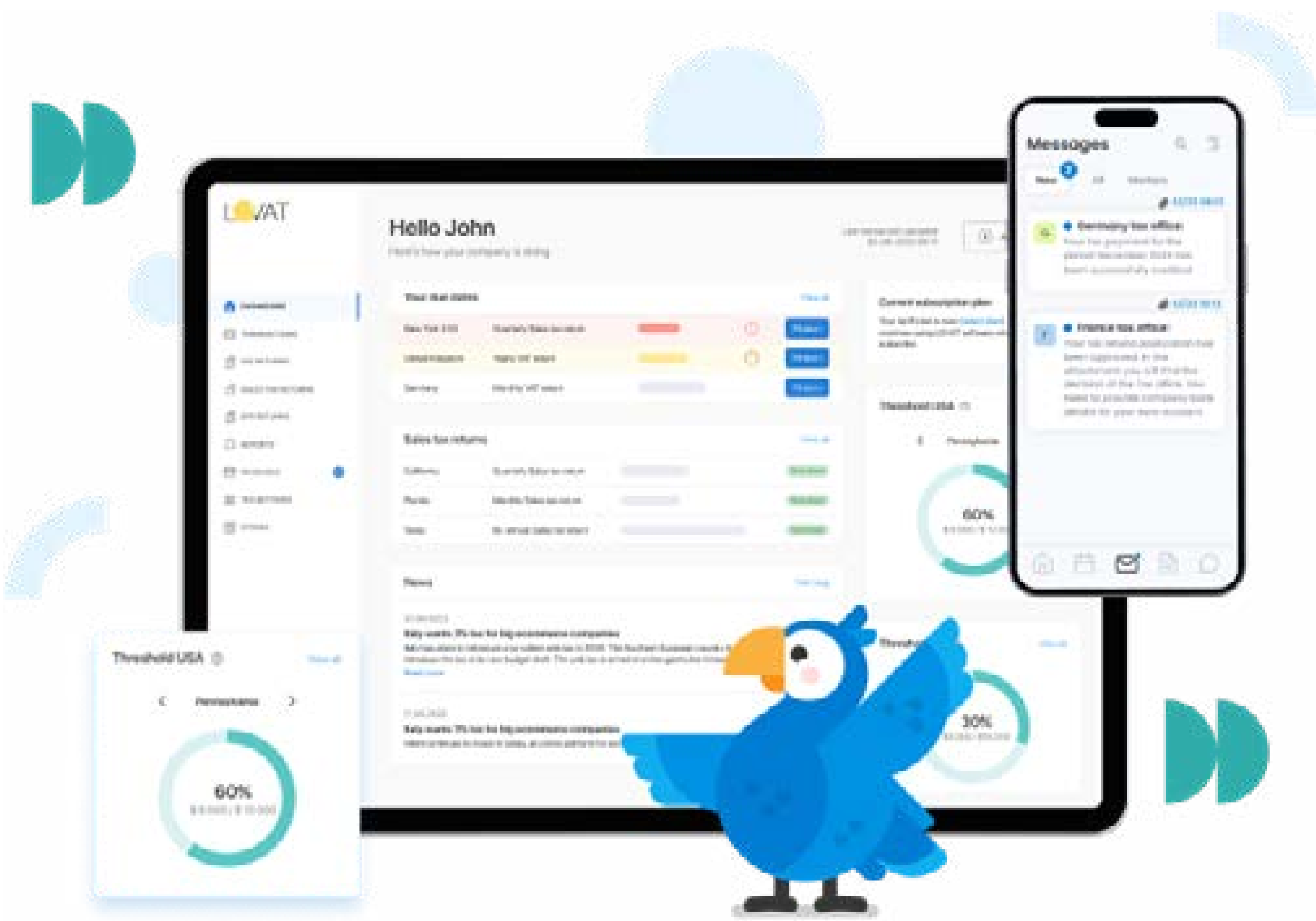
- Fines: VND 10 million–50 million (€400–€2,000) per violation.
- Operational Challenges: Rejected invoices can disrupt payments and business operations.
- Legal Risks: Increased audits and reputational damage for repeated violations.

Let’s Work Together

We provide tailored e-invoicing solutions for businesses of all sizes. Contact us today to streamline your operations and ensure compliance

Book demo

Learn more



Why Choose Lovat for E-Invoicing?

- Fully Digital Process
  Transition to 100% digital invoices reduces paper use, optimizes processes, and improves efficiency. Lovat’s platform securely stores all your invoice data.

- Global Compliance
  Ensure adherence to e-invoicing regulations and tax laws in over 70 countries. The platform automatically adapts to local requirements, including CTC rules, eliminating the need to manually track changes.

- Easy Integration
  Seamlessly integrates with your existing ERP or financial systems without disrupting workflows or requiring new software.

- Scalability and Future-Readiness
  As your business grows, our platform evolves with you. The user-friendly design adjusts to future regulatory changes, allowing you to focus on expansion without compliance worries.

- Cost Efficiency
  Using a single solution across regions reduces costs for additional tools, updates, and maintenance.

LOVAT

Support in 5 languages | 70 countries | 12 local currencies | +20 integrations with ERP systems

Find out more at vatcompliance.co