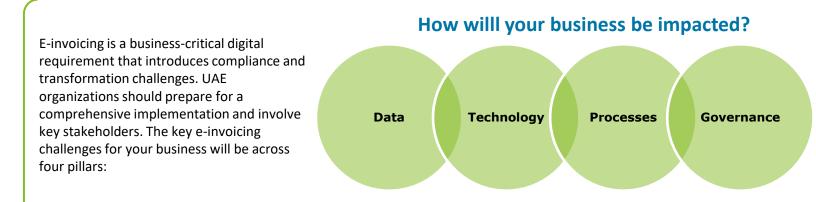
Mandatory e-invoicing is coming to the UAE

Will your business be compliant?

September 2024

Deoitte

E-invoicing is the process of generating and exchanging electronic invoices and related notes, in a digital and tax-compliant format. Tax Authorities worldwide are adopting e-invoicing obligations to drive real-time data, increase tax compliance, reduce the Value Added Tax (VAT) gap and further automate tax audits. The United Arab Emirates (UAE) is on target to introduce a mandatory e-invoicing regime by July 2026.



How can your organization meet the e-invoicing requirements and obligations?

Organizations need to implement an (accredited) e-invoicing solution that meets all relevant tax, legislative and IT requirements. Early adopters of e-invoicing can minimize document errors and rejections after go-live.

Identifying the optimal approach for your business challenging.

Deloitte's high-level recommended project approach includes the following:

Phase 1: E-invoicing Impact **Phase 2: Implementation** of e-invoicing solution Assessment

- Identify stakeholders & develop RACI
- Review business transaction scenarios & business processes
- **Evaluate VAT compliance** processes
- Assess available, partial and missing data
- Tag e-invoicing touchpoints to system landscape (ERP, billing and procurement systems)
- Develop high-level roadmap

- Elicit all functional and technical requirements
- Asses Accredited Service Provider (ASP) suitability
- Create functional and technical designs
- Data cleanse & data mapping to **UAE Data Dictionary**
- Build. Unit and Integration Testing
- User Acceptance Testing & training
- Process re-design & governance
- documentation
- Cutover and Go-Live

Phase 3: Go-live and **Operate business as usual**

- Continuous user training
- Business as usual and compliance with e-invoicing and tax legislation

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- Monitoring and resolution of errors and rejections
- Alignment with regulatory amendments
- Performance optimization

Organizations that are non-compliant with the e-invoicing and VAT regulations could be subject to penalties.

Without a clearly defined approach and ownership, organizations risk encountering implementation hurdles, overlooking potential automation benefits, facing compliance and customer challenges, and increasing exposure to tax risk.

The most successful e-invoicing projects start early. It is critical to allocate time for planning, implementation, and testing to achieve a seamless and successful rollout.

Deloitte can support your business with end-to-end e-invoicing implementation, including tax advisory, functional and IT technical guidance.

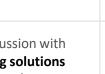
Actions to take, in the UAE, today



Identify impacted business processes. including O2C, P2P, R2R, IT and master data



Assess quality of data in source systems. Early adopters should assess against Peppol reporting specs



Identify source systems impacted. Locate where documents are raised, master data stored



Nominate workstreams lead, with defined roles and responsibilities. Align with your global einvoicing program.



Open discussion with e-invoicing solutions providers and potential ASPs



Assess VAT compliance process and identify noncompliance

E-invoicing requires a collaborative effort Get in touch with us today



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