



E-invoicing In the Netherlands

April 2026

1. The Netherlands is late to the party introducing e-invoicing

1.1 Current state of play

The Netherlands must act quickly on e-invoicing or it will fall behind digitally. E-invoicing is becoming the new norm in the EU. All neighbouring countries are introducing national e-invoicing requirements and, by 2030, all EU countries must have moved to e-invoicing for cross border supplies of goods and services under the European Commission's ViDA package.

ViDA: VAT in the Digital Age, a package of changes in the EU VAT regulations that, amongst others, require e-invoicing and e-reporting for cross border activities per 2030.

The Netherlands is lagging behind in the field of e-invoicing and that is undesirable from both a business and a tax perspective. At present only a small proportion of taxable persons in the Netherlands make use of e-invoicing. Meanwhile, in countries directly bordering us (for example Belgium and Germany) a national obligation to invoice via e invoices was introduced as of this year.

1.2 Introduction to e-invoicing and e-reporting

E-invoicing is not sending a PDF invoice by e mail or another digital channel. E invoicing is an "invoice" that is issued, transmitted and received in a structured electronic format that enables automatic and electronic processing. This is also the definition included in tax and accountancy rules. E-invoicing is the basis for e reporting as set out in the ViDA package.

E-invoice: an invoice that is issued, transmitted and received in a structured electronic format that enables automatic and electronic processing

E reporting refers to a digital reporting obligation under which companies are required to provide invoice and transaction data to the tax authorities almost in real time. This fits the trend of "DCTR" models being introduced by countries around the world. DCTR stands for Digital Continuous Transactional Reporting. The OECD also uses this term. In this article we will simply refer to e-reporting.

E-reporting: requirement to report invoice and transaction data in near real time to the (tax) authorities

1.3 Why does the Netherlands need e-invoicing?

1.3.1. Business benefits

The EU rules oblige Member States to mandate e invoicing for cross border supplies by 2030, and from 2025 they also allow Member States to require it for other supplies, such as domestic supplies of goods and services. Many of the Netherlands' neighbouring countries have already made use of this option, and we expect others to follow quickly.

In the Netherlands, most companies still receive their invoices as PDFs, often with Microsoft Excel or Word specifications via e mail. The majority of multinationals, and even the government bodies (where e invoicing is already mandatory), indicate that they often, if not, always receive invoices in this way. A national e invoicing obligation will fundamentally change that practice, and with it the impact of tax compliance and regulation on what was previously a largely business and finance driven invoicing process.

E invoicing increases the competitiveness of businesses by reducing the costs of processing invoices. The cost price of an e invoice compared with a traditional invoice obviously varies by case and sector. As an indication the cost price of an e invoice is on average EUR 0.50-1 per invoice. The average costs of a manual invoice are around EUR 7-8, and in some industries (such as the financial sector) it exceeds EUR 10.

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This is particularly relevant now that many (Dutch) **companies will already be required to support e invoicing due to existing obligations for cross border supplies** or obligations in other countries. Businesses that still send PDF invoices or even paper invoices face a substantial initial effort, but they will also reap the benefits. More than 60% of our internationally operating clients indicate a preference for the introduction of a national e invoicing mandate to be introduced shortly before, or at the same time as, the introduction of the cross border e invoicing obligation from the ViDA package in 2030. This avoids double work and a prolonged period during which they must support multiple invoicing processes.

Digitization and standardization lead to additional efficiencies. An example is the possibility for **analytics on structured tax and financial data**. One of the most striking benefits of e-invoicing is the efficiency gain from process automation. By automating the invoicing process, companies can drastically reduce the time needed to create, check, send and process invoices. This applies to issued invoices, but in particular to received invoices. Digitization and automation also improve overall compliance by reducing the likelihood of errors and the need for corrections.

E-invoicing also results in **faster payment throughput times**. Deloitte's benchmark research on the digital transformation of finance and procurement departments (Deloitte Consulting Touchless Finance) shows that the average throughput time of a traditional invoice is 14-16 days. From the moment an invoice is received by an organization's AP department (Accounts Payable), it still takes two to three weeks before it is even prepared for payment. Automatic processing of e-invoices reduces this throughput time substantially.

From low ROI for e-invoicing to high ROI for e-invoicing

	Cost Reduction Levers	Themes	Potential Opportunities	Typical Savings	Typical Time to Realize
Strategic	Operating model redesign	<ul style="list-style-type: none"> Organization Design Harmonization Centralization 	Variety in implementation approaches across geography with limited synergies. Considering activities that can be harmonized & centralized vs activities that are local increases time to market and allows for further efficiencies in BAU (i.e., removing manual interventions from the process and centralizing exception-based handling)	20% - 30%	12 - 18 months
	Infrastructure optimization	<ul style="list-style-type: none"> Technology architecture 	Several systems across geographies to implement e-invoicing. A clear vision and transition will increase efficiency in implementation and BAU	15% - 25%	6 - 12 months
	Process optimization	<ul style="list-style-type: none"> Automate Simplify 	High level of manual interventions in p2p and o2c processes. With the digitization e-invoicing inherently brings; manual activities can be reduced. Manual interventions will be on an exception basis and be centralized in a center of Excellence	20% - 40%	6 - 12 months
	Spend Reduction	<ul style="list-style-type: none"> Eliminate (through analytics) Payment Discounts 	e-invoicing unlocks opportunities that can lead to spend reduction. For example, Timely payments can result in payment discounts. It also enables analytics that can be used to do comparisons of suppliers to see where the spend can be reduced.	10% - 20%	3 - 12 months
Tactical					

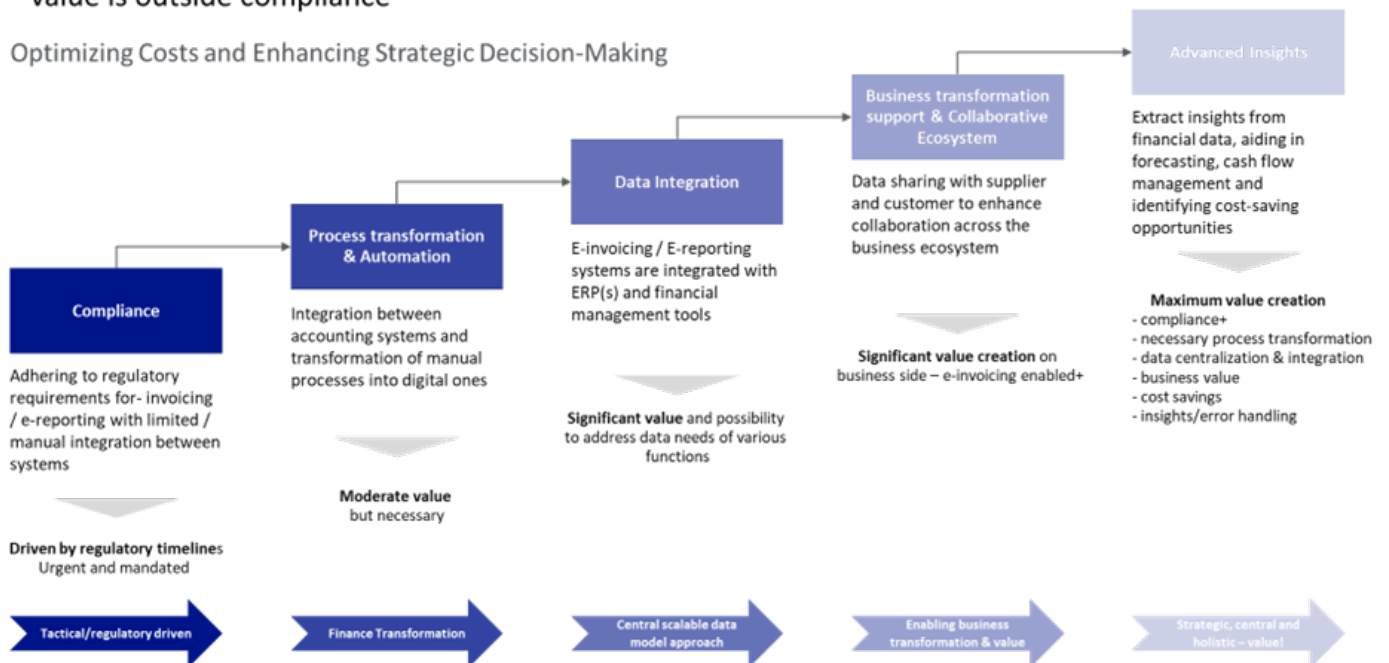
„The price of an e-invoice is less than a postage stamp, the price of a paper invoice is more than 10 euro’s”
French Government

What would digitalization of tax and reporting mean for you?

Business benefits of e-invoicing

Beyond compliancy and tactical necessity - E-invoicing & E-reporting as driver for digital transformation – value is outside compliance

Optimizing Costs and Enhancing Strategic Decision-Making



Clear e-invoicing rules also benefit Small and Medium sized Entities (SMEs). They gather the same benefits as elaborated above. Moreover, lack of rules likely results large businesses commercially pushing SMEs to support multiple formats and transmission protocols, increasing the costs for SMEs.

1.3.2. Tax authorities' perspective

The key driver for introducing e-invoicing requirements is generally the so-called VAT gap. That is, the gap between the theoretical VAT revenue (based on size of the economy) and actual VAT receipts. Based on trends and historical data, we estimate the current Dutch VAT gap to exceed EUR 8 billion. This is higher than the official numbers. It is generally accepted that e-reporting is a sound method to limit the VAT gap. It allows tax authorities to match sales and purchases data in (near) real time, allowing timely action and automated risk warnings.

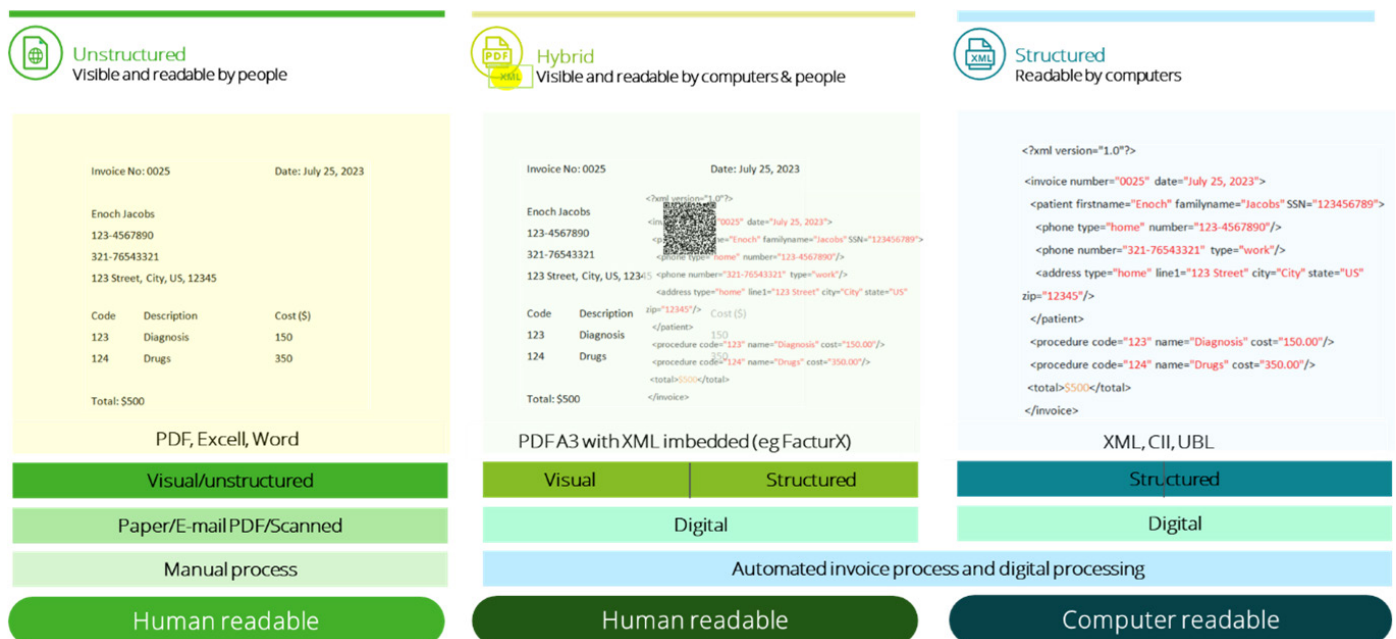
The VAT gap in the Netherlands currently appears to be larger than the EU average. Action is required to limit this.

Additional benefits for the authorities include increased efficiency, more focused audits and additional data to determine policy.

2. E-invoicing and e-reporting standards and protocols

2.1. E-invoicing

as mentioned, we refer to an e invoice only where there is a structured electronic format that enables automatic and electronic processing. A normal PDF or similar human readable format (Excel, Word) that is transmitted digitally does not qualify as an e invoice. A PDF with an embedded or accompanying structured data layer that is machine readable can, however, qualify as an e invoice (Hybrid invoice).



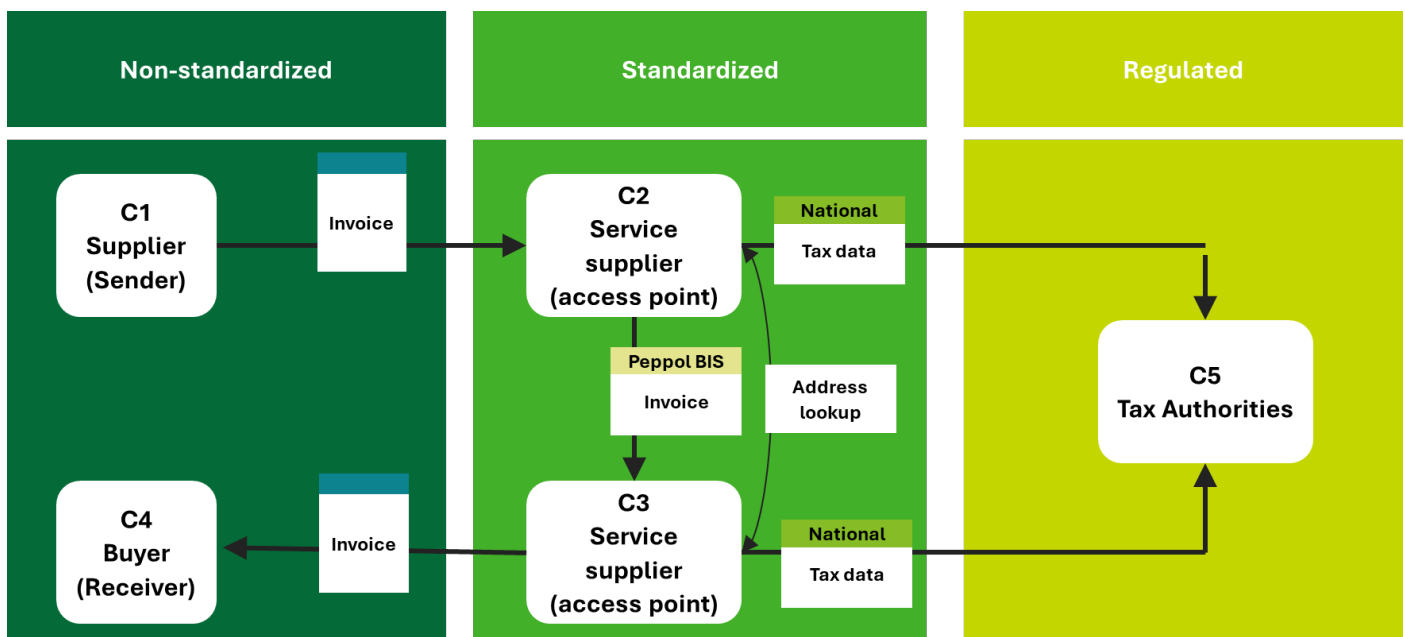
E-invoice: structured and readable by computers

Countries may impose additional requirements regarding transmission protocols and the data model when implementing e-invoicing regulations. Within the EU, the EN 16931 standard framework has been developed as the semantic data model for e invoices. Under the EU rules for ViDA that have now been adopted, e invoicing must be mandatory in all countries for cross border supplies of goods and services between taxable persons by 2030 at the latest. Businesses in the Netherlands that trade with other taxable persons established in the EU will in any case be required to comply. **E invoicing will therefore become the norm across the EU as of 1 July 2030** and mandatory for cross border supplies. This means that businesses from mid 2030 will only be permitted to send and receive e invoices for these supplies. The aforementioned EN 16931 standard should be accepted in all Member States for both domestic and cross border transactions. Even though Member States may allow other formats for domestic e-invoicing as well, it is Deloitte's view that businesses and Member States should focus on the EN 16931 format when implementing new requirements. This results in the highest level of interoperability.

2.2 E-reporting

E-reporting within ViDA provides for transmission of a subset of the information from e-invoices to the authorities. We didn't address the transmission protocol for e-invoices above. The most commonly prescribed protocol with recent introductions of e-invoice requirements in the EU is transmission via the Peppol network. This model is also the model preferred by most businesses and as such recommended in the report for the Ministry of Finance on e invoicing (report "ViDA e invoicing and digital reporting" for the Ministry of Finance of 26 January 2026). Peppol is an open EU standard and typically uses a four-corner model for e-invoicing. The supplier (corner 1) sends an invoice to a Peppol Access points (corner 2). This access point validates the access point for the buyer and sends the invoice in the Peppol standard to that access point (corner 3). This access point sends the invoice to the buyer (corner 4).

The Peppol framework also allows transmission of a subset of the data to the authorities, via a Peppol 5-corner model. Subject to the exact implementation, one or more access points also submit (part of) the invoice data ("Tax data") to the tax authorities. In case of cross border activities, C2 and C3 may each report to different tax authorities, though generally the model is still referred to as 5-corner.



Peppol 5-corner model. Visualization inspired by Peppol presentations.

Within the ViDA rules, e-reporting should happen near real time. The Peppol 5-corner model allows doing so, with limited impact for business processes as reporting becomes part of the invoice process.

3. Scope and timing of introduction in the Netherlands

Given the growing VAT gap in the Netherlands, we believe introduction of e-invoicing and e-reporting for domestic transactions is a no brainer. The software capabilities are available and the experience abroad with the most efficient and business friendly e invoicing models, for example via the Peppol 5 corner model, is available. The timing of introduction depends on political will and urgency, and business should have sufficient time to implement.

Current adoption of e invoicing in the Netherlands is low, both within SMEs and among multinationals. In the recent report for the Ministry of Finance on e invoicing it is stated that only 35% of Dutch SMEs use software specifically for invoicing. The majority invoice via PDF or paper and use Word and Excel for this. The same report also indicates that awareness of the upcoming obligations in the Dutch business community is limited. 66-72% of respondents indicate they are not aware of the European VIDA rules or national plans for e invoicing. This underlines the risk that the Netherlands will fall out of step with the rest of the EU and that broad digital adoption of finance and tax processes could be hindered, in contrast with business digitalization.

E invoicing is, however, gradually gaining ground in the Netherlands. Both as a result of adoption of e invoicing by multinationals because of obligations in other countries, and because of efficiency, cost savings and alignment with the digitization of the finance function. In case regulations are introduced in time, business may be ready to implement a domestic requirement for e-invoicing in their systems and process early as 2028 or 2029. Many accounting packages and platforms commonly used in the Netherlands already support e invoicing. Based on discussions with clients many businesses appear to prefer a "big bang" for such requirement at the same moment in 2030 as the cross border requirement.

4. Get ready for e-invoicing

4.1. The time is now!

Given the lead time and the time needed to set up systems and to transition from manual to more automated processes, it is important evaluate software solutions and configurations well in advance. We already know from the countries around us in which direction this is heading and the software solutions are already available there. It is therefore opportune to start with e invoicing now in order to benefit from the advantages as early as possible. This strategic approach yields more added value than firefighting to comply with legal requirements on a country by country basis. It requires a more comprehensive implementation plan and is crucial for business continuity: it improves operational efficiency, reduces costs, enables faster payments and provides better visibility into the fiscal and financial situation.

4.2. Deloitte's approach

A strategic and future oriented approach is essential. This should assess upcoming obligations in the area of e invoicing and e reporting so that timelines and countries can then be prioritised. Only then should technological choices and operational configurations that align with these priorities be considered. It is by no means easy to address this in combination and to keep an overview. With our extensive experience in the international digital tax landscape, we can act as your strategic and operational partner during this transformation. Our vendor agnostic, scenario based approach to e invoicing and e reporting is modular and comprehensible, built in phases and tailored to the specific opportunities and challenges of your business. Whether you are formulating a centralised strategy, preparing for implementation or seeking advanced continuous monitoring, we are ready to support you at every step. Our approach outlined below can also be deployed in a more focused and modular way per phase. Directly addressing the urgency of being able to provide a solution in a country to comply with e reporting and e invoicing can go hand in hand with a long term vision to be able to scale from the existing setup and infrastructure. We have the experience of international projects for our clients and the overview of legislative timelines, changes, software vendors and the ERP landscape. In addition, we have the capabilities to manage such multidisciplinary projects effectively and collectively. Below is a short overview of the most notable challenges and experiences.

Common challenges



Technical Challenges

- Integration Complexity
- Data Format – complexity and local variation
- Scalability
- Security and Privacy
- Source Data Variance and Quality Limitations



Finance and Legal Considerations

- Clear business requirements across data, processes and IT
- Initial Investment Costs – can be significant, requiring a clear message on the long-term return on investment
- Expectation on internal effort and maintenance cost
- Archiving and Audit Trails



Operational Challenges

- Change Management
- Business integration and practical application
- Error handling and disputes
- Monitoring and Maintenance
- Alignment of cross functional requirements and business impact



Other

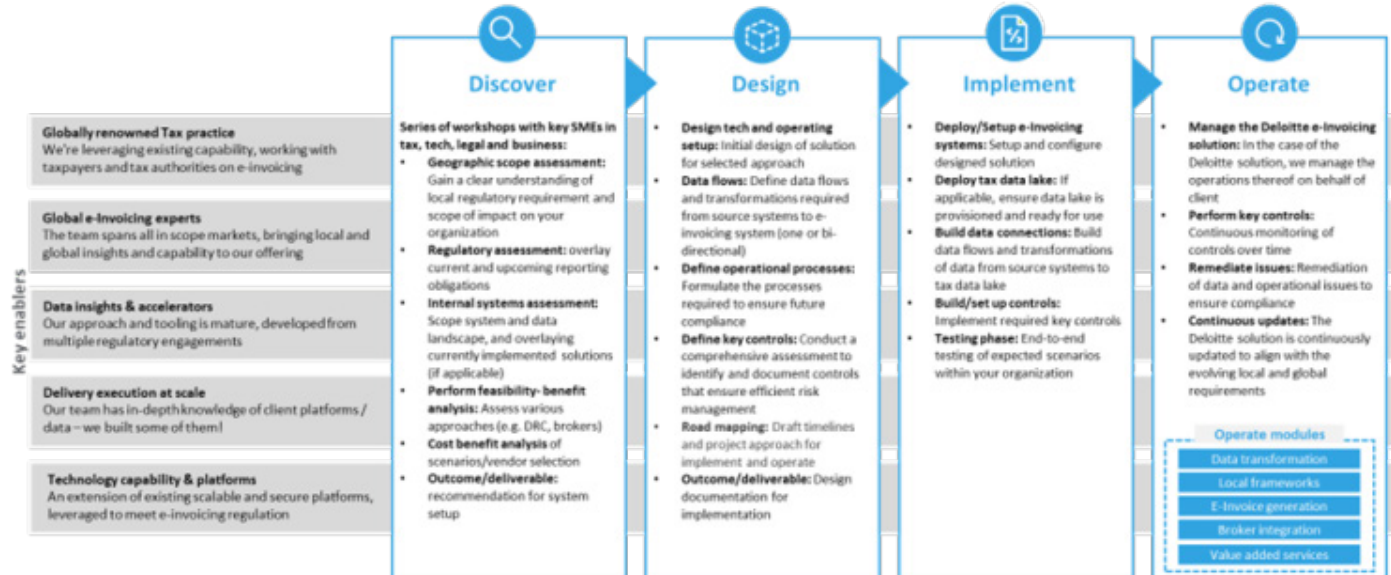
- Understanding the complex/different and regulatory landscape & Timing – how to prioritize the mandates, changes and practical aspects vs what is needed from a business perspective
- Lack of awareness and resource bandwidth - key stakeholders stretched already on existing projects
- Delays in mandates and frequent changes
- Increased transparency, creating increased tax audits

Hallmarks of successful implementation



E-invoices—practical experience on challenges

Our approach consists of a number of phases but is also modular. We can step in at any stage and help companies navigate e invoicing implementation and e reporting setup. We know the implementation methodology of most (international) e invoicing software platforms AND we have the up to date financial and tax regulations and formats at hand to respond hands on and efficiently, completely and compliantly.



Interested? Call or email one of our experts in e invoicing and e reporting and we will be happy to help you further.

Please reach out to our team on our e-invoicing page.

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