

# Tax Alert

## The General Authority of Zakat and Tax announces the approval of the electronic invoicing regulation

December 2020

The General Authority of Zakat and Tax GAZT announced the approval of its Board of Directors on the electronic invoicing regulation, which was published on Friday, the December, 4 2020.

As per the regulations, the definition of an electronic invoice is a tax invoice which is issued electronically and by every taxpayer subject to value added tax in the Kingdom.

The electronic invoicing regulation contains seven articles that regulate the mechanism for issuing and keeping electronic invoices for the taxpayers, and clarifies the provisions, procedures, and persons subject to them, in addition to the procedural rules and legal time limits

GAZT has confirmed that the regulation has entered into force from the date of publication; With note that the mandatory application will take place on the taxpayers subject to it to issue and keep invoices on 4 December 2021.

The General Authority of Zakat and Tax invites all taxpayers to

view the electronic invoicing list through its website (gazt.gov.sa), and to contact them via the unified number (19993), which is operational 24 hours a day, seven days a week, for any enquiries or questions related to electronic invoicing .

It is worth noting that the electronic invoicing system aims to limit the volume of shadow and underground economy transactions, in addition to combating commercial concealment.

The General Authority for Zakat and Income had published – earlier – the draft of the regulations for public opinion on the 17 of last September.

We share an overview of the process and regulation issuance below:

### An application trip of electronic billing in Saudi Arabia

Publish a draft regulation of electronic billing to take General views	September 17, 2020
Issuance of a regulation electronic invoicing	December 4, 2020
Preparing the subject facilities/entities for value added tax to issue, save and amend the electronic invoices orderly	Within 12 months of issuance the electronic invoicing regulation
Mandatory commencement to issuance, save and amend the electronic invoices.	December 4, 2021

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