

**Government bill to Parliament contracting entities and traders in electronic invoicing**

**MAIN CONTENT OF THE PROPOSAL**

The bill proposes a law electrical contracting entities and traders white to invoicing. The law would be a new and as pantaisiin implemented nationally to the European Parliament and Council Directive on electronic invoicing in public procurement. The Directive presented in accordance with the proposed law would oblige the contracting entity public contracts to receive and process electronic invoices which comply with the extraction of a European standard. The Act also proposed directive as an independent regulatory as adjusted by the contracting entity and the trader's right to decline European standard-abiding form of an electronic invoice from the other contracting entity or business alike.

The law does not apply where the use of electronic invoices could reveal confidential information or compromise the essential security interests of the state.

The proposed Act is intended to improve the effectiveness of both public and private sector financial management by providing a framework for automatic processing of invoices. The law would not apply to natural persons for private billing.

The Act would come into force on 1 April 2019.

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GENERAL EXPLANATORY

MEMORANDUM 1. Introduction

Financial management is a key part of the activities of the authority, company or other organization. Financial management is responsible for the management of financial resources of the organization, as well as the creation of reports for different stakeholders of the organization as leaders and officials. parties other than the consumers' financial administrations dealt with hundreds of millions of invoices a year. Alone in the state administration handled about 1.2 million decrease in the purchase and sale of approximately 8.8 million invoices per year. In the municipal sector only invoice the annual amount is estimated to be about 10-13 million. Finland is widely larger organizations started using machine-readable form that is structured e-invoices. Paper invoices and invoices scanned from a shift structures of electronic invoices of these important economic, Due to environmental and other benefits. The current legislation does not oblige for the authorities, companies and other organizations nor their suppliers to use electronic invoices.

However, E-invoicing has not been trouble-free. At national level, the wider use of electronic invoices have prevented or slowed down, inter alia, the information content of electronic invoices, as well as shortcomings in the bill senders reluctance to adopt electronic invoicing. IN THE EUROPEAN Union's point of view, the problems are in turn related to the various Member States used a number of different standards and the decline arising due to these cross-border barriers to trade in the internal market.

Electronic invoicing in public procurement Directive of the European Parliament and of the Council 2014/55 / EU, hereinafter referred to as *e-invoicing Directive*, The purpose is to eliminate the above problems. E-invoicing The Directive requires the European Commission to drawn up for a new common dismantle barriers to its decline in the standard of European cross-border trade, as well as integrated billing data in the European Union. In addition, e-procurement directive is binding, Health division of public procurement to receive and process electronic invoices, just-ka comply with the new European standard for the decline.

Board's proposal is intended to provide the new law, contracting entities and business alike e-invoicing. Purpose is to create conditions and thus being fueled by the transition from fully automated financial management of the public and private sectors. Automation can be used to achieve a wide range of benefits such as better quality information, faster process turnaround times, as well as the working time of the release of the manual operations to the exit. Released from the working time can be allocated to the organization greater value indicative specialist tasks. At best financial management automation will create new business operations and reduce the black economy. Electronic invoicing is one of the key conditions for automation.

## 2 Nykyt i la

### 2.1 Legislation

In Finland, there is no binding legislation the use of electronic invoices. Legislation, however, allows for a plurality of points of use.

In court, the obligation is based on the principle that a debtor in viivästysseu- levying of penalties to emancipate submit payment to the creditor (the so-called. Viemävelkaperiaate). The creditor

However, by providing help to contribute to the debtor to pay sufficient information to enable it to carry out the debt-time delivery. As a rule, delivery of the bill is covered by a creditor of the contribution obligation. Velvoiteoikeudellisena starting point for force also be considered that the beneficiary to decide which payment methods in order to receive payments. Appropriate piece can be agreed in mutual relationship with the payment the moment they see fit. Value added tax legislation contains provisions on key bills. Value Added Tax Law (1501/1993) use the concept of the bill. Value Added Tax Act bill refers to the VAT Directive (Council Directive 2006/112 / EC on the common system of value added) in accordance with the addition of actual invoices, other documents issued by them. Serving also considered all the bills and vouchers, as well as messages that contain changes in it, or a reference to the original invoice. The VAT Act provides for laskunantovelvolliselle content. Value Added Tax Act 209 b §, the seller must give the buyer the decline, if the buyer na is a trader or a legal person who is not a trader, the sale of goods or services, inter alia, taxable, certain tax-free sales, as well as certain protected Messa as tax on sales provided when the sale takes place in another EU country. The invoice can be VAT Code § 209 d in that only the recipient's consent to give electronically. Electronic invoice refers to a decrease in VAT law, which is given to and received in electronic form.

the provisions on the content and format Invoice is a number of other law. For example, the law of the energy (1429/2014) provides for district heating and district cooling and combustion of the material and the decline in the minimum end-user the right to elect to receive district heating and cooling bills and consumption data in electronic form. Corresponding provisions set can be found on the market in form of natural gas (587/2017). content requirements for rafting is also the Waste Management Act (646/2011).

## 2.2 Practice

Public Administration

Ministries and local government cooperation and a permanent consultative body to the public administration information management in JUHTA make recommendations on public administration information management (the so-called. JHS recommendations). JHS 155 electronic invoices in public administration include MPLIANCEWITH guideline recommendations for use of the public network bill. Online Invoice refers to the recommendations Sessa electronic invoice that details are handled automatically and which can be produced on a computer screen that resembles a paper invoice view. According to public financial management information system must be able to send to organizations and consumers to electronic invoices and receive electronic invoices. information system or service used must be able to transmit and receive either a financial sector ry to maintain Finvoice format or Tieto Corporation: maintained by the network invoices based on TEAPPS format. According to a recommendation of public administration should not send or receive email invoices. If a public organization to be in standby to receive e-invoices, it is recommended that the organization also requires electronic invoices. If the entity has the possibility of transmission of electronic invoices, recommended sending the bills to the address, e-verkkolas- jets to the release of its recipients.

Public procurement standard contract terms JYSE 2014 Products and services JYSE 2014 LUT, the supplier will charge the subscriber, ie the acquisition unit using an electronic invoice. Those terms are widely used, as well as the thresholds below-the-border public procurements sa.

The state governance, the State Treasury has instructed the State kirjanpitoyk- beginning of the year 2010 units as to receive only e-invoices. Journalists who do not have their own system for making electronic invoices, directed to draft and send a free browser-bills through the icy e-invoicing portal. The state does not receive the e-mail attachment sent to the calculation alley. In 2017 the State of purchase invoices received 90% of electronic invoices. a common objective for administration Valtionhal- 2018 and 2019, the electronic bills vastaanotto- cent of at least 95. State kirjanpitoyksiköiltä requires active and supplied with a continuous tajayhteistyötä and communication with suppliers number of electronic bills in order to increase.

All the government agencies are also able to send e-invoices to companies. E-invoices can be sent with attachments. The State does not send invoices as an email attachment. In 2017 the state sales invoices 28% of e-invoices. The aim is that in 2019 about 36% of the state sales invoices to electronic invoices.

Procurement of digitalisation implementation program ( "Handi") to develop a state procurements. The arterial is the digitization of procurement aim is that government procurement is managed and conducted in a professional core operating aid and that the digital acquisition process is smooth and open from end to end. The program's implementation of energy-conservation potential is calculated about 15 million eu- ros and 300 person-years. A key objective is the state invoice automation to measure or as classified by 2020 bills processed 89% using automated functionalities. Increasing the proportion of the network of bills is a prerequisite for successful automation pansion.

On arvioitu, että kuntasektorilla vastaanotetaan noin 10—13 miljoonaa ostolaskua vuodessa. Suomen Kuntaliiton vuonna 2016 teettämän kyselytutkimuksen mukaan noin 85 % kunnista ja 95 % kuntayhtymistä oli valmius vastaanottaa sähköisiä laskuja. Tutkimuksen mukaan 77 % kunnista ja 78 % kuntayhtymistä käsitteli vielä paperisia laskuja ja myös arkistoi laskuja pape- risena. Tutkimuksessa seitsemän prosenttia vastaajista ilmoitti sähköisenä vastaanotettujen os- tolaskujen osuuden olevan yli 80 %. Noin 24 % vastaajista vastasi sähköisessä muodossa käsi- teltujen laskujen osuuden olevan alle 51 %. Viisi prosenttia oli vastannut sähköisessä muodos- sa vastaanotettujen laskujen osuuden olevan nolla prosenttia. Elinkeinoelämä

Also, electronic billing companies have increased. According to Eurostat statistics suomalaisis- of 82% of the companies sent or received electronic invoices, which can be processed by machine, the minimum available in public areas is the highest in Europe. It was followed by Denmark, which accounted for 72%. The EU average was 35%.<sup>1</sup>

Micro and small enterprises, electronic invoicing is not as common. Only a few bills annually emitting micro-enterprise billing costs may even rise when introduced into a system that supports the principles and automaticity of digital financial management. The cost savings arise only when the number of invoices sent to grow. network services to be used for billing may be cheaper, but these services do not eliminate the need for manual processing of the data and do not allow automatic financial management. Micro-businesses e-invoicing knowledge and IT skills may be weak.

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<sup>1</sup> Eurostat compares at least 10 more employees (non-financial sector), depending on whether the machine to handle electronic invoices are sent or received.

### 2.3 International development and foreign countries and EU legislation

#### International development

appeared in 2017, according to the report, more than 90% of the world invoices handled manually (E-Invoicing / E-Billing, Significant market transition lies ahead, by Bruno Koch, Billen- tis, 05/18/2017). the number of electronic invoices in 2017 was estimated to report a worldwide 36 billion. the number of electronic invoices, however, is growing rapidly, with an estimated 10-20% per annum. The report estimates that global e-invoicing market will grow from the current 3.3 billion to 16.1 billion euros in 2024. In the past, private companies were the driving force for the introduction of electronic invoicing. According to the report, however, the situation is changing, as more and more countries governments have begun to promote the uptake of e-invoicing. The report shows

Electronic invoicing is the most developed Latin America and many countries in Europe and Asia. However, the majority of the world organizations have not yet been taken on a particular operating system or electronic invoicing service. Developments in the EU

Paperless public administration is the European Digital Agenda, launched in 2010, one prioritization teeteista. Digital Agenda for Europe is a Europe 2020 strategy pillars. It emphasizes the that e-government and digital single market are key factors in its modern and competitive EU economy.

The communication Reaping the benefits of electronic invoicing for Europe, COM (2010) 712 final (02.12.2010), the Commission set the objective of e-invoicing become the predominant method of invoicing by 2020.

The European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the European Commission's Communication Fully electronic procurement entry into service for the modernization of public administration (COM (2013) 453, 06.26.2013) states that the publication of kisten management of procurement has an important role in the stabilization of public finances In the EU area. the share of public expenditure to be incurred for goods, works and services in relation to the EU's GDP is 19%, which is why their management efficiencies could be considerably more efficient use of public funds.

The transition to full e-procurement (end-to-end e-procurement), the Commission may produce substantial savings, to facilitate the restructuring of certain sectors of the public administration and promote growth by opening the internal market and stimulating innovation and menettely- of simplification. It can also facilitate the participation of SMEs in procurement context hin reducing the administrative burden, improving transparency of business opportunities and by reducing the costs of participation. Communication, the Commission set the final päämää- Raksi electrifying the entire procurement process, electronic recording and reporting every electronic payments and electronic archiving.

E-procurement capture the benefits of the European Parliament and the Council adopted in February 2014, three new procurement directive (2014/23 / EU, 2014/24 / EU and 2014/25 / EU), which provided electronic declarations, electronic availability of procurement documents

bility and offers electronic submission of mandatory. In April 2014 the European Parliament and the Council adopted the e-invoicing Directive, the purpose of which was the digitization of the second phase of procurement procedures or billing. E-invoicing Directive

E-invoicing The Directive was adopted on 16 April 2014 and entered into force on 26 June 2014. The Directive is the EU a new one.

E-invoicing Directive, the European Commission will ask the European Standardization committees for (CEN) to draw up a European standard for e-invoicing. manufacturing standard will be familiar to Member States under the Directive, to ensure that contracting entities will receive and process electronic invoices which comply with the new European standard for the decline. Directive will be amended applies the EU thresholds border public procurement and concessions basic basis drawn up and issued e-invoices.

E-invoicing The aim of the Directive is that the public procurement introducing a common European standard for electronic invoices and thus removed from the internal market deterrents to trade arising from the fact that the Member States have on a number of electronic invoices standards for trade. These may be international, national, regional and proprietary standards for trade. Many of these are mutually compatible non-functional. Several EU Member States have sought various means to promote the introduction of e-invoices in the public sector, however, is often based on national standards. Cross-border trade may enter companies often require a new e-invoicing standard compliance whenever they start operating in new markets.

E-invoicing The Directive is Article 14. Article 1 of the Directive provides for the scope. The Directive applies to electronic invoices, which have been prepared in implementation of the agreements due to non covered by any of the EU's adoption of the four procurement directive. The procurement directives are Directive of the European Parliament and of the Council of contracting authorities and by contracting entities for works, supply and service procedures for the award of contracts for the coordination of defense and security and the directives of 2004/17 / EC and 2004/18 / EC (2009/81 / EC, hereinafter referred to as *Defense and security lisuushankintadirektiivi*) Directive of the European Parliament and of the Council of the conclusion of any licensing (2014/23 / EU, hereinafter referred to as *License Agreement Directive*), The European Parliament and Council Directive on public procurement and repealing Directive 2004/18 / EC (2014/24 / EU, hereinafter referred to as *classic Procurement Directive*) and procurement and repealing Directive 2004/17 / EC of entities operating in the European Parliament and Council directive on water, energy, transport and postal services sectors (2014/25 / EU, hereinafter referred to as *Specific areas of procurement Directive*).

The Directive does not apply to electronic invoices, which are made out of contracts for the implementation of a result of which belong to security procurement directive to apply misalaan, where the conclusion and implementation of the agreement has been declared to be secret, defense and if its to-tation subject to the laws, regulations or administrative provisions in force in the Member State special security measures in accordance with. A further requirement is that the Member State has considered that those essential interests can not be safeguarded by measures less restrictive. Electronic invoice referred to in Article 2 of the Directive relating to the definitions of the decline, which has been issued and received in a structured electronic format, which is made possible by an automatic and electronic processing.

Electronic invoice Article Articles 3-6 and 10, provide electronic billing procedure for the preparation of a European standard, the contents, the maintenance and further development of the standards. The standard must mm. be independent of the particular technology and using it will be able to create practical and cost effective electronic billing systems. The standard must be suitable for use in commercial transactions between businesses and must take due account of data protection and value added tax law. The standard has been completed the Commission shall carry out the test to conform to the Directive. The Commission then publishes in the Official Journal of the European Union standard. The Commission can also update and checks the standard.

Article 7 requires Member States to ensure that contracting entities will receive and process electronic invoices which comply with the new European standard. Ar 8-9 is tikloissa provisions on data protection and value added tax. Articles 12 to 14 of the Directive contains provisions on the review, entry into force and the addressees of the Directive. National implementation period laid down in Article 11. Member States have 18 months after the publication of a European standard for electronic invoicing adopt and publish laid down in Article 7, in bills for electronic reception and processing of the latest in the Official Journal of the IN THE EUROPEAN Union provisions necessary to comply with the obligation to set and apply them. Publication took place on 17 October 2017. This means,

In December 2014, the Commission asked the European Standardization Committee CEN to draw up, on a semantic data model of electronic invoice core elements of a European standard. The semantic data model is a structured and logically related to each other a number of terms and their meanings, that define the core elements of an electronic invoice. Electronic invoice ydinelement- elements include processing and invoice tags, invoice season, vendor information, buyer information, payee information, the seller's tax representative information, references of the contract, shipping information, payment instructions, charge its product, the decline in total as well as the distribution of value added tax. In order to facilitate the utilization of the standard, the Commission requested, pursuant to Article 3 of Directive invoicing CEN to undertake in addition to a limited number to draw up a list of syntax,

CEN was responsible for the work of the Technical Committee CEN / TC 434. The Finnish Standards Association has been involved in the work. CEN published the e-invoicing core elements of the semantic data model in the summer of 2017 in connection with 16931. The standard identification EN published in technical reports, technical specifications, among others. with a list of compatible standard stand the syntax (ISO / IEC 19845: 2015 (UBL 2.1) and UN / CEFAC TII).

legislation in some states

*Swedish*



## HE 256/2018 vp

Sweden in June 2018 implemented e-directive new law (Laki electronic instant fakturor to the följd of offentlig upphandling SFS 2018: 1277). Entry into force takes place on 1 April 2019. The Act was imposed by the Directive, contracting entities This obligation to receive and process electronic invoices comply with the European standard. In addition, the Act also obliges journalists to transmit electricity in accordance with the European standard work flow processes invoices to the contracting entities, provided that the rest of the decline in the standard has been agreed upon between the parties. The Board indicated by the authority may impose a penalty payment, the supplier to draw up invoices in line with the European standard electronic format as invoices, unless otherwise agreed standard.

Journalists binding regulatory background to a large extent can be seen by the fact that in 2017 received the State authorities only 57% of invoices were electronic. The corresponding figure for municipal road and county in respect of over 50%. At the same time all the governmental authorities, 87% of the municipalities and 95% of the County Council, however, had the ability to receive electronic bills. The provisions of the new Act does not apply in cases where the use of electronic invoices could reveal confidential information, or otherwise cause damage to the sensitive operation to another teddy bear. A new kind of informative provision was taken while the Swedish VAT Act (Mervär- desskattelagen SFS 1994: 200).

In Sweden, economic control agency ESV (Financial Management) to promote electronic commerce in the state authorities. State e-commerce means IT assisted acquisition process. The entire public sector to promote electronic commerce is executed by a single ESV Swedish municipal and maakäräjälliton (Swedish Kommuner Science Landsting, SKL) and the procurement agency (Upphandlingsmyndigheten) Single Face to In- dustry (SFTI) within the framework of the project. SFTI publish the specifications and recommends the standards of e-commerce in the public sector use.

ESV: According to the regulations of the State authorities will be the latest to join in November 2018 PEPPOL Network. PEPPOL (Pan-European Public Procurement On-Line) is an EU-wide public e-procurement of the infrastructure, the aim of which is to facilitate cross ABLE TO excess of electronic procurement and invoicing between European suppliers and the public sector. PEPPOL has developed a network of e-procurement infrastructure for the transmission of messages. Infrastructure works so-called four-corner model, wherein the mobile electronic messages of the sender and the recipient through intermediaries, such as the operator. PEPPOL network is managed by the Open PEPPOL Association.

The latest in April 2019 the Swedish state authorities must have the ability to send electronic invoices which comply with the new European standard invoice (PEPPOL BIS Bil- ling 3 format). These are the SFTI's recommendations for the rest of the public sector. ESV's functions were transferred in September 2018 to the new digital government authority (for Myndighe- of digital förvaltning).

### *Denmark*

Electronic invoicing in Denmark provides the Law on Public financial transactions (lov om of- fentlige betalinger, 28.6.2007 / 798) and adopted on the basis of the Board of Directors Regulations. Position tuksessa electronic billing with the public authorities (bekendtgørelse electrode NISK afregning with offentlige myndigheder, 11.3.2011 / 206) is provided for the public authorities to be transmitted and received bills in electronic format. In addition, Sessa Regulation states that the authority shall be able to accept presented OIOUBL format invoices. OIOUBL format the content sent to the electronic invoice is further provided

Regulation (bekendgørelse information om i og transport af OIOUBL an electronic regning v topstag for an electronic afregning with offentlige myndigheder, 26.3.2010 / 354). E-invoicing for the implementation of the Directive is of 3 October 2018 on the proposal for a new law on electronic invoicing in public procurement. The law providing for the contracting entity an obligation to receive and process invoices comply with the European standard for electronic invoicing standard. The draft law does not oblige companies, so that they can continue to exercise their existing standards. At the same time others would be setting electronic invoicing published with kisten authorities. The Danish Parliament (Folketinget) is the November 2018 adopted a resolution on 20.

*Estonia*

Estonia has implemented e-invoicing Directive by amending the Accounting Act (Raamatupidamise seadus, 259 SE) of 15 December 2016. The Act will change the contracting entities have been in effect from 1 March 2017 required to receive an electronic structurally SIA bills, that comply with national standard of electronic invoicing EVS 923: 2014 / AC: 2017. Entities shall be the date of 18 April 2019 required to receive electronic invoices in accordance to the European standard. If the supplier sends an electronic invoice to the contracting entity, it has become as from 1 July 2017 to comply with either national or European standard. Estonia, Ministry of Finance (Rahandusministeerium) is pending before the legislative project, the purpose of which is the 2018 period to make e-invoicing mandatory for public procurement.

*Germany*

In Germany the competent implementation of the e-invoicing Directive is divided between the federal and state States. At federal level the Directive has been implemented by law Directive 2014/55 / EU to put into effect (Gesetz zur Umsetzung der Richtlinie 2014/55 / EU über die elektronische Rechnungsstellung im öffentlichen Auftragswesen, 04.04.2017). on the arms under the Law on Electronic billing tuksella federal government procurement (Verordnung über die elektronische Rechnungsstellung im des öffentlichen Auftragswesen Bundes, Bundesgesetz-Blatt 18.10.2017) provides for electronic invoicing more detail. The federal regulation, the contracting entities shall receive and deal with Structured Electronic invoices 27 days from the date November 2018. Central administration of the lower level of the federal Health division in respect of the acquisition, operating in specific areas and concessions performing the contracting entity with regard to the obligation to accept electronic invoices shall enter into force on 27 November 2019. The bill requires the senders with effect from 27 November 2020 to send in their bills the federal contracting entities electronically. The sender of e-invoices supporting lee sign up for a federal bill creating a portal to services provided to its own current account. Lee invoices are sent via the portal. The Regulation also contains provisions relating to the minimum content of invoices and the protection of personal data. The regulation does not apply to our calculations, which are based on suorahankintoihin up to the value of EUR 1 000 or confidential invoice data. operating in specific areas and concessions performing the contracting entity with regard to the obligation to accept electronic invoices shall enter into force on 27 November 2019. The bill requires the senders with effect from 27 November 2020 to send in their bills the federal contracting entities electronically. The sender of e-invoices supporting lee sign up for a federal bill creating a portal to services provided to its own current account. Lee invoices are sent via the portal. The Regulation also contains provisions relating to the minimum content of invoices and the protection of personal data. The regulation does not apply to our calculations, which are based on suorahankintoihin up to the value of EUR 1 000 or confidential invoice data. operating in specific areas and concessions performing the contracting entity

States, inter alia, Bayern state has implemented e-invoicing Directive by amending the Land of eGovernment Act (Gesetz über die elektronische Verwaltung in Bayern, Bayerisches E-Government-Gesetz, 22.12.2015). according to the amended law all entities shall ensure the structured e-invoices reception and handling thereof with effect from 18 April 2020 onwards.

In June 2017 the National Council responsible for IT planning (IT Planungsrat) decided not measure or as the German authorities to receive and process electronic invoices which comply with the XRechnung -laskuformaattia. XRechnung is a national guideline (Core Invoice Usage Specification, CIUS) electronic invoicing European standard EN 16931. Change the decline format can be used in parallel, provided that the format complies with the European standard for electronic invoicing. In April 2018, the Council decided that all video authorities should be related to e-invoices and purchase messages with other brokerage network PEPPOL eDelivery network. The authorities may also use other electronic invoices between litystapoja.

### *Italy*

Italy e-invoicing has been mandatory in public procurement in certain state authorities since June 2014, and the procurement of all public-sector actors from March 2015 onwards. Electronic invoicing is based on several different legal instrument, among other things, electronic invoice issuing, transmission and receipt of the public on the authorities of the regulation (Decree 3 aprile 2013, n. 55, Regolamento in materia di emissione, Trasmissione e ricevimento della fattura elettronica da applicarsi under amministra- zioni pubbliche al sensi dell'articolo 1, commi da 209a, 213, della legge 24 dicembre 2007, n.

244).

invoices addressed to public authorities is controlled by the Italian tax administration, managed by Sistema di Interscambio that is, through the SDI system from where they are delivered to the public janpitovirastolle The cleared for the monitoring of expenditure. The system uses XML-based billing format Fattura PA. In addition, the public sector is on the split payment mechanism, sa To some public bill payers pay the invoice payment to the seller of individually and separately the net amount of the tax amount of value added tax.

Budget Act of 2018 (Legge 27 dicembre 2017, n. 205, bilancio di prevision dello Stato per l'Anno Finanziario 2018 bilancio pluriennale e per il triennio 2018-2020), the electrical charging of the must from one since january 2019 also mandatory corporate billing between if businesses are established or VAT registered in Italy. In addition, companies must send electronic invoices to consumers, provided that such a decrease specifically ask for it. Electric bills for business and consumers will also be sent to the SDI system, as well as through the Eastern PA dirt Fattura format. If the invoice sent does not comply with the requirements given, it is considered that the decrease is not sent at all, and it can also keep track of penalties. Italy is also the regulation of electronic archiving of invoices. When invoices are delivered to SDI in, Italian tax rohallinto get real-time invoices submitted between corporate information and can automatically check consistency between the amounts declared and paid VAT. SDI system will be updated by the end of 2018 so that the system is capable of receiving also calculated in accordance with the European e-invoicing standard alley. The system is intended to convert the invoices in accordance with the European standard public sector, domestic Fattura PA format. Italy is expected to transfer to European standards in domestic invoicing. SDI system will be updated by the end of 2018 so that the system is capable of receiving also calculated in accordance with the European e-invoicing standard alley. The system is intended to convert the invoices in accordance with the European standard public sector, domestic Fattura PA format. Italy is expected to transfer to European standards in domestic invoicing. SDI system will be updated by the end of 2018 so that the system is capable of receiving also calculated in accordance with the European e-invoicing standard alley. The system is intended to convert the invoices in accordance with the European standard public sector, domestic Fattura PA format. Italy is expected to transfer to European standards in domestic invoicing.

## **2.4 Assessment of current state**

Finland is the electronic invoicing of the leading European countries when looking at the structures in the form of bills. In some countries, passed pdf-bills, but they can not automate financial administration. The most important project financial management automation in the development of protective receiver has been the Aalto University and Tieto Corporation's Real Time Economy (RTE) research project, whose roots can be considered to extend the Single Euro Payments Area (SEPA) for creating the flux na 2006. RTE has brought together national players and their development project, such as volume, XBRL taxonomy and regulatory reporting. utilization of the project results requires the extensive use of electronic invoices and electronic receipts.

The development has taken place in Finland without mandatory legislation. The reason for this can be considered indisputable and significant benefits of electronic invoicing, as well as cooperation network Verkkolas- kufooriumia. Electronic invoice Forum is operating within the electronic billing banks, kolaskuoperaattoreiden network, and the network software houses the bill by a consortium of organizations. There has been agreed development goals and practices. Informal delivery segment forum is not, however, been able to address a number of pain points such as the careful use of standards or practices of new players. Information Society Development TIEKE maintained by a public verkkolaskuosoitteisto has contributed to e-invoicing its spread, but the address practices have been changing providers difficult. As a rule, the bills produced by the electronic financial systems and the buyer deals with the electronic systems, either entirely so that the paper is scanned bills, or at least the bill is fed to the basic system. Finland is in all respects a very good conditions for significantly increasing the share of e-invoices and achieve significant economic benefits.

It is, however, of those who have not yet taken advantage of e-invoicing savings and power hokkuuspotentialia or have experienced a challenging move to electronic invoicing. Especially in micro and small enterprises as well as smaller authorities progress has been slow. Online invoices greatest benefits will accrue to the buyer, which deals with the bill in its own financial administration. the advantages of automation are significant, up to tens of euros per invoice. the cost-benefit to the seller or the sender's invoice paper invoice and an e-invoice is quite small. Major providers such as purchasing the state have been able to introduce is subject to electronic invoices. Smaller operators, this was not always possible.

The Ministry's report, commissioned by SME finance digitization (TEM reports 65/2015) is seen behind the slowness of e-invoicing penetration of the at least two reasons: the quality and usability of e-invoices produced by the existing software and the operators are very disparate, and the transmission of e-invoices crop field through and between operators extending in to slow down and limit the development significantly. Legislative measures to encourage operators to increase the use of electronic invoices, as well as move to a common European standard for the decline.

### 3 in E i t tavoit OF PROCEDURE apparatus and proposals set keskei

#### 3.1 Outcomes

The aim of the presentation is to implement a national e-invoicing Directive. The Directive obliges Member States to ensure that contracting entities the EU thresholds border in public procurement offers will receive and process electronic invoices which comply with the European standard electronic invoicing. The directive relates to the EU to remove the barriers of the paper completely colorless public administration, as well as cross-border trade objectives.

Digitalization is the prime minister Juha Sipilä Government Program, a cross-cutting theme that is taken into consideration in almost every tip in the project. The sustainable growth of the government program and public finances in Section 3, states the Government strategic objective of changing the practice of promoting digitalisuutta and dismantling unnecessary bureaucracy. In the section on digitalisation, experiments and landing standards eight states in connection with the digital switchover of public services top projects marked the administration's internal processes are digitized and former processes are unloaded. For the construction of the same period, the growth of the digital business environment with regard to the tip of the project stated that legislative action to promote the introduction of new technology, digitalization and organization in new business concepts. The Board of Directors of the program in Annex 6 of the Government's closure of the necessary adaptation measures in public finances has been recognized as an objective of the State spending automation of the processing and the associated savings. Government Regulation Action Plan for the years 2017-2019, the streamlining of regulations spearhead the project targeted measures to accelerate e-invoicing and e-receipts introduction of public administration.

In accordance with the policies made by the Board of Directors is another object of the presentation is public procurement more broadly to promote the use of electronic invoices in society. Thus, the bill also includes a provision, contracting entities and traders' right to request, obtain invoices fall in line with the European standard for machine-readable electronic form as invoices or contracting entity from another trader. The provision is expected to increase in bills for electronic use, particularly in trade between businesses. The proposed provision creates a framework for the automated processing of invoices. By automating invoice processing can be significantly enhanced financial management company or other organization and thus improve their operating conditions. The law would not apply, if the use of electronic invoices could reveal confidential information or compromise the essential security interests of the state. The law also does not concern the billing of private natural for ten persons.

### 3.2 implementation options

Electronic invoicing in public procurement in different sizes

E-invoicing The Directive obliges Member States to ensure that the contracting entities take responsibility and to deal with electronic invoicing in accordance with the European standard electronic invoice and procurement directives within the scope of the public procurement. This member countries of the Directive is a minimum requirement mandatory provision of nature, which leaves the extent of flexibility to the national legislature. Margin allows for a variety of national implementation of brewing options.

Procurement Directives, which refers to the e-invoicing Directive, apply only to border the EU thresholds. The procurement Directives do not provide kynnysarvois- of national or national thresholds border procurement procedure provisions, but they are at the discretion of the national legislature. The law on public procurement and käyttöoikeussopimuksis- to (1397/2016) and the law on public defense and security purchases (1531/2011), however, has been the national code of conduct relating to the threshold values and. In the illustrated Act, contracting entities obliged to receive and process electronic invoices to be extended to the national thresholds border procurement and on the basis of concession contracts sent to electronic invoices.

The number of units in Finland are covered by the Public Procurement Procurement most Sallis national procurement. The Ministry of Employment and the Economy Ministry statistics released by the Public Procurement Tender documents and reporting system ([www.hankintailmoitukset.fi](http://www.hankintailmoitukset.fi)) was published in

2016 a total of 13 406 initiating the procurement procedure the contract notice. Almost three-quarters of these, ie 9 717 pieces related to national procurement. EU-contract notices was 3 689 copies. In euro terms, the share of EU procurement in 2016 was higher than the national procurement. At the beginning of the end of 2017 the national thresholds for the acquisition of some species increased, so the number of pieces of national procurement is likely to have fallen to 2016 data year. Still, it can be assumed that the number of pieces of national procurement is still bigger than the EU procurement. Although the amount of procurement chapter can directly make a conclusion that the national thresholds in the border procurement will also be sent to more bills, the effectiveness of the proposed law may be justified in terms of, that the law cantilevered tettaiisiin to include national procurement. Statistical information on contracting entities bills is affected by the national thresholds border and EU thresholds border The service contracts are not available. With the widespread introduction of electric charging can be in the public sector to provide a significant savings in reduction of manual operations, the errors will attract tenants and archiving.

Entities obligation to accept and process electronic invoices not, however, be represented in the extend of the threshold values set out in full below the law supply purchasing and under license agreements, the so-called small contracts administerable electronic billing. Small purchases are completely outside the scope of the procurement laws and they do not need to tender in accordance with the procurement laws of the Code of Conduct and free of s, for example, can be appealed to the Market Court. Small purchases can thus be carried out more flexibly. Many of the conclusion of the Authority is small purchases its own procedural guidelines which require that small acquisitions will, as a rule, to tender. The authorities are doing most of the national procurement from time to time. EU procurement does not make any authorities or infrequent, but, for example, on a regular basis municipalities competed for school transportation services are almost always of EU procurement. Since almost all within the scope of authorities are hereby proposed law, they should be prepared to receive electronic invoices and processing. Can be considered probable and recommended in the authorities that to a growing extent will receive and process electronic invoices also for small purchases. The paper invoice processing costs are high, and the parallel computing kunkäsittelytapojen the maintenance is not effective. Therefore it is not the objective of the proposed law in terms of tea necessary to extend the application of the law including small purchases. In addition, the expansion could easily lead to an undue administrative burden on public procurement extremely rarely or perhaps only once tekeville small entities. Typically, these are public institutions or public beneficiary, such as, for example, association or even a private individual.

The requirement to send electronic invoices

Electronic invoice Directive requires the bills only to the recipient, acquisition of the units to accept and process electronic bills in accordance with the European standard. The Directive is without prejudice to the right to bill the sender choose to present his bill applying to electronic invoicing European standard, a national standard or other technical standards or paper-form form. However, the directive does not paragraphs 35 and 40 of the preamble to prevent Member States from providing, in the context of public procurement may be issued only electronic invoices. Thus, the proposed law could have taken the directive required the contracting entity receiving in addition to the obligation to invoice senders obligation to send electronic invoices in public procurement. This has been done for example in Sweden. Finland e-invoicing, however, is much more common in public administration than in Sweden. At this time acquisition units extensively require the purchase of electronic documents, such as a tender and contractual

bills and guide journalists who do not have their own billing system, using free fall portals. In addition, the e-invoicing Directive creates an obligation for contracting entities the option of upgrading the infrastructure of e-invoicing, which in itself encourages the Government's view, the contracting entities to demand and to make greater use of electronic invoices, because the arrangement of parallel paper form and scanned invoice processing infrastructure maintenance is expensive. In addition, during the preparation are shown in the positions that each trader and vinyl ranomaista law should be required to send directly to another operator or to the authority of electronic bills. Finland has become a leading country in Europe in electronic invoicing Sessa without urgent regulation. For those reasons, may be questioned the need for the proposed regulation be binding. Development has been influenced by the fact that especially large invoice recipients such as the state and large companies are the requirements to receive its contractual partners to send electronic invoices. Article 4 of the regulation, the bill seeks to strengthen the role and the right of all sizes for invoice recipients claim the electric current decrease when the recipient has the necessary electronic invoicing capability. Bill the sender and the recipient directly binding regulation would require a very broad group of actors to major changes in instruments and processes. This in turn would require more extensive of the check and impact assessment. in particular, the large bills as recipients of the state and large companies have been able to transmit its contractual partners by applications to electronic bills. Article 4 of the regulation, the bill seeks to strengthen the role and the right of all sizes for invoice recipients claim the electric current decrease when the recipient has the necessary electronic invoicing capability. Bill the sender and the recipient directly binding regulation would require a very broad group of actors to major changes in instruments and processes. This in turn would require more extensive of the check and impact assessment. in particular, the large bills as recipients of the state and large companies have been able to transmit its contractual partners by applications to electronic bills. Article 4 of the regulation, the bill seeks to strengthen the role and the right of all sizes for invoice recipients claim the electric current decrease when the recipient

lähettämiselvointeeseen electronic invoices would also be likely to be accompanied by omaisvalvontatoiminto authorities or at least some kind of system of penalties for failure to comply with the obligation without connection. The resource reasons, this is not currently available. Thus The government considers that the sending of electronic invoices to adjust the view of a mandatory public procurements or other commercial relations with the prevalence of electronic billing account the additional benefits not available. regulatory placement

Act under preparation is, regulatory resulting from the possibility of e-invoicing Directive cleared instead of adjusting a separate law to include the procurement laws, namely the Act on Public Procurement and Concessions, valid statutory water and Procurement and Concessions of entities operating in the water, energy, transport and the postal services sector (1398/2016) and the Act on Public defense and security procurement. Billing occurs during the contract. Contract Laws only obligations and the necessary legislation on the awarding of units has been contact are mainly due to contracting entities' procurement procedures until the conclusion of the contract and do not interfere actions taking place during the contract. In addition, the acquisition of the laws oikeussuojajärjes- system is constructed to protect the other party selected on the market and providers. making procurement laws for these reasons not considered possible. Instead, a separate and can be assembled in the new law provisions on electronic invoicing across sectoral boundaries. It may also take both the sender and the invoice recipients' obligations and rights. Redress and Control

E-invoicing The Directive does not regulate the remedy of e-invoicing partners, or to comply with its obligations under the Directive regulatory control. national implementation of the Directive Verkkolaskudi- study group discussed the matter of sanctions and the majority rity was of the opinion that no new remedies or supervisory tasks not need. The government's presentation on the draft opinion on the responses to the issue drew attention, so further preparation of the case was re-evaluated. It was decided, however, to the fact that the new legal remedies or supervisory functions Adjusting would still be necessary. The e-invoicing tuksesta should be according to the proposed law to impose an agreement manager primarily between the parties

SA, wherein the electronic invoicing refusal would be a breach of contract which would result in the progeny shown by a penalty. In addition, erillisuuraukset the laws of the receipt or the sending of electronic invoices refusal may be from the perspective of small operators to easily become prohibitive or too far meneviksi. Thus, in situations where the law is not respected and the contract should be agreed on in more detail, the general would encompass ordinary legal remedies available to all parties. These include, for example, complaint management and for damages you do. The Board of Directors will, however, monitor the observance of the law set out and if necessary, take legal action to enforce adequate legal protection and law. Electronic receipts play a key role in the digitalisation of financial management

complete automation of financial management requires, in addition to electronic invoicing also other accounting transaction data digitalisation. In particular, a machine of the electronic purchase receipts of standardized processing to be read and would greatly increase the efficiency of financial management. Bank of Finland's 2017 payment statistics, the year of 1.65 billion card transactions were made in Finland a year. The ECB carried out under the auspices of, the whole of the euro area covering the cash käyttötkimuk- it (Occasional Paper Series The use of cash by households in the euro area, No 201 / November 2017) According to Finland, also continue to be paid in euros, about a third of the fees and up to half of the payment transactions in cash .

the introduction of electronic receipts have been promoted in various projects. Financial Management Association coordinated mass media under project were defined, among other things, solutions that can reach the maximum arise in connection with payments is not fully paperikuiteista and receipts rid of the images. The project was carried out in 2016-2017 and is funded by the Ministry of Transport and Communications. The aim was to obtain technical building system data objects be transmitted to the second standard, and in a structured form. The project longitudinal loteissa arising from the payment of the receipt of data were digitized and transferred to the row level control jelmista another in a structured form. Seller's cash register system would therefore be built dimensional receipt data, which is transmitted to the buyer to choose the financial system. TALTIO- project standards and policies are put into practice in the new Technology Industries Reaaliaikatalous RTECO project. RTECO eKuitti -hankeosan finance Business Finland. The most important project financial management of automation development in Finland has been the Aalto University ton and Data Real Time Economy (RTE) research project, whose roots can be considered out of reach of van of the Single Euro Payments Area (SEPA) creation in 2006. RTE has brought together national players and their development projects, such as a mounted volume , XBRL taxonomy and handles authority reporting.

national implementation of the e-invoicing Directive study group has studied the work deployment of the European decline in the standard suitability for the transmission of electronic receipts. The study showed that the standard is applicable mainly to the transmission of receipts. According to the working group developed for displaying OF PROCEDURE direction of the legislation could impose an obligation for contracting entities to receive and process the electronic receipts fall in line with the European standard. The Working Group considered that such a regulation would encourage hankintayskiköitä public procurement to require electronic receipts from its partners. This will significantly reduce the manual working steps purchase receipts atoms requirements of public administration. Public administration could also serve as an example to other actors in society and thus to spread the use of electronic receipts. For example, the state administration, which deals with each year about 600 000 a receipt, could generate annual savings of about 30 person-years, or EUR 2 million, the purchase details of receipts would be transmitted directly to the travel and expense management system, as well as invoices for recycling and archiving system. It is estimated that in continental Finland municipalities in the amount of purchase receipts would be around 34 million.



The rules require updating or renewing a used hankintayskiköiden financial management systems at least in such a way that they are able to receive the acknowledgment electronic components. This change is complete you state administration system. The change is not great. A typical approach is that the slips are scanned and applied to or describe the system costs hallintajär- images. Also, the electronic receipt can be generated picture. Complete automation systems require major changes. In addition, sellers should also adapt the cash register systems. These changes have been explained in the above TALTIO- and RTECO- projects. The changes are small newer POS systems. Old cash register systems for the change Making it may prove impossible. The oldest renewal of the cash register systems is timely for several reasons.

the fight against the gray economy charted a variety of methods for preventing the receipt of counterfeit goods. One option is to use electronic receipts benefit. This opportunity is the beginning of the settlement. Compared to other possible solutions, it is quite cost-effective. Other the solutions require the installation of a separate external component, or a software module. Privacy Policy

Article 8 of the e-invoicing Directive contains provisions on data protection. Article 8, paragraph 1 of the e-invoicing Directive does not affect the application of it on data protection and national legislation. The EDPS emphasized the Commission's proposal for a Directive In its statement of 11 November 2013 (OJ C 38, 8.2.2014, p. 2) to be particularly important for the Directive to clarify that the existing data protection legislation are fully applicable also to electronic invoicing.

E-invoicing of Article 8 paragraph 2, the personnel obtained for electronic invoicing of personal data shall be used exclusively for that purpose or with other compatible purposes, unless otherwise provided for in Union or national legislation and without prejudice Their exceptions and limitations provided for the protection of individuals henkilötie- reading labels and on the free movement of such data on 24 October, Directive 95/46 / EC of the European Parliament and of the Council of 1995 on the tun, hereinafter referred to as *henkilötietodirektii-*

*vi*, Article 13.

The European Union's legislative processing of personal data is renewed after verkkolaskudirektii- vin administration. Regulation of the European Parliament and of the Council (EU) 2016/679 of natural persons on the protection of personal data and on the free liikkuvuudes- of this information and repealing Directive 95/46 / EC, hereinafter referred to as *General Data Protection Regulation*, was adopted on 27 April 2016. The General Data Protection Regulation entered into force on 24 May 2016 and its application started on 25 May the overall reform of the legislation on 2018. The objective of the processing of personal data has been to create a European Union of ajanmukai-, strong, consistent and comprehensive data protection framework. The reform has been necessary due to the application of information relating to the protection of the rapid development of technology and the Member States of fragmented regulations of personal data and their non-uniform. General Data Protection Regulation is as such the law applicable to the Member States in.

General Data Protection Regulation to the legislators of the Member States some national, Regulation of further and more detailed provisions for maneuver. The Board of Directors is his presentation to Parliament in a teddy 1 day paint the mouth of the 2018 EU's general data protection regulation amending lainsäädännök- si (HE 9/2018 vp) proposed that the Personal Data Act is repealed and provides a new general law on personal data protection, data protection, which specifies and complements the general Privacy Policy setting.

Article 94 of the General Data Protection Regulation, references to the repealed Personal Data Directive shall be construed as references to the General Data Protection Regulation. Personal Data According to Article 13 of the matches ascribed the General Data Protection Regulation is Article 23. It permits Member States to apply the obligations and rights provided for in legislation dantötoimenpiteillä crop misalaa Regulation, provided that those restrictions are complied with fundamental rights and freedoms, and it is more democratic society, a necessary and proportionate measure in order to guarantee to certain of the interests specified in the regulation. These include defense, public safety, criminal offenses by prevention and investigation, as well as the protection of judicial independence and judicial procedures.

E-invoicing Directive Article 8, paragraph 3 provides that Member States shall ensure that, without prejudice to Article 13 by Directive 95/46 / EC, the electrical connection soluble billing arrangements for the personal data collected in the publication of the corresponding transparency and accountability with regard to the purpose of such publication and are in accordance with the principle of privacy by design ' the application of the exclusions and restrictions laid down. Personal publicity of the information provided in the Act on Openness of Government **Activities (621/1999), hereinafter referred to as *Publicity Act*. Publicity Act becomes applicable as regards their hankintayks- units, which are Openness § 4: public authorities, or if they are referred to in other parts of the law on the basis of a provision comply with the said law. organized by a contracting entity other than the authority of the tender participated right to be informed tender for its consideration drawn up and documents received as well as the contracting entity employed by the professional secrecy applies, what publicity law states party to legal Desta document, the determination of the public document and information on the proper handling and resolution.**

General Data Protection Regulation is directly applicable and the additional national data protection regulations customs Laan was approved by Parliament to apply to the processing of electronic invoicing to require personal data. Thus, for example, the provisions of the processing conditions deposits as well as the rights of the data, will be applicable also in electronic billing. The electronic billing must therefore be taken into account that the invoices personal data processing requires a set up processing always based on the law. Handling legal basis significantly affect what the rights of the data subject is to the controller. Electronic invoicing sa must also otherwise ensure an adequate level of data protection and data security.

### 3.3 Key proposals

implement e-invoicing to comply with the Directive is proposed that the contracting entities, the imposition of an obligation to receive and process electronic invoices in accordance with the electronic invoicing with European Standard, which is sent to the contracting entities, public procurement and concession contracts due to the implementation. The reception requirement will apply verkkolas- Unlike kudirektiivistä electronic bills in all within the scope of the acquisition of the laws public contracts. Thus, the obligation to receive and process electronic bills would also apply to so-called national contracts, in the purchase and licensing agreements, whose estimated value is below the EU threshold value but above the national threshold value.

In addition, the proposed law given to all the contracting entities and legal height for traders to get their bills from the other contracting entity or its trader of electronic invoicing electronically in accordance with the European standard invoices. This provision of the proposal participation

of the Directive for there to be independent regulation. Invoicing between organizations Sessa greatest benefits from the use of e-invoices will invoice to the recipient. Savings arises count in all stages of processing in the host organization, a desk, approval by, postings, payment and archiving. In addition, the proposed regulatory framework to promote the displacement of the different standards on one common invoice standard.

The law defining the concept of an electronic invoice. The electronic invoice should be prepared, transferred and received from a structured electronic form to allow their automated processing. In addition, the e-invoice should be made to European Standard.

The law would come into force on 1 April 2019. The Act would also include transitional provisions. the obligation to accept electronic invoices would begin other contracting entities as public bodies belonging to the central state administration, as well as the contracting entities as from 1 April 2020. The provision of the contracting entity and the trader the right to require electronic invoices should also enter into force on 1 April 2020.

#### **4 Es i OF PROCEDURE effects**

##### **4.1 Impact on public authorities and other contracting entities:**

The Commission notes in its report to the European Parliament and the Council, the European standard for electronic invoicing in accordance with the evaluation of e-invoicing Directive by the Member States with a high level of development and the spread of electronic invoicing structure, such as Suomes- sa, are forced to rely on the fact that e-invoicing services and solutions providers, explain their systems to support day standard and offer competitive solutions for all sizes of public and private bodies. In this scenario, the implementation of the standard TA-pecuniary impact is expected to be depending on the situation, either low or moderately low. incurred the cost of updating systems will, therefore, service providers and end-users (contracting entities and their suppliers) to be paid. The costs are low, if service providers use standards that are already in the EU comply with the European standard. In the opposite case, the cost will rise relative to the higher level. For the story interviewed ERP systems vendors and an electric-invoicing service providers reported everything to offer solutions in accordance with standard market demand.

The proposal is expected to be relatively limited impact of government as well as municipalities and joint municipal authorities in the economy. All the state authorities, as well as the majority of municipalities and joint municipal authorities where there is already prepared to receive and send structured e-invoices. The state is about to introduce a new purchase invoices, purchase messages and other Handi processing system. Here the system as a whole is taken into account in accordance with the European standard invoice processing. Implementation of the system does not involve processing of invoices in conformity with the European standard but the largest change, with Handi replace the current invoice processing and order management system Rondon Tilhan. Thus, the purchase invoices, it is difficult to assess the new calculation of standard cost implications to the State.

Moving to another standard requires changes in state sales invoice system Kieku and a few other sales invoice system. Reviews Kiekussa caused changes in the cost of uttamista is currently not yet available. Räätilöimättömän myyntilasku- system upgrade to the new standard is expected to pay the state about 7 000 air Ar

VAT. In 2017 invoices sent 28% of the structured electronic bills. The arterial is objective is that in 2019 about 36% of the state sales invoices leaves in electronic form, whereby it is expected that also generated savings.

The municipalities, federations of municipalities and other local government sector organizations to manage the sales and purchase invoices tuksensa themselves, together with other municipal entities, or by acquiring the services in question from the market. Currently, about 90% of the municipalities and municipal organizations are arranged in a different way readiness to adopt receive electronic bills. It is estimated that almost the same cooperatives can send electronic work flow of sales invoices. Thus, the majority of municipalities and joint municipal transition to the new landing standard means of electronic billing update to the new standard solutions. Cost varies considerably depending on the financial system and bill recycling system. Software costs tend to fall into kertakustannukseen, ie the purchase of the property, as well as maintenance costs. Depending on whether or valmishjelmistos- of the cost of the proposed regulation, customer-specific solution can vary based assessment of about 5 000 to about 50 000 per software. In addition, the bill broker (the operator or bank) may charge a conversion to another standard. If the e-invoicing in NAPT mode is maintained in service by purchasing, is expected to transition to the new standard municipal government sector resulting from small additional costs or they would not be at all.

Among contracting entities of small municipalities and parishes, public bodies and ad hoc contracting entities are expected to be the group to which the implementation of the proposed law will incur the greatest change in the cost. These costs can be regarded as resulting from the investments made for treating the electric current decrease in the necessary infrastructure and expertise to develop. By investing in the financial management systems can get all the benefits from an electronic invoicing. Using the service again is easy and does not require investment and development activities.

Manufacture of manual handling of invoices is expected to be the most time-consuming calculation kunkäsittelyn shape, and with the maximum time-savings resulting from an online billing by the transition. Today, this type of bill handling takes place mainly in exceptional circumstances, for example, if a supplier invoice is sent to the wrong address (for example, directly to a municipality or the company, which is responsible for scanning the municipal bills), or if the bill contains sensitive information.

It is calculated that one of the incoming paper invoice processing cost is manually EUR 30 (General Administration Administration Advisory information recommendation JHS 155 JUHTA use of electronic invoices public administration). From manual to electronic processing is achieved EUR 8 to 15, the same processes are changed to support the e-invoice processing. Table 1. The cost of paper invoice and an example of calculation of the cloud electronic invoice costs on the bill to a recipient who receives annually 10-1 000 purchase invoices.

The received bills vuodes- SA, pieces	The paper invoice costs, EUR	Electronic invoice cost costs, EUR
10	300	105
50	1 500	790
100	3 000	1 340
1 000	30 000	11 110

Table 2. The cost of paper invoice and an example of calculation of the cloud electronic invoice costs on such a bill to the sender that transmits a year myyntilas- 10-1 000 kua.

Sent invoices per year, pcs	The paper invoice costs, EUR	Electronic invoice cost costs, EUR
10	150	55
50	750	275
100	1 500	840
1 000	15 of 000	5 910

Given the electronic billing made possible saving in time, is expected to reduce the online billing transition a long-term supply units administrative costs. Administrative costs are expected to decrease for all types of contracting entities in the case. Also, e-invoicing already using the contracting entities, is expected to generate time savings when upgrading to a common standard, which eliminates the deficiencies in the data content. Regulation is estimated to cause restructuring and cost incurred due to changes in personnel. the number of electronic invoices may result in increased costs, including staff contracts, such as working on the revision of invoices employees, moves to other's responsibilities. At the same time the change can free up resources for core activities and will eventually lead to savings.

The proposal is expected to be relatively limited impact of government as well as municipalities and joint municipal authorities in the economy. Any potential minor short-term additional costs of potassium tettaiisiin within existing budgets. The estimated costs are minimal compared to the savings achieved in the longer term.

#### 4.2 Impact on business life

Large companies often use financial management systems integrated and customized network emergency landing transmit and receive solutions. Data transfer and conversion of files digitization companies use e-invoicing operator. Small and medium-sized enterprises, in turn, is often connected to economic administration systems, modules, or if the financial management has been outsourced, they often use the accounting office accounting and billing services. For these companies the proposed regulation requires the use of IT solutions for adaptation. changes arising from the new standard set are smaller than those systems which are currently using the latest version of the national decline format (Finvoice or TEAPPS), where the data elements have been updated. Present-day and decrease in accordance with the new standard formats differ from each other only in places in the individual. Other vendors typically use the standard invoice shall ensure that the invoice is converted and validated before it is sent to the buyer, so that it complies with the new European standard.

increasing the application of the European standard is expected evolution of the system suppliers to lead to more and more of these systems are supported by the Europeans standard. In addition, new markets are expected to develop between the various laskunmuun- PROGRAM OF standards around. All in all, the regulation is estimated to cause already using electronic invoicing to suppliers the costs of adapting IT systems in line with European standards.

A number of micro-enterprises and the majority of small and mid-sized do not yet have the necessary e-invoicing solutions for operating companies. Micro companies are using e-invoicing usually make use of simple modular solutions for invoice amounts or small supplier portal solutions intended for sending to companies, which invoice is created via a web portal and the portal will be sent directly to the recipient. There are both free and paid supplier portals that is paid options. Many authorities offer free access to the supplier portal. The company's online banking can also send and receive electronic computing alley. Micro and small businesses the proposed regulation in such a way to cause some additional costs.

Taking into account the sale of electronic invoicing to suppliers made possible by saving time, reducing overall business is expected to the proposed law for administrative costs. The company's administrative expenses on a positive impact varies according to firm size. Micro-enterprises are expected to benefit from the average because of the act the least development of e-invoicing solutions benefit to investing in additional costs and the know-how of the current time.

On the other hand a single firm, digitalisation is a reality, which the company has to adjust to the legislation, regardless of cell. The proposed regulation also allows the company may require that the invoices are sent in electronic format, wherein the enterprise receives the benefits of electronic billing entirety.

In 2017 a study on the E-invoicing / E-billing, significant market transition lies ahead (Bruno Koch, Billentis, 18.05.2017) and by the electronic automatosoidulla laskutuksel- can achieve 60-80% saving in paper billing. Typical electric feed-invoicing investment payback period was very short survey, that is,

0.5 to 1.5 years. Section 4.1 Effects authorities and other acquisition units is a disease in the lock, the reference paper invoices and electronic invoices cost. Invoice sender of the e-invoicing is, above all, good customer service. More and more invoices the recipient organizations even require e-invoices. However, the use of e-invoicing onment also reduces the production of the required handling of invoices and work to reduce the costs of sending the update. Bills may be electronically stored, thus allowing for easier search for and reduces the space required and the cost of filing. The decline is faster and safer client and the reading takes place in the customer less mistakes, which speeds up the ranking. Billing space is also easier to keep track of when the information is available electronically. Envelopes and lowering the paper is not required, whereby the material costs are reduced. In addition, the act is expected to have other effects on businesses, such as resulting from the reorganization of the personnel, and any placements extra costs. Electronic bill incrementation amount may lead to additional costs when employees, such as scanning of invoices made by persons obliged to change their duties. At the same time, this change may relieve the labor force of the core functions and in the longer term, lead to savings. In addition, the act is expected to reduce the filing of the facilities and the cost of scanning tools. Electronic bill incrementation amount may lead to additional costs when employees, such as scanning of invoices made by persons obliged to change their duties. At the same time, this change may relieve the labor force of the core functions and in the longer term, lead to savings. In addition, the act is expected to reduce the filing of the facilities and the cost of scanning tools. Electronic bill incrementation amount may lead to additional costs when employees, such as scanning of invoices made by persons obliged to change their duties. At the same time, this change may relieve the labor force of the core functions and in the longer term, lead to savings. In addition, the act is expected to reduce the filing of the facilities and the cost of scanning tools.

#### **4.3 Environmental effects**

Adding digitized decline in the use of information will bring significant environmental benefits. Structured electronic bill carbon footprint has been found in studies significant decrease in paper smaller. Federation of Finnish Financial's (now The financial sector Association) in 2010 commissioned by the clearing OF PROCEDURE Environmentally friendly e-invoicing, the electronic invoice is the lowest carbon footprint per invoice about 150 grams. The paper invoice is equivalent to about 450 grams. Mouth-

However, the difference is in study, result in savings of paper and distribution of electrical switching, but the biggest distinguishing feature is the invoice handling process more efficient financial administration and emission savings from it. The study electronic bill turned on average four times more climate as an alternative to paper bill. Electronic invoicing in a wider variety of climatic stress financial transactions and the use of time to Notice research report financial automation of the climate impacts (Fi nanssialan EK, 09.17.2015) According to the financial information processing, automation could bring savings in the company's climate impact of 80-90 per cent. The study investigated the billing, payment card receipts processing,

The law proposed regulation can be expected to encourage contracting entities that a company sells its contractual partners to demand invoices electronically. Thus, the proposed law is expected a positive impact on the climate with reducing manual operations will be.

#### 4.4 Social impacts

The proposed law can be evaluated to create the conditions for positive social progress. Electronic billing is an important step to achieve digital financial management. Economic events management digitalization objective is to finance the complete automatisatio tio. Auto finance is a powerful, real-time, and thus a better management tool in both the private and public sectors. The digitalisation of financial management, inter alia, to improve the capacity of organizations and speed up reporting.

The proposed law can be expected to create new opportunities for service production and business traffic operations. It is possible that new companies are established, or that such companies admixtures not previously been associated supplier of billing operations, decide to settle in these markets.

The proposed law creates the preconditions for the fight against the gray economy financial organization in digitizing means. Electronic invoicing improves the traceability of financial transactions, which could in the long term to reduce financial crime, such as tax evasion.

The proposed law is expected to have a positive impact on productivity in society through more efficient financial management, and reduced postal delivery. This positive tuottavuusvaikutuk- the public is expected to be the first instance, a direct negative effect on the employment and on unemployment. the expected productivity gains and cost savings in the proposed regulation can be carried out without any negative effects on employment. These savings can be expected result of the sharper the creation of employment in both the private and public sector, which consists of an indirect positive effect on employment. the extent of these effects is, however, difficult to assess.

The impact of the act on employment is estimated to have certain effects between men and women for equality. All in all, the impact on employment is estimated to be slightly more negative than for women than for men. However, this estimate involves significant uncertainties. To decrease the loss of mail delivery with services is likely to have more effect on men than on women. Instead, with reducing external skannauspalvelui- of the disappearance on services is very likely to have more impact on women than on men. New employment opportunities that may arise from the fact that the number of contracting entities and traders use electronic invoicing, as well as buying interfacing, skills development

opment, system development and others. external services, can be expected to employ more men than women.

Employment of action in addition to the considerable measure equal to the estimated effects resulting from the impact of individuals who work in the bill receiving ice or billing the sender's financial management activities. It is expected that these individuals are often of relatively move to another job. Among these persons melting kupuolijakauman expected to be very thoroughly mixed. According to Statistics Finland, more than 80% of the employed accountants are women. Generally, it is difficult to judge, Will these changes the overall experience as positive or negative, or whether they have a positive or negative impact on gender equality.

## **5 Asian manufactur Stelu**

### **5.1 Preparation Steps: material and**

The Ministry of Finance set up a 18 day lokauuta national implementation of the e-invoicing Directive 2017 study group. Preparation The group's task was to prepare a national implementation plan and the government's presentation of legislative changes necessary due to electronic invoicing under public procurement directives 2014/55 / EU, the impact of e-invoicing Factors to States market. In addition, preparation of the working group was to seek ways to enhance the e-invoicing market performance and plan for measures by which information security and data protection in electronic invoices to be able by developing. Preparations for the Group came to prepare for e-invoicing operators of common operating principles, and where appropriate, prepare draft amendments to the law.

The working group have been placed a working group of the Ministry in addition to representatives of the Ministry of Employment and the Economy, Ministry of Finance, Public Procurement Advisory Unit, Finnish Local and Regional Authorities Association, the State Treasury, Ropo Capital Oy, Tieto Corporation, Technology Industries of Finland to the Finnish Accounting Association to, TIEKE Information Society Development ry and the financial sector Association.

The working group consulted experts and the workshop was held. Study group delivery period was initially supposed to end on 30 June 2018 but decided to extend the term of office until 31 December 2018.

### **5.2 Statements and their consideration of the**

Board's proposal for a draft prepared by the Ministry of Finance together with the national implementation of e-invoicing Directive with a preparatory group was opinion round

13.9.2018-19.10.2018. The referral was sent to 61 party. The opinion was given by Confederation of life in a Central Union, financial sector, Hansel Ltd, the City of Helsinki, the Finnish Meteorological Institute, the Ministry of Transport and Communications, Finnish Transport Safety Agency, Municipal Expertise Oy, the Finnish Transport Agency, the Chancellor of Justice, Ministry of Education and the Ministry of Culture, Service Sector Employers, Ministry of Defense, Social Affairs and Health, Finnish Local and Regional Authorities, the Bank of Finland, Federation of Finnish Enterprises, the city of Tampere, Technology, Data protection Officer, Ministry of employment and the Economy, the State Treasury, Prime Minister's office, Tax Administration and the Åland landskapsregering, ie a total of 25



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entity. Request for Comments and opinions received lausuntopalvelu.fi can be found on-site and the Council of State the project window. Statements have also been prepared summary of the opinion, which is stored in the Government Project window numbers VM102: 00/2017.

The opinion Landlords find it endorses the objectives of the proposal. S promotion of electronic invoices to automate and streamline financial management was considered important. For many commenting that the proposed regulation does not, however, in relation to their goals was not sufficiently comprehensive or obligation winning.

E-invoicing Directive the minimum regulatory proposal for expanding the bill § 3 in widely received support. Under that provision, contracting entities obliged to receive and process electronic invoices comply with the European standard to be extended to bills national thresholds border but the EU thresholds based on contracts below a. Confederation of Finnish Industries, Hansel Ltd, the Municipal Expertise Oy, Type of employers, the City of Tampere, Technology and the State Treasury expressed opinions that the regulatory framework should be further extended to low value contracts, or at least the most significant below the national threshold values based on the low value contracts be given on bills. the inclusion of small invoice of purchases for the bill were evaluated, but it was decided to exclude them from the law. The government estimates that the expansion could lead to unreasonable administrative burden on public procurement very rarely kilpailuttaville procurement units and especially for those entities that receive public support of more than half of the value of the acquisition and thus consist of the acquisition units may only once. Arguments in this respect supplemented with the same period a presentation general reasoning 3.2 implementation.

The majority of the commentators supported the bill to § 4 of the regulation regarding the hankintayksiköi- and traders the right to choose to receive from the other contracting entity or a company sells electronic invoices. Municipal Expertise Oy and the Finnish Tax Administration, however, argued that the traders of electronic invoicing should not be mandatory. In addition, the ICC business group The Central, The financial sector, Hansel Ltd, the Municipal Expertise Oy, Type of employers, the technology industry, the State Treasury and the Tax Administration took the view that public procurement should require suppliers to send electronic invoices to the contracting entities. The financial industry view, the public administration must send electronic invoices to all those recipients that are able to receive electronic invoices. ordered public administration and traders to transmit electronic invoices can be considered as a relevant regulation as an opportunity. However, the effects of the regulation should be evaluated in more detail.

Negative presentation directive on independent regulatory proposals welcomed the Federation of Finnish Enterprises. It saw a problem that goes beyond national regulations, even though it was supposed to draft goals in principle as positive and useful also for SMEs. Finnish entrepreneurs, the transition period should be considerably longer than the proposed, if national solutions have, however, end up. Transitional provisions, the re-evaluation or an extension were also submitted by Confederation of Local and Regional Authorities, the City of Tampere and Valtiokontto- ri. § 3 of the bill's effective date other than the contracting entities at central government lintoviranomaisille and the contracting entities is based on the opinion of the feedback deferred to 1 April 2020, which is the absolute deadline for e-invoicing Directive. § 4 of the proposal:

The consultation process has been a draft proposal did not contain any proposals for regulation of the electrical ostokui- of you (the so-called. Ekuiteista). However, The spokespersons were asked to comment on the opinions, the e-invoicing Directive national implementation set out in the draft bill of the study group's proposals to promote the use of electronic receipts. Issuing their opinion expressing support for multiple acquisition units ordered to electronic invoicing in Europe

receive standard structured electronic receipts according to the same manner as the proposed Act § 3: According requires contracting authorities to receive electronic invoices. The Tax Administration Service and employers expressed opinions that the electronic receipts en reception obligation should also apply to longer term, parties other than the acquisition worth- while. Despite the positive attitude towards this consultation, it was estimated that there is currently not possible to estimate the completion of the technical requirements and related costs. Effectiveness evaluation could not be done with sufficient accuracy. Presumably, technical and other conditions can be built in the next few years, which may be considered for electrification of receipts inclusion in legislation.

The presentation is further prepared after the referral to the Treasury. After the circulation for comments presentation-explanatory and impact analysis is the basis of the opinion feedback amplified and re-shaped notches is at the substance while keeping the same mana.

**DETAILED EXPLANATION 1 of the bill Grounds 1 §. *Scope of the Act.*** The section would provide the scope of the proposed Act. Verkkolas- kudirektiivin the scope of its Article 1, which also soveltamisala- the proposed provision is based on respect. section *subsection 1* mukaan ehdotettua lakia sovellettaisiin hankintayksiköiden ja elinkei- nonharjoittajien sähköiseen laskutukseen. Laki ei koskisi yksityisten luonnollisten henkilöiden laskutusta. Siten lakia ei sovellettaisi yksityishenkilöihin heidän roolissaan kuluttajina tai ve- rovelvollisina. Yksityiset elinkeinonharjoittajat, jotka toimivat toiminimellä sen sijaan kuulu- sivat lain soveltamisalaan.

Subsection 1 of section would also provide for two exceptions from the scope of the law. Exceptions would be based on e-invoicing Directive, Article 1 of the second paragraph, as well as the Treaty on the Functioning of the European Union (TFEU) Article 346, paragraph 1, point a. The bill as a general rule, contracting entities should not refuse to accept or to process electronic invoices. In addition, the supply unit and the trader would be required to transmit the electronic invoice to another entity, or the trader of the request. However, there may be situations in which the electronic processing of the bill would be epätarkoituksenmu- lane secret data on hold or for reasons of State security interests. E-invoicing of the first paragraph of Article 1 of the Directive, the Directive applies SEPARATE electronic invoices, which have been prepared following the implementation of the treaties on which is applied to one of the four EU procurement directives. Accordingly, e-invoicing directive is not applied to invoices, which have been prepared on the scope of the procurement directives out of the demarcated on the basis of acquisition or licensing agreements.

Klassisen hankintadirektiivin 15 artiklan 3 kohdan, erityisalojen hankintadirektiivin 24 artik- lan 3 kohdan ja käyttöoikeussopimusdirektiivin 10 artiklan 6 kohdan mukaan kyseisiä direk- tiivejä ei sovelleta, jos hankinta ja hankinta- tai käyttöoikeussopimuksen toteuttaminen on ju- listettu salaisiksi tai niihin on liitettävä erityisiä turvatoimia jäsenvaltiossa voimassa olevien lakien, asetusten tai hallinnollisten määräysten mukaisesti, edellyttäen että jäsenvaltio on mää- ritellyt, että kyseisten olennaisten etujen suojaamista ei voida taata vähemmän rajoittavin toi- menpitein. Lisäksi direktiivejä ei sovelleta hankinta- ja käyttöoikeussopimuksiin, joita ei ole muutoin vapautettu soveltamisesta direktiivien nojalla, siinä määrin kuin direktiivien sovelta- minen velvoittaisi jäsenvaltion antamaan tietoja, joiden paljastamisen se katsoo olevan olen- naisten turvallisuussetujensa vastaista. Nämä poikkeukset soveltamisalasta on myös otettu han- kintalain 12 ja erityisalojen hankintalain 22 pykäliin.

Defense and Procurement Directive Article 13a paragraph states that the directive does not apply sourcing agreements, where the application of the rules of the Directive oblige Member States supplying the information, the disclosure of which it considers contrary to the essential interests of its security. the second paragraph of e-invoicing Directive Article 1 states that the directive does not apply to electronic spiking, which has been drawn up following the implementation of the contracts, which fall within the defense and security procurement scope of the directive, if the conclusion of the agreement and the implementation thereof will be declared to be secret, or if its implementation requires the Member State ' special security measures in accordance with the laws, regulations or administrative provisions. The precondition is that the Member State is satisfied, provided that the essential interests can not be safeguarded by measures less restrictive. Electronic invoice directive in the preamble is opened kyseis-

cropping s scope. in paragraph 16 of the preamble states that the Directive shall apply, subject to Article 346 of the Treaty on the Functioning of the European Union (TFEU) and subject to the Directive shall not apply to electronic invoices, which are made out of contracts which are declared secret or which carry special security measures following the implementation of that access Directive, under Article 10, paragraph 6, of classical procurement directive Article 15 paragraph 3 and specific areas of procurement directive Article 24 paragraph 3 do not fall within the scope of the directive. Article 346 TFEU follows that a Member State is not obliged to supply information the disclosure of which it considers contrary to its essential security interests in sex (Article 346, paragraph 1, point a), and each Member State may take such measures,

In Finland, the defense and security procurement Directive has been implemented by law on public defense and security procurement. Defense and public safety on the procurement law is not its § 7 subsection 1. 1 point, the subject of defense and the turvallisuuohankin-, which is confidential or where the application of the law would oblige the contracting entity, hyrax supplied information, the disclosure of which is contrary to the essential security interests of the state. The provision is based on TFEU Article 346, paragraph 1, point a. These acquisitions are therefore also fall within the scope of the proposed Luisi at such a purchasing entity could refuse to accept the electronic bills.

Defense and security, however, the acquisition may involve secrecy interests, even if none of the public defense and security procurement law on the soveltamisalapoikkeus- Sista do not apply to any purchase. The law in question to identify these situations and the contracting entity may, among other things, the law § 41: According to the set providers perform the contract hankintaso- the contract period relating to requirements for information security, which are to implement the obligations set necessary to the authority, if you complete an acquisition is given, will be drawn up, or otherwise dealt with classified documents. They may also ask for the same provision, the provider undertakings and information that indicate the provider the added ability to fill data safety requirements.

on the basis of the studies conducted by the Board of abnormal form of electronic invoices should be provision of acceptable criteria. These could relate to, first of all secret pidettävi- do not protect the data. Used in public procurement invoices may include publicity by law or the law confidential information. Also other bills may include, for example, trade secrets or personal information. If the electronic form of the bill would reveal this information, the contracting entity may opt out of receiving or sending electronic invoices misestä. Also, a trader could then refuse to transmit an electronic invoice. Point for the risk assessment should be based on the circumstances of the individual case,

Electronic form requirement could also differ from the grounds of the protection of its essential security interests of the State. These security interests related to the internal state of the order and safety (police work) as well as external security (for example, national defense and border control). Procurement of security interests inter alia, the maintenance

tovarmuutta and safety-related information as needs and requirements. The exemption should be applied to the EU's established case-law, case by case and strictly. assessment of the conditions of Article 1 of the proposed exceptions to the application of the law reflect the proposed Hercules-Beta Act, § 3 of the situations foreseen in principle, the contracting entities. This would mean in practice, for example, that the public supply supply unit for hankintailmoitukses- or external acquisition instruments, such as instruct the contract provider billing practices in greater detail. The proposed Act § 4 of the situations, according to the assessment of the conditions for applying the exceptions would, in principle, the invoice senders. section *paragraph 2* According to the proposed law on electronic invoicing could be nationally entry into e-invoicing Directive. E-invoicing according to paragraphs Recitals 5 and 6 of the Directive is not the purpose of the common European e-invoicing standard development allows to remove barriers to cross-border trade and improve legal certainty. Di- Directive also aims to encourage the adoption of electronic invoicing in public procurement purchasing and thus allows for significant benefits in the form of financial savings as well as environmental impact and easing administrative burdens.

**§ 2. Definitions.** The section defining the central concepts of the proposed Act. section *paragraph 1* defining electronic invoice. The concept is based on far verkkolaskudirek- Directive Article 2 that the electronic invoice refers to a decrease, which is transferred and received in a structured electronic format, which allows the automatic and electronic processing.

Article preamble of paragraph 7, electronic invoicing is obtained the greatest possible benefit when the bill creation, sending, transferring, receiving and processing can be fully automated. For this reason, only the machine-readable invoices, which the recipient can process automatically and digitally, should be considered to comply with the European standard electronic invoicing.

Only in human-readable electronic invoice formats can not be electronic invoices as provided by law. Thus, for example, transmitted e-mail .pdf, .jpg, .tif, or tunnistemuotoi- set bill image files do not meet the definition of the law. E-mail attachment sent to .xml files are also not defined in the act would be electronic invoices.

electronic invoice within the meaning of the Act should also comply with the electronic invoicing eurooppalais- of the standard. This requirement would be based on invoicing of Article 2 point 11 and Article 7. European standardization deals with Regulation (EU) No 1025/2012 (European Parliament and Council Regulation (EU) No 1025/2012 on European Standardization, amending Council Directives 89/686 / EEC and 93/15 / EEC and European Parliament and Council directives of 94/9 / EC, 94/25 / EC, 95/16 / EC, 97/23 / EC, 98/34 / EC, 2004/22 / EC, 2007/23 / EC, 2009/23 / EC and 2009/105 / EC and Council Decision 87/95 / EEC and Decision of the European Parliament and of the Council No 1673/2006 / EC 25.20.2012).. Regulation Article 2 paragraph 1 subparagraph b According to European standard is a deployment of the European Organization for Standardization standard adopted. European standardization European Committee for Standardization CEN is attributable to sales organizations at the request of the Commission's broad vocal in its European standard for electronic invoicing. CEN adopted 28 June 2017, the European standard EN 16931-1: 2017 Electronic invoicing-Part 1: The e-invoice core elements of the semantic data model and syntax list of the CEN / TS 16931-2: 2017 Electronic Billing Part 2: List of syntax, which are compatible with the standard EN 16931-1 with, according to CEN classification system. Official Journal of the European European standardization European Committee for Standardization CEN is attributable to sales organizations at the request of the Commission's broad vocal in its European standard for electronic invoicing. CEN adopted 28 June 2017, the European standard EN 16931-1: 2017 Electronic invoicing-Part 1: The e-invoice core elements of the semantic data model and syntax list of the CEN / TS 16931-2: 2017 Electronic Billing Part 2: List of syntax, which are compatible with the standard EN 16931-1 with, according to CEN classification system. Official Journal of the European European standardization European Committee for Standardization CEN is attributable to sales organizations at the request of the Commission's broad vocal in its European standard for electronic invoicing. CEN adopted 28 June 2017, the EU

standard reference data and syntaksiluettelo was published on 17 October 2017 (Commission Implementing Decision (EU) 2017/1870, OJ L 266, p. 19, 10.17.2017). e-invoicing directive in Article 5, paragraph 1, the Commission may update or revise for European e-Invoicing on the semantic data model of electronic invoice core elements kind of standard as well as to update or check the syntax list **published in the Official Journal of the European Union. section paragraph 2 define the contracting entity. The proposed defined in the act's procurement acetal units would be the Public Procurement Act § 5 in the specific areas of the Public Procurement Act § 5 and in defense and security suushankinnosta § 4 of the Act on the entities listed in the Act. The contracting entities include the state, provinces, municipalities and joint municipal authorities, the Evangelical Lutheran Church and its parishes, ortho-doksinen as well as state enterprises. The contracting entities are also controlled by the Authority so-called public bodies, as well as con- temporary contracting entities which are authorized for the conclusion of the acquisition of support of more than half the value of the acquisition. The law would also apply to the water and in the field of energy, transport and postal services operating in public enterprises and special or exclusive rights granted by the authority Jalla speed operating units. section 3 would include the definition of a trader. , A trade criteria were not to be exhaustively defined. For tax purposes, the income may be taxed in the Law on Business Income Tax (360/1968), Farm Income (543/1967) or the Income Tax Act (1535/1992) model. Tax-judicial interpretation of the law is the general criteria for Economic Development activities defined in relation to, inter alia, leisure activities, agriculture and forestry activities and personal earned income and capital income. Thus, this law concept of business activities would be the same as the law on the taxation of business income. Kohdas- sa stipulating that the trader as referring entity which is engaged in elinkeinotu- business and professional activities referred to in the Act on the taxation of Ion. For taxation purposes, the boundary between business activities and other activities have been assessed case by case, among other things, depending on how small-scale and sporadic the action is. This law business and professional activity looking at the way to activities requiring the business and professional activities of the financial year, net sales would exceed EUR 10 000. Said the euro-denominated net sales exceeded business and professional activities should be the scope of the law. Low-value activities contrary si low value activities provided for in the VAT Act. Said the euro-denominated net sales exceeded business and professional activities should be the scope of the law. Low-value activities contrary si low value activities provided for in the VAT Act. Said the euro-denominated net sales exceeded business and professional activities should be the scope of the law. Low-value activities contrary si low value activities provided for in the VAT Act.**

The utilities associations and leisure activities would not be considered in accordance with the law and the business-sales and professional. However, non-profit organization is a taxable person for Economic Development also received the result, but the tax is based on the Income Tax Act.

The law would not apply to agriculture and forestry exercise if the operation of farm economy is taxed according to the Income Tax Act. between the scope of the Act and the Farm Income on business taxation has been interpreted in the case-law so that, inter alia, farmer's lalomailu as a holiday cottage rentals and processing of farm products in the ordinary course extent is considered within the scope of the Income Tax Act for farm use. Of large-scale commercial horticultural activities, in turn, viewed as business activity. Fishing and hunting receipts is largely viewed either as income or minor agricultural activities tana hobby into action. the exercise of reindeer husbandry also remain outside the scope of the law, because of its tax shall be based on the Income Tax Act.

**§ 3. The contracting entity an obligation to receive and process electronic invoices. The proposed article providing for the acquisition of the new units from the obligation to receive and process**

electronic invoices comply with the European standard. The section is based on Article 7 verkkolaskudirektii- vin.

regulatory proposed section differs from VAT Act § 209 d and the regulation of the VAT Directive, Article 232, according to which the bill may be only the recipient's consent to provide electronic form. However, in e-invoicing Directive recital 37 clarifies that e-invoicing Directive has a different objective and different scope than the VAT Directive, and that it does not affect the provisions of the use of electronic invoices relating to value added tax purposes. It also states that regulated the relationship between the parties to Article 232 of the VAT Directive and designed to ensure that the sender does not force the recipient to use electronic bills, and that this should not affect the right of Member States obliges contracting authorities and entities to receive electronic invoices under certain conditions. The proposed law would apply to electronic invoices, which provides procurement and implementation of the concessions covered by the Act on Public Procurement, Procurement or in specific fields of defense and security procurement. This would be based on Article 1 of the first paragraph of e-invoicing Directive. However, the e-invoicing Directive applies only to electronic work flow of bills that given the EU thresholds border procurement and concessions to justify. scope of the proposed law, therefore, be extended to the directive, so that it would apply to EU-threshold values in addition to electronic invoices border contracts but also national thresholds for procurement, usage and border, but the EU thresholds substandard, procurement ussopimusten electronic invoices. National thresholds have been introduced in the Law on Public Procurement and Concessions (§ 25), as well as the public defense and the law on the turvallisuushan- Degrees (§ 13). More specialized procurement law does not lay down national threshold values at all.

Instead, the proposed § 3 would be outside the scope of the bills, which are based on agricultural investment project economy, which has received public aid for more than half of the value and the value of the project is below the EU thresholds. The beneficiary will be competitive tendering namely, TAA EU thresholds below in accordance with the procurement procedures in accordance with the Government on the basis of the law (1476/2007) on agricultural investment in agriculture, built and its regulation. Public Procurement and Concessions Act applies only if the total value of agricultural investment over the EU thresholds and the amount of aid will exceed half of the value of the investment. Thus, the beneficiary will be only the EU thresholds border maatalousinvestoinnissa to receive and process electronic invoices comply with the European standard invoice.

Small bills are based on procurement contracts would be outside the scope of the section. The contracting entity receiving the obligation would apply to electronic invoices which comply with the new European standard for electronic invoicing. Electronic invoicing European standard as referring standard, the reference of which the Commission published pursuant to verkkolaskudirektii- vin Article 3, paragraph 2 in the Official Journal of the European Union on 17 October 2017. In this context, the Commission published a list of available syntaxes in addition to the standard reference data, ie invoice formats. Reception obligation to require verkkolaskudi- Article 7 of the Directive also states that an electronic invoice sent to comply with a Commission published the syntaksiluettelossa syntax.

Entities obligation to accept mean, firstly, that the acquisition units quantities should be the ability to receive electronic bills in accordance with the European standard. Secondly, the contracting entities should not refuse to receive complying with the European standard electronic invoices only for the reason that the invoice does not meet the national or sectoral

-specific plug-ins or other special requirements. Consequently, there would be no provision for a provision would prevent contracting entities from using the parallel decline in other standards or calculated kuformaatteja.

The proposed regulation does not affect the possibility of contracting entities refuse to deal with a decline on the basis of other overriding reasons such as contractual terms relating to syil- ether (paragraph 34 e-invoicing Directive of the preamble). Thus, the supply units could prior to payment of an invoice to check whether the contents of the electronic invoice amount, for example, appropriately on the basis of the transaction and whether a decrease is indicated to the right. Entities may already currently in public procurement require electronic invoices and to certain of decline in standards, provided that the general principles of public procurement as an adequate proportionality and transparency complied with. The proposed provision in the future would not prevent the contracting entity from demanding procurement documents of electronic invoices in accordance with a certain standard.

**§ 4. *The contracting entity and the trader the right to receive an electronic invoice.*** The proposed article providing for the acquisition units and the trader's request to the right of the bills from the other contracting entity or the trader of electronic billing comparable with European standards concerning the form of electronic invoices. Each of the contracting entity and living keinoharjoittajan would thus enable the European standard for electronic invoices of the deliveries. Regulation is not based on e-invoicing Directive, but it would be a directive on the independent national regulator.

The proposed notches first of all aimed at accelerating the introduction of structured e-invoices, as well as in the public sector and the business sector. Second, the proposed paragraph seeks to contribute to the transition to the national decline in formats for invoices more complete information content of invoices in accordance with the European standard invoice.

The bill provides for the duty to separately include a VAT Act 209 b §. In principle, the parties should agree on the invoice formal requirements for a written agreement or otherwise. In addition, it would be advisable to also agree on potential practices and sanctions imposed if the invoice sent does not comply with the agreed format. In situations where there is no agreement, the proposed regulation would give the bill to the right to receive an electronic invoice. regulatory proposed section would mean that the buyer requirement would make e-invoicing mandatory seller. This differs from the provisions of the VAT Directive decline. During the preparation of the proposed law has been requested from the Commission opinion on the proposed § 4 in the Value Added Tax Directive. the opinion of the Commission of the VAT Directive does not preclude KY- stand-regulation.

The proposed regulation would not apply to consumer billing, invoicing or other private natural person.

**§ 5. *Passage.*** contained in the draft bill is due to enter into force on 1 April 2019. E-invoicing Directive Article 11 paragraph 1, the Member States must allow for and publish the laws necessary to comply with this Directive, regulations and administrative provisions and to apply them no later than 27 November 2018. In contrast, there are Member States no later than 18 months after the European standard for e-invoicing reference information to be published in the Official Journal of the European Union given



accordingly and publish laid down in Article 7 of the Directive, the reception of e-invoices and processing necessary to comply with the provisions of procedure for the duty and application (Article 11, paragraph 2, first paragraph). The Commission published the European standard references in the Official Journal of the European 17 October 2017. E-invoicing The Directive must therefore be brought into force nationally later than 18 April 2019. **Säännöksen** - LÄ ensure, within the limits allowed by the law of entry into force of the Directive. section **Subsection 2** given the proposed Act § 4: HCI-year transition period for all contracting entities and businesses, in which they could prepare for European form of sending electronic invoices decline in the standard according to buyer's requirement. The market can offer more solutions for electronic invoicing. Different billing services are relatively simple and fast to use. Obtaining integrated financial management systems of billing programs requires more time and resources. The proposed transition period is intended to ensure that the proposed Act § 4: The obligation laid down in SIA to send electronic invoices at the request of the buyer's formation contracting entities and sole proprietors prohibitive borne transmission.

In addition, the proposed section 2 subsection take with regard to Article 3 of Directive introduced verkkolaskudi- made possible by the entry into force of the moratorium period. the second subparagraph e-invoicing Directive Article 11 paragraph 2 allows Member States to defer the application referred to in the first subparagraph of Article 11, paragraph 2 of the lower-level acquisition authority and the - the publication of a European standard for e-invoicing departments in respect of a maximum of 30 months from the end of the reference of the Official Journal of the European Union. Lower-level contracting authorities and contracting entities shall mean contracting entities which are not central government authorities. Annex I to the classic procurement directive is an indicative list of central government authorities. According to the list of state central kushallintoviranomaisina considered, inter alia, the Council of State, ministries, government departments under the direct authority or the administrative branch of the other agencies, institutions and other institutions within and under the authority of Parliament belonging to agencies, institutions and other institutions, as well as the courts. More supply units, the transition rule would include the municipalities, counties, churches, and in the control of public establishments set law. The possibility of transferring no point 38 of the preamble to the Directive provides that no entry into force of the joint procurement units. institutions and other bodies Both the courts. More supply units, the transition rule would include the municipalities, counties, churches, and in the control of public establishments set law. The possibility of transferring no point 38 of the preamble to the Directive provides that no entry into force of the joint procurement units. institutions and other bodies Both the courts. More supply units, the transition rule would include the municipalities, counties, churches, and in the control of public establishments set law. The possibility of transferring no point 38 of the preamble to the Directive provides that no entry into force of the joint procurement units.

The proposed transition period is intended to ensure that the proposed Act § 3: the obligations provided for in obligation to receive electronic invoices to be unreasonable, taking into account the different procurement departments vary starting positions. During the transitional period of the year they are also contracting entity, which does not enter into force when the law comes yet for e-invoicing infrastructure required by luck, can obtain electronic invoices, receiving and processing the necessary resources.

## **2 Entry into force**

E-invoicing Directive, Member States have the latest electronic invoices provided for in Article 7 of 18 April 2019 to be imparted to the directive and publish the reception and the provisions necessary to comply with the obligation to Treatment with and to apply them. The Act would come into force on 1 April 2019.

The Act is proposed to transitional provisions. Act § 3 HCI would apply to the contracting entity other than a central government since 2020 and the authorities of the contracting entities with effect from 1 April. Act § 4 was applied as from 1 April 2020.

Based on the above given Parliament's approval next bill:

*Bill*

## Law

### **contracting entities and traders, electronic invoicing**

Under a decision of Parliament provides for:

#### § 1

##### *scope of the Act*

This law applies to the acquisition units and traders electronic invoicing. However, the Act does not apply where the use of electronic invoices could reveal information to be kept secret via or jeopardize the essential security interests of the state.

This Act shall be implemented on electronic invoicing in public procurement to EU directive 2014/55 / EU of the European Parliament and of the Council, hereinafter referred to as *e-invoicing Directive*.

#### § 2

##### *Definitions*

For the purposes of this Act:

**1) *electronic invoice decline***, which has been drawn up, transferred and received in a structured electronic format, allowing the automated processing and complies with the European standard for electronic invoicing, the references of which have been published pursuant to the Official Journal of the European Union, as well as one of the e-invoicing Directive 3 Article 2 paragraph under the e-invoicing Directive 3 Article 2 paragraph Official Journal of the European Union, published in the syntax of the list Lossa;

**2) *the contracting entity*** Public Procurement and the Law on Concessions (1397/2016) § 5 of the Act on entities by in the water, energy, transport and postal services in the field of Procurement and Concessions § (1398/2016) 5 in both public and defense Act on the safety of § procurement (1531/2011) 4: TA referred to in hoja;

**3) *trader*** the law on the taxation of business income (360/1968) *tettua intended business and professional activity for gain*, net sales by the operation of the financial year is more than EUR 10 000.

#### § 3

##### *The contracting entity an obligation to receive and process electronic invoices*

The contracting entity shall be received and dealt with the Public Procurement and Concessions Act on the law or on the public water supply and in the field of energy, transport and postal services toimivi- I Procurement and Concessions defense units

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and the acquisition or the Access falling within the scope of the Act on security procurement contracts based on electronic invoices.

§ 4

*The contracting entity and the trader the right to receive an electronic invoice*

A contracting entity and the trader has the right to decline the request from another Health division acquisition or trader an electronic invoice.

§ 5

*Passage*

This law comes into force on 20.

Act § 4 HCI, however, shall only apply from 1 April 2020. The Act § 3 applies to contracting entities other than central government authorities and yhteishankintayksiköihin with effect from 1 April 2020.

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Helsinki on 29 November 2018

**Prime minister**

**Juha Sipilä**

Local Government and Reform Minister Anu Vehviläinen