



# Updates on the e-invoicing mandate in Poland

Date: 9 March 2023

**PAGERO**

# Agenda

**1**

The global e-invoicing landscape

**2**

Background & scope of the KSeF obligation

**3**

KSeF platform

**4**

Pagero solutions for the Polish market

**5**

Impacts and benefits for your business



One connection  
– global reach

# Meet our Presenters



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Country Manager  
Pagero Poland



**Abby Lee**  
Regulatory Associate  
Pagero



# The global e-invoicing landscape

# Pagero Smart Business Network

Built to bring buyers and sellers into the 21<sup>st</sup> century



## Regulation

Countries are mandating e-document exchange to prohibit tax evasion and reduce the VAT gap



**70+**

Countries with e-doc regulations implemented

**~80%**

of companies in 2025 expected to be forced to only use e-invoices

## Automation

Businesses seek to automate processes and repetitive tasks within the buying and selling process



**50-90%**

Reduction in invoice processing costs

**15 -> 3 days**

Shorter invoice cycles

## ESG

The need for reducing the environmental footprint, increasing transparency and ensuring compliance

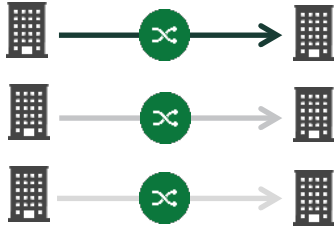


**~4x**

More environmentally friendly than paper invoices

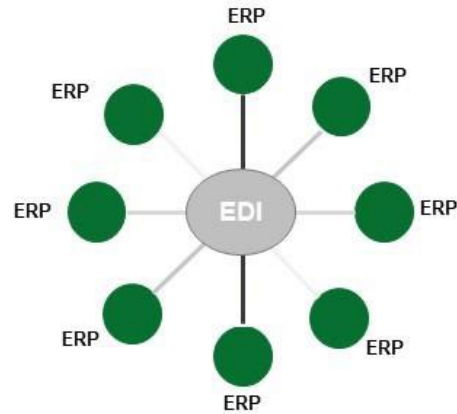
# The evolution of connectivity

## POINT-TO-POINT ONE-OFF



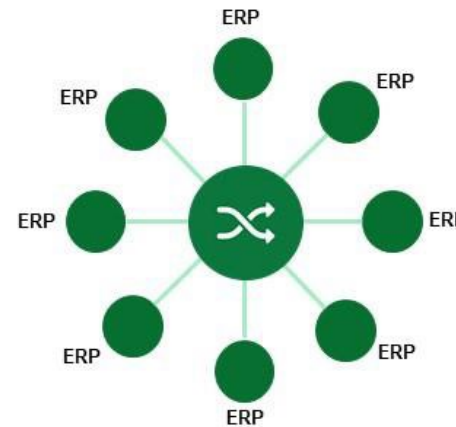
- Individual Connections
- Costly maintenance
- Poor scalability
- No Interoperability
- Not future proof

## ELECTRONIC DATA INTERCHANGE EDI OPERATOR



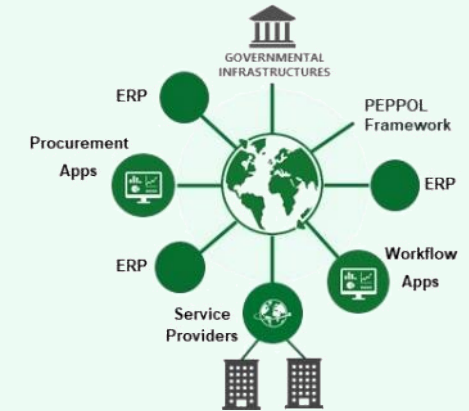
- Bespoke Supplier/Buyer connection
- Manual Routing
- Limited Scalability
- Basic to none Interoperability
- Limited automation

## E-DOCUMENT BUSINESS NETWORK SERVICE PROVIDER



- Single Connection
- Automated Routing
- Scalability
- Decent Interoperability
- Automated format conversion

## SMART OPEN E-BUSINESS NETWORK EXTENDED SERVICE PROVIDER



### ONE CONNECTION - GLOBAL REACH

- Self service trading directory with routing capabilities
- Enhanced scalability with multi business document support
- Extended Interoperability for P2P/O2C
- End-to-end technical and business resp.
- Regulatory five corner integration

1970s

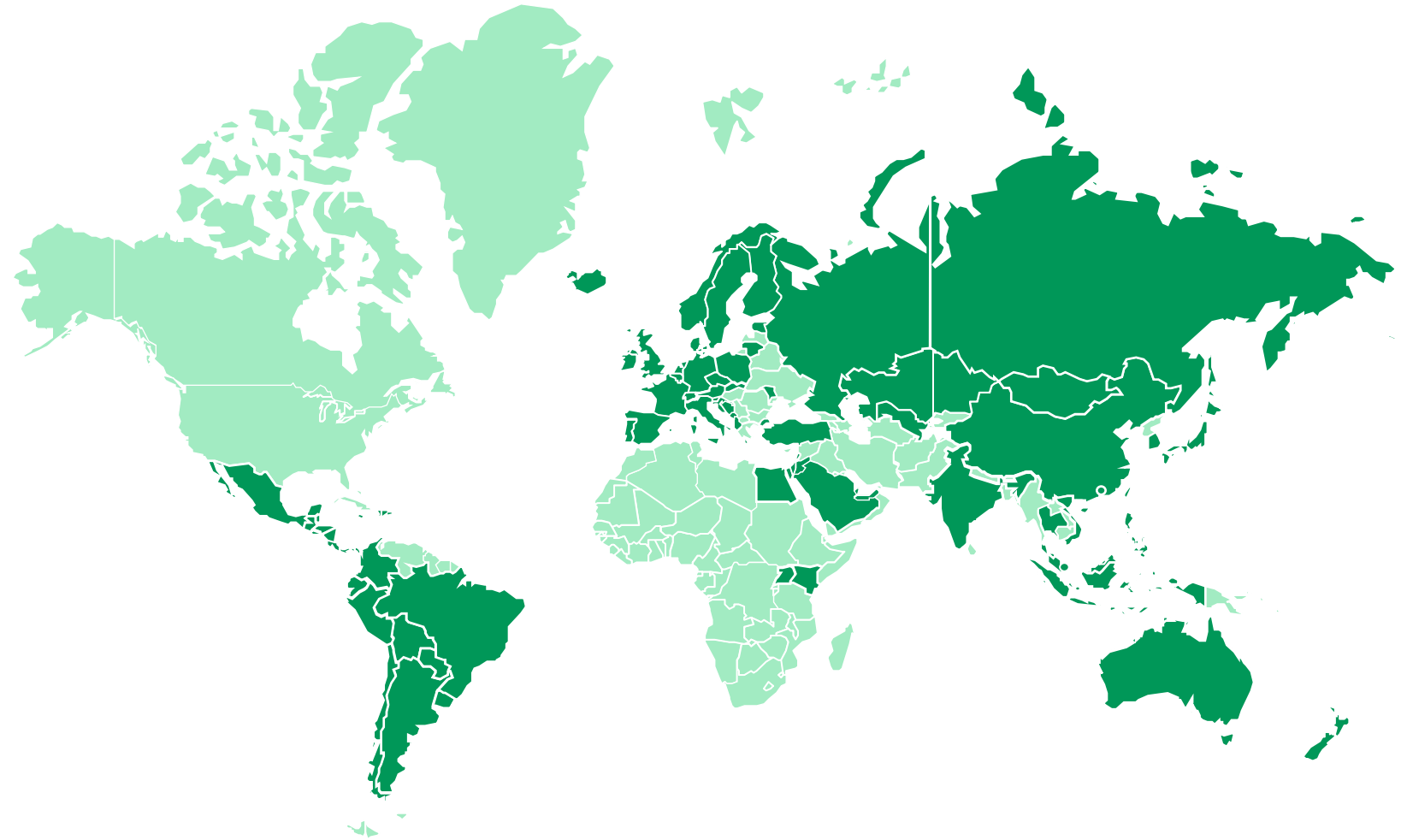
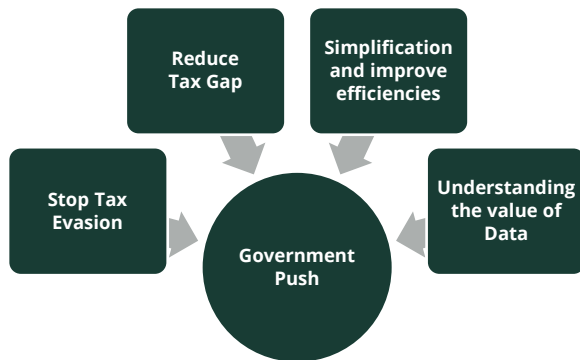
1980s & 1990s


2000s & 2010s

Future

# Digitalisation catalysed by legislation

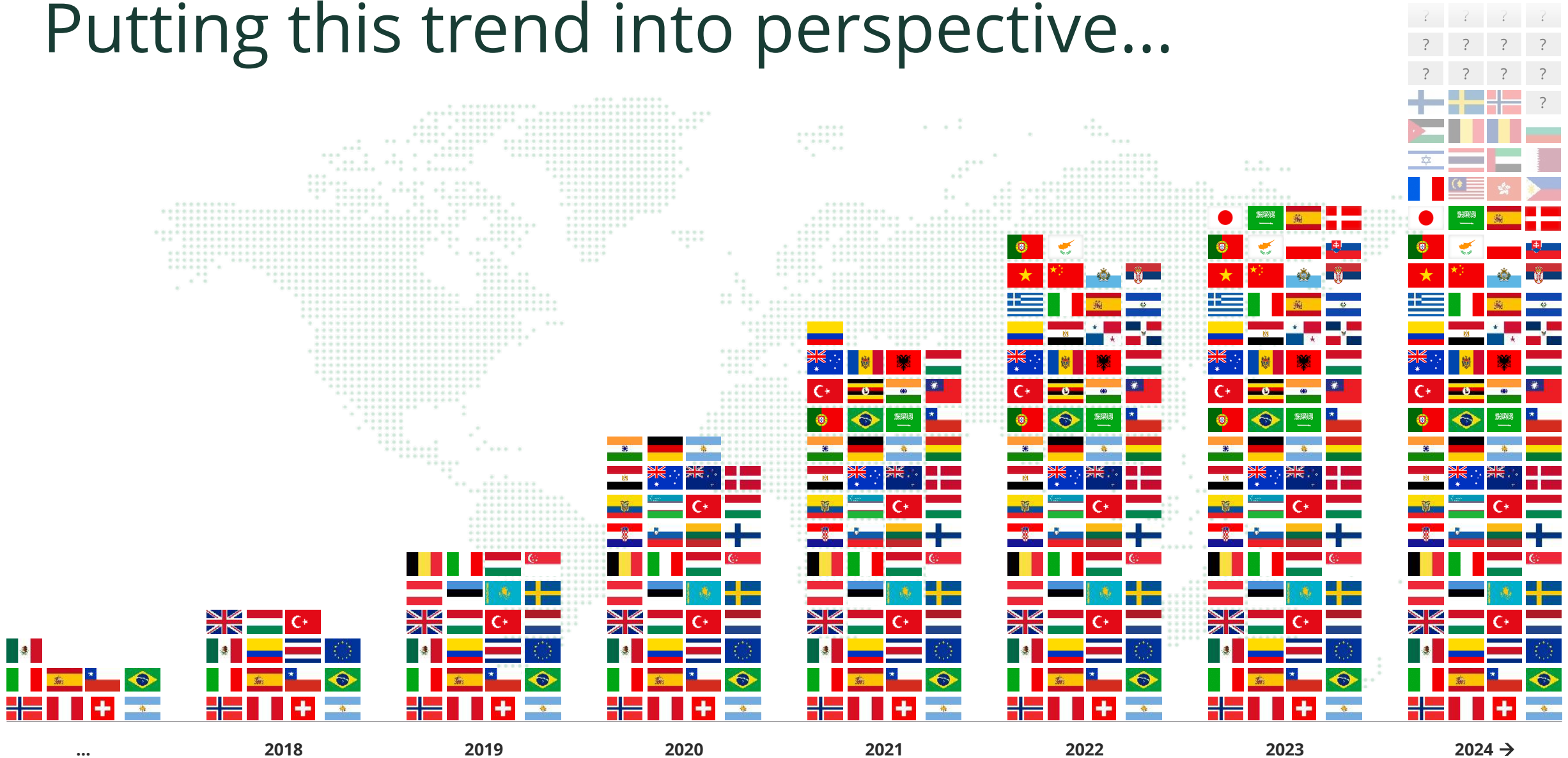
Today, more than 70 countries have some type of regulation for e-documents, and projections say that by 2025 about 80% of companies will be forced to only use e-invoices.



 Countries with implemented or planned e-document regulations

## THE LANDSCAPE

# Putting this trend into perspective...





# What does the future hold?

## E-invoicing/CTC

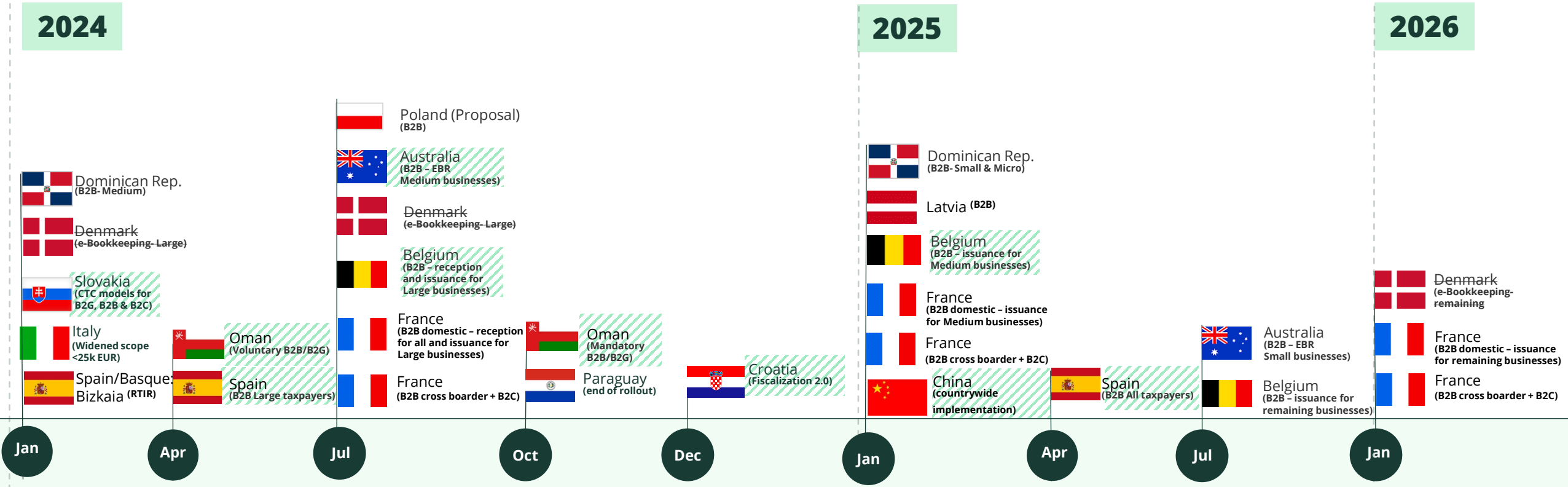
2023



Expected changes  
As of February 2023

# What does the future hold?

## E-invoicing/CTC

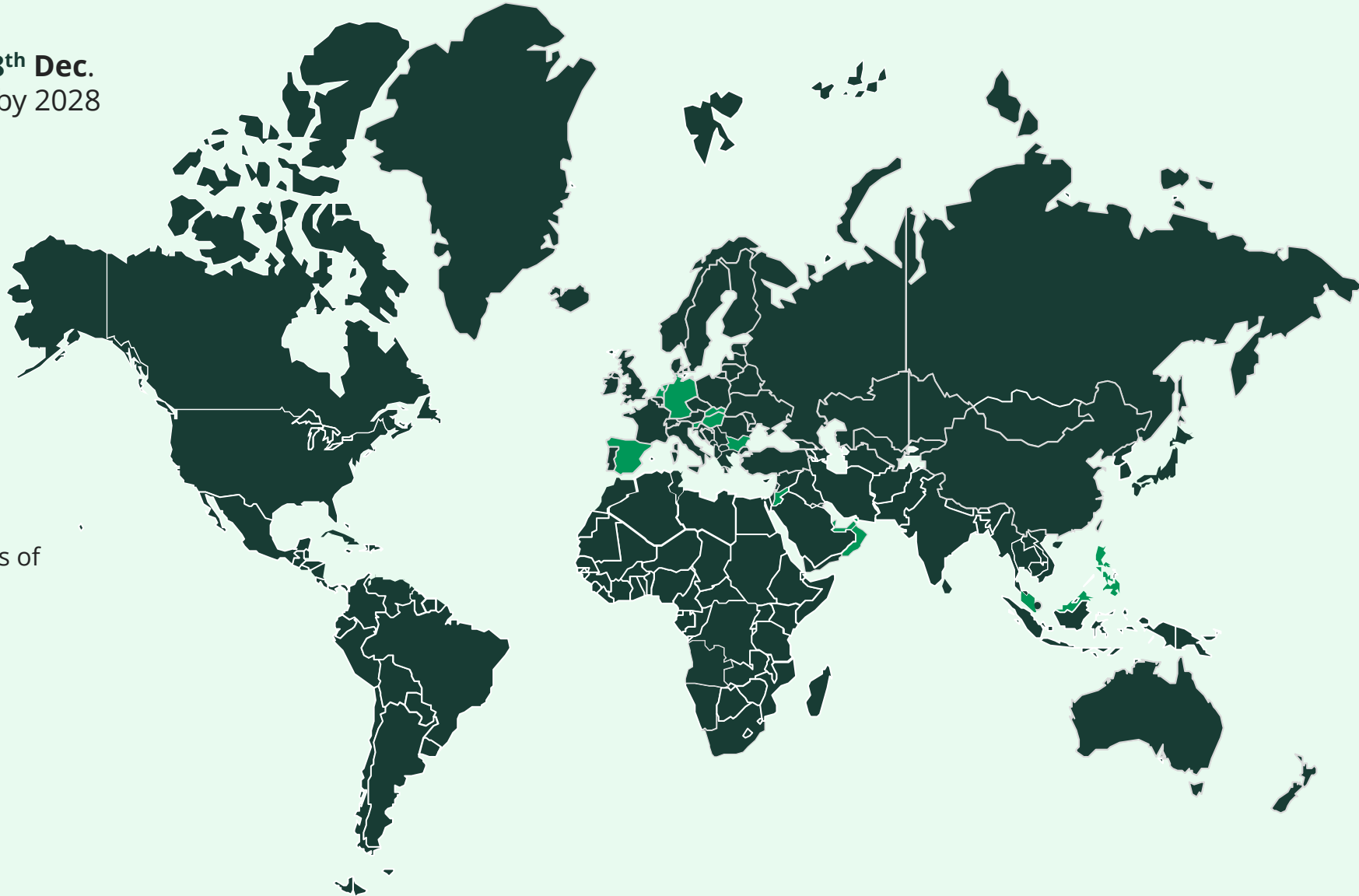


Expected changes  
As of February 2023

# Rumors

**VAT in the Digital Age – announce on 8<sup>th</sup> Dec.**  
E-invoicing/reporting scheme expected by 2028

- ✔ **Slovakia** – mandate expected in 2025
- ✔ **Slovenia** – working on B2B CTC mandate
- ✔ **Germany** – applied for EU derogation
- ✔ **Sweden** – getting more vocal (along with Belgium) on implementing Peppol CTC
- ✔ **Thailand and South Korea** – in early discussions with Peppol
- ✔ **UAE, Qatar, Jordan, Bahrain** – early stages of exploring CTC alt. running RFP

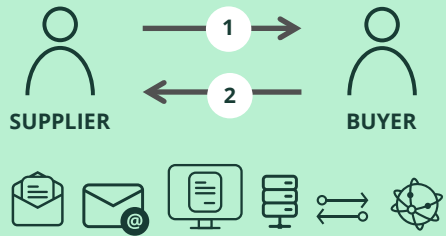


## THE LANDSCAPE

# Main e-invoicing and CTC models

CTC = Continuous Transaction Controls

### Post-audit

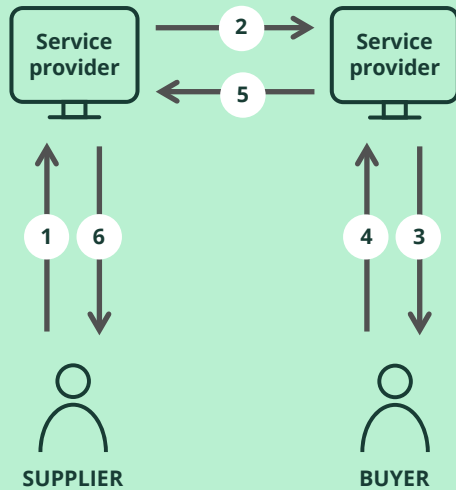


Trading parties are **free to agree** on method and technology used

 Japan

 USA

### Interoperability

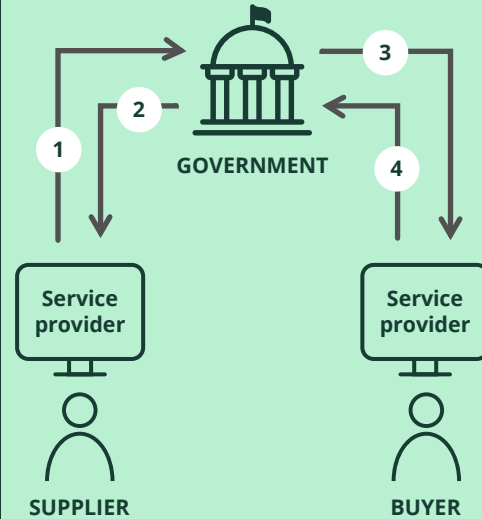


Fully digital exchange of any transaction documents **via interoperability**

 Peppol

 Finland

### Centralised invoicing

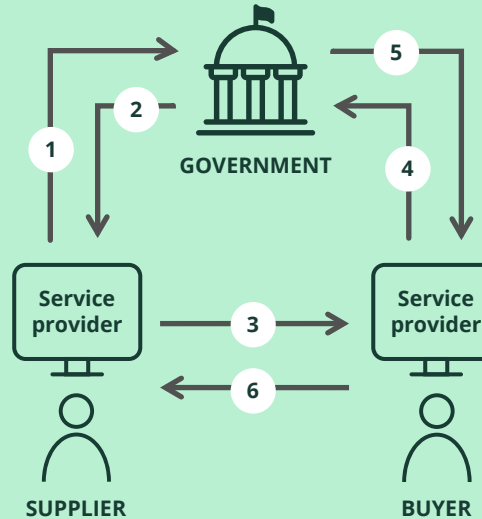


Transactions in **exchanged by a predefined infrastructure**

 Italy

 Turkey

### Clearance

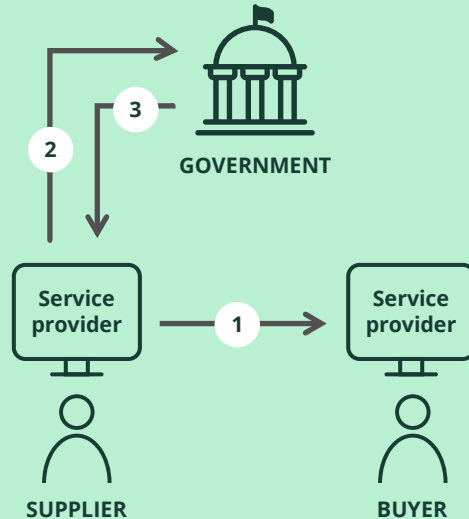


**Approval** of transactions **pre-issuance** and validation **post-receipt**


 Chile

 Mexico

### Real-time reporting



**Reporting** of transactional data in near-time **post issuance**

 Hungary

 South Korea

## THE LANDSCAPE

# Main e-invoicing and CTC models

CTC = Continuous Transaction Controls

### Post-audit



Trading parties are **free to agree** on method and technology used

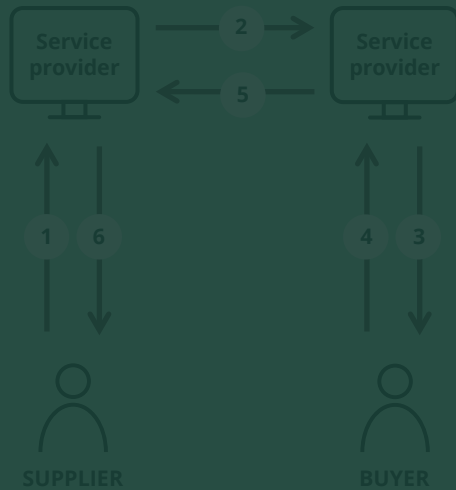


Japan



USA

### Interoperability



Fully digital exchange of any transaction documents **via interoperability**

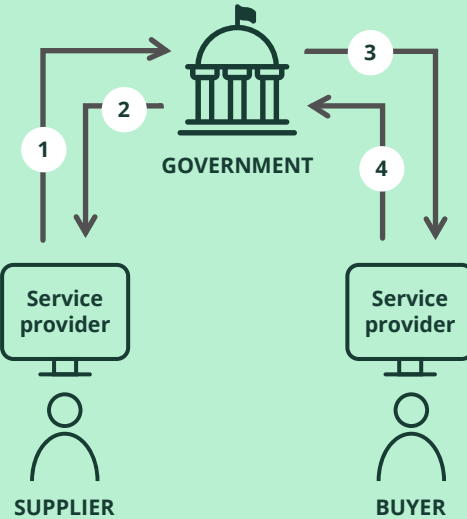


Peppol



Finland

### Centralised invoicing

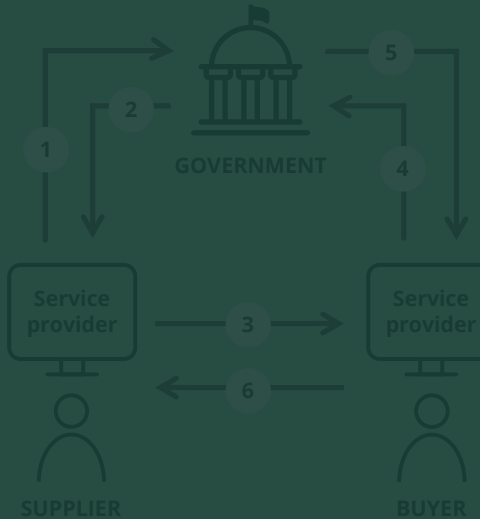


Transactions in **exchanged by a predefined infrastructure**



Poland

### Clearance



**Approval** of transactions **pre-issuance** and validation **post-receipt**

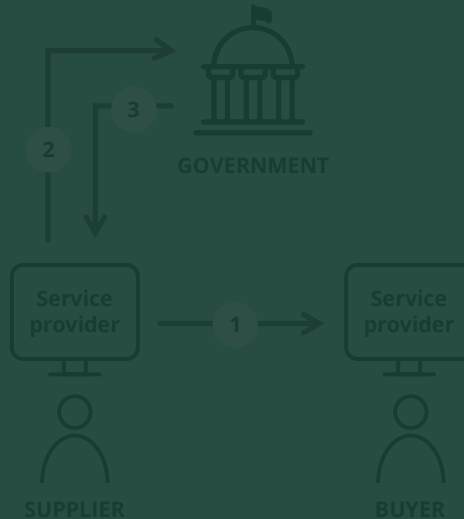


Chile



Mexico

### Real-time reporting



**Reporting** of transactional data in near-time **post issuance**



Hungary



South Korea



# Background & scope of the KSeF

# POLAND

## When:

- ✓ January 2022 – Voluntary adoption to issue e-invoices through KSeF (supplier and buyer to agree on the new requirements)
- ✓ ~~January 2024~~ **July 2024** – mandatory issuance and reception for every taxable persons established in Poland (that have a place of business or a fixed place of business within the territory of the country)
  - The Polish government announced on 2 February to defer the mandate to 6 months

## What: (Draft Amendment/Proposal)

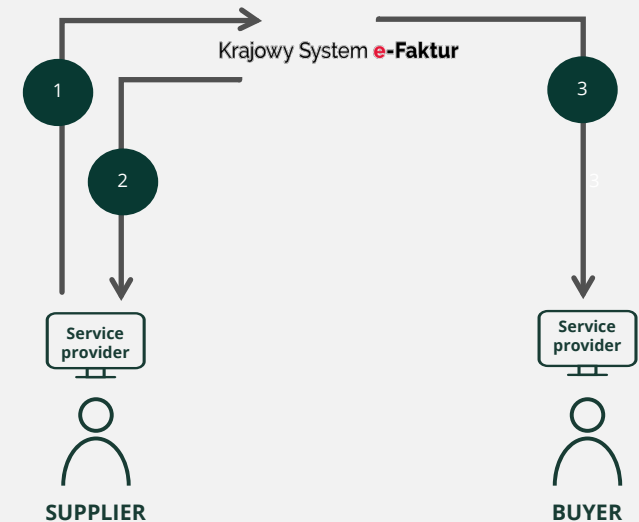
- ✓ Exclude B2C invoices from the obligation.
- ✓ Include below in the scope from January 2025
  - ✓ Tax invoices from cash registers
  - ✓ VAT-exempt businesses
- ✓ Non-compliance penalties from January 2025

## How/impact:

- ✓ E-invoicing models
  - Centralised Exchange via the KSeF (National e-Invoicing platform)
  - KSeF portal for small businesses (manual upload)
- ✓ Ability to view invoice via link without KSeF account

## Future:

- ✓ The final legislative framework is expected to be introduced by Q1 and obtain approval by July this year



# Scope in the Draft

- ✓ Businesses with VAT number in Poland  
*Domestic and cross-border sales invoices*
    - Including B2B/B2G/B2C\* transactions  
*(From Jan 2025, cash register Tax invoices exceed PLN 450, ca EUR 97, will move to KSeF)*
    - Including VAT-exempt businesses from Jan 2025
  - ✓ Foreign Businesses with NIP and have **a permanent place of business in Poland**  
*Domestic and cross-border sales invoices*
- 
- ✓ Excluded but can use KSeF **optionally**
    - Foreign businesses not established in Poland
    - Flat rate farmers
  - ✓ Excluded and **can not** use KSeF
    - Businesses do not have Polish NIP number



*\*Removed by the proposal*



# Scope: types of transactions

## Important Documents supported by KSeF

- ✓ **Complete Invoice**
  - Voluntary period: Buyer's consent is required
  - Mandatory period: A structured invoice is considered received once KSeF assigns an identifying number
- ✓ **Corrective Invoice**
  - Generally following the same exchange process as the invoice its correcting)
  - A KSeF invoice can only be corrected by a KSeF corrective invoice
- ✓ **Self-Billing Invoice**
- ✓ **New documents supported by KSeF (optionally)**
  - VAT RR (a special document issued in the procedure for flat-rate farmers)
  - Corrective invoice proposal
- ✓ **Not supported in KSeF**
  - Pro-forma invoice
  - Corrective note
  - **Any attachments**



\* KSeF supports all invoice types except for Pro-forma

A woman with blonde hair and glasses is looking at a smartphone. She is standing in front of a modern building with a grid of windows. The image has a teal overlay.

**KSeF platform**

# KSeF (The National System of e-Invoices) is used for:

1. Issuing invoices;
2. Access to invoices;
3. Receiving invoices;
4. Storing invoices;
5. Assigning invoices KSeF identification number
6. Analysis, Validation and Control of the correctness of data in received invoices;
7. Granting, changing, or withdrawing access to KSeF as well as notifications of such
8. Notifying the taxpayers about:
  - i. the date and time of issuing an invoice, the unique KSeF identification number assigned to it, and the date and time of identification number allocation
  - ii. The date and time of invoice rejection, *in the event of rejection*
  - iii. If KSeF is unavailable
9. **Collective identifier**
  - KSeF will assign invoices (at least two) issued to one recipient to identify invoices when making payments
10. **Whitelist**
  - indicate whether a given entity is or is not obliged to issue/receive e-Invoices

# Technical requirements

## ✓ Only structured e-invoice in FA\_VAT format -Latest version [FA\\_VAT\(2\)](#)

- Extensive SAF-T based format
- Attachments not allowed

## Tax invoice must be issued, exchanged and received via KSeF

- Except of during the voluntary phase
- Tax invoice only valid with **KSeF identification number**
- Considered issued and **legally received** from the buyer once an identification number is applied by KSeF
- **Not possible** for the buyer to **decline** based on format

## Access to KSeF requires a user's authentication

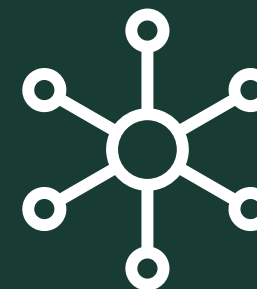
- Qualified electronic signature,
- Qualified electronic seal, or
- Trusted profile

## Archiving

- Invoice copy automatically stored for 10 years

## QR code

- **On an invoice presentation (PDF, paper)**



# Mandatory phase vs. Voluntary phase

## Mandatory Phase

- **From 1<sup>st</sup> July 2024** - The Polish government proposed to postpone six months on 2 February
- **All supplier and all buyers will be exchanging e-invoices via KSeF**
- **Only invoices issued via KSeF will have fiscal value**
- **Corrective invoices only can be issued in KSeF regardless if the original invoice is issued in KSeF**
- **QR code is required on an invoice presentation (PDF, paper)**
- **Noncompliance penalties starting on ~~July 2024~~ January 2025**

## Voluntary Phase

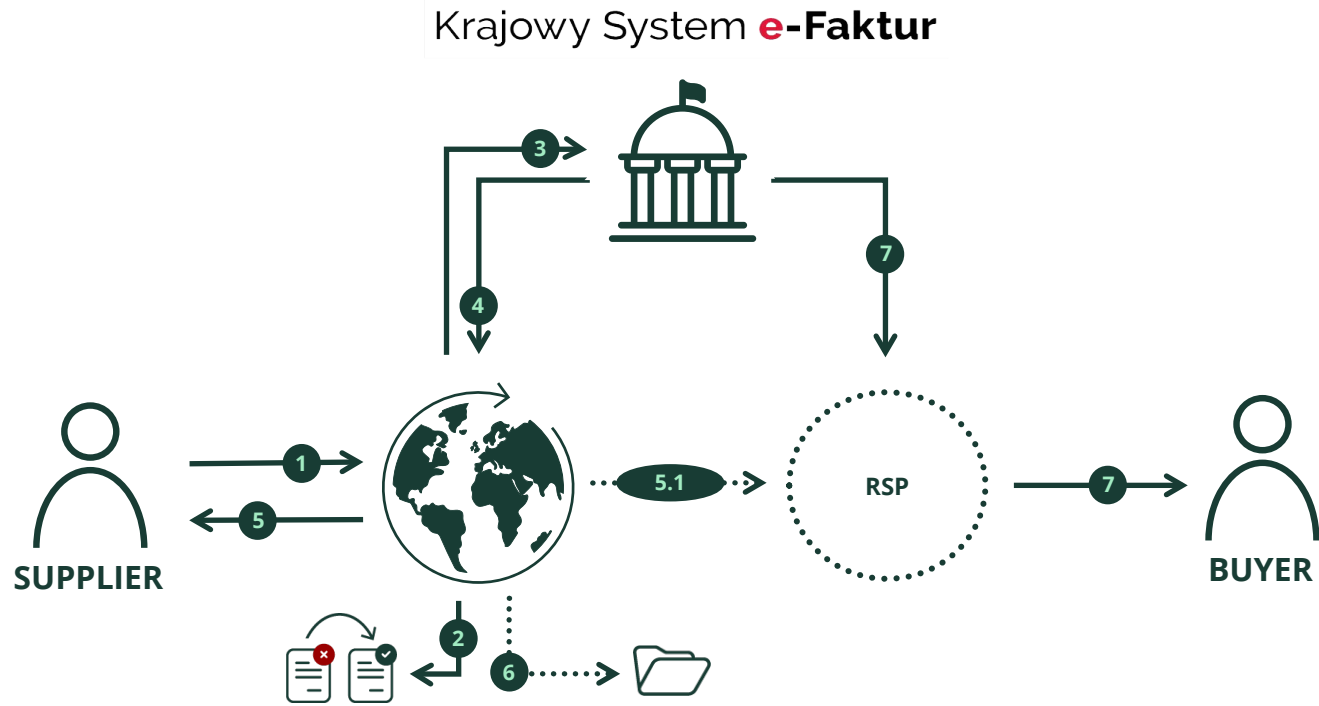
- **From 1<sup>st</sup> January 2022**, however many technical issues are still outstanding
- **Connection to KSeF is optional for both parties**
- **Complex exchange procedure**
  - **If both parties agree to go via KSeF**, then supplier must obtain and document buyer consent, and both parties must integrate with the platform
  - **If the buyer has not agreed**, then the supplier is required to deliver the invoice to the buyer outside of KSeF, meaning that the supplier has to maintain two e-invoicing flows: one to KSeF to obtain KSeF number and second to the buyer to deliver invoice with the KSeF number
- **Corrective invoice must** be issued via KSeF, if the original invoice was issued via KSeF



# Pagero solution

# AR e-invoice flow in 2024

## Domestic and cross-border



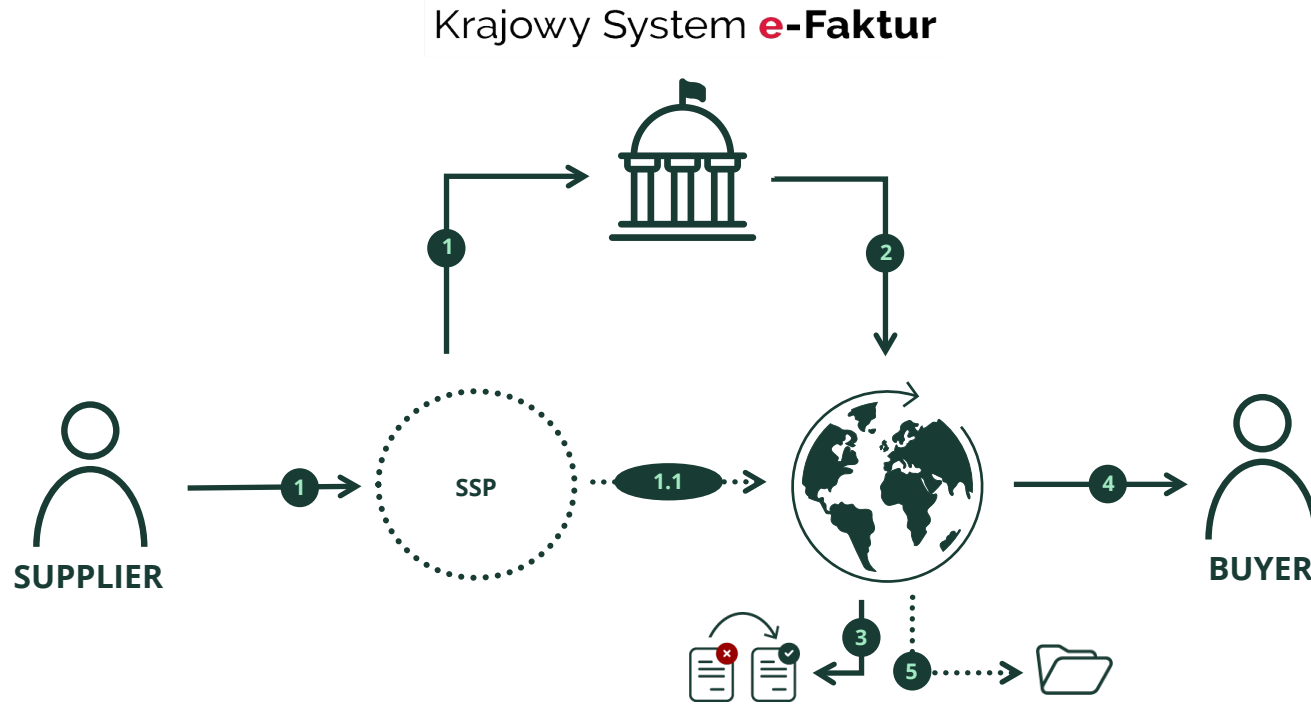
### Explanations

- 1) The other trading party may or may not have a Service provider. It is added here to outline a full possible picture
- 2) RSP stands for receiving service provider
- 3) SSP stands for sending service provider
- 4) UPO (*Urządowe Poświadczenie Odbioru*): an official KSeF confirmation of receipt
- 5) Dotted lines indicate potential or optional scenarios. They should be removed if irrelevant

- 1) Supplier provides data to Pagero in agreed format and via agreed communication method
- 2) Pagero performs i.a.
  - 1) content enrichment
  - 2) format conversion
  - 3) content validation
- 3) Pagero sends the e-invoice to the KSeF in the mandatory format (FA\_VAT) via API
- 4) Pagero receives the UPO (with KSeF identification number and generation date), or Notice of rejection from KSeF
- 5) Pagero returns the approved e-invoice and UPO (with KSeF identification number and generation date) or Notice of rejection to the supplier in agreed format
  - 1) If agreed between the supplier and the buyer, Pagero can support them with AR/AP automation services outside of KSeF, e.g. provide the invoice in other format, with extended content and/or with attachments
- 6) *Pagero archives all relevant documents for the supplier according to the Polish requirements (optional)*
- 7) RSP/buyer fetches e-invoice from KSeF in FA\_VAT format

# AP e-invoice flow in 2024

## Domestic and cross-border



## Explanations

- 1) The other trading party may or may not have a Service provider. It is added here to outline a full possible picture
- 2) RSP stands for receiving service provider
- 3) SSP stands for sending service provider
- 4) UPO (*Urządowe Poświadczenie Odbioru*): an official KSeF confirmation of receipt
- 5) Dotted lines indicate potential or optional scenarios. They should be removed if irrelevant

- 1) Supplier provides e-invoice to KSeF either directly or via SSP
  - 1) If agreed between the supplier and the buyer, Pagero can support them with AR/AP automation services outside of KSeF, e.g. receive the invoice in other format, with extended content and/or with attachments
- 2) Pagero fetches the cleared e-document from KSeF in a mandatory format (FA\_VAT ) via API
- 3) Pagero performs i.a.
  - 1) data validation,
  - 2) data enrichment and conversion,
  - 3) format conversion, etc.
- 4) Pagero sends the cleared e-invoice in FA\_VAT and/or agreed format to the buyer with other relevant artefacts
- 5) *Pagero archives all relevant documents for the buyer according to the Polish requirements (optional)*



# Connecting with Pagero's solution

## **Flexible connectivity options:**

- Portal (supports basic invoice content)
- SFTP and AS2
- API (for partners)

## **Single connection for both outbound and inbound traffic**

## **Flexible format options:**

- FA\_VAT (for quickest go live),
- Other XML formats (provided that it covers customer's needs)
- Covered by Pagero PUF (analysis per case),
- However, not PDF



# Impacts and benefits for your business

# What are the **benefits?**

## Security

The invoice will remain in the MF's database and will never be damaged or lost, there will be no need to issue duplicates.

## Less data to be sent

The taxpayer issuing invoices in the KSeF will not have to send the structure of the Uniform Control File for Invoices (JPK\_FA) at the request of the tax authorities.

This data will be available to tax authorities in the KSeF, and therefore their additional sending would not be justified.

## Standardization

Mutual settlements and invoice booking in KSeF system will become much easier.

## Acceleration of turnover

Suppliers will always be sure that the invoice has been received by the contractor.

## Streamline error handling

## Improve vendor master data

## Convenience

e-Invoices will be issued according to one template so that they will be very easy to use.

## Reduce errors

## Increase control

## Fewer obligations

The taxpayer will not have to store invoices issued in the KSeF, as they will be kept by the administration for a period of 10 years, i.e. in principle during the period in which most tax liabilities expire.

Tax inspector will not be allowed to require invoices that are stored in the KSeF.

← SAVINGS

VALUE →



# PAGERO

Thank you!

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