

E-Invoicing UAE Guide



Legislation Driving Digital Transformation

The UAE's **E-Invoicing Mandate** is a national digital framework designed to standardize invoicing, strengthen VAT compliance, and enable seamless, near real-time tax reporting. Under the phased rollout led by the **UAE Federal Tax Authority (FTA)**, businesses must issue invoices and credit notes in a **structured electronic format** using the **Peppol framework** and the PINT AE (XML) invoice standard.

Drivers



Enhanced Compliance

Automated VAT data exchange reduces errors and tax evasion.



Cost & Time Efficiency

Eliminates manual invoicing and lowers operational costs.



Near Real-Time Reporting

Data is shared with the FTA via EmaraTax for faster compliance checks

Network and Transmission

Peppol (Pan-European Public Procurement On-Line) network



Generates structured e-invoices in PINT AE (XML) format

Seller's ASP (Authorised Service Provider)

Connects the seller to the Peppol network via a UAE-authorized Access Point, validating invoices, converting data if required, transmitting them securely, and exchanging Message Level Status (MLS).



Receives the structured and validated e-invoice within the buyer's finance or ERP system.



Buyer's ASP

Receives the invoice through the Peppol network, performs required validations, and delivers it to the buyer's system.

FTA / EmaraTax (Regulatory Corner)

Invoice data is reported to the FTA through EmaraTax for compliance monitoring, audit purposes, and secure record storage.

Key Challenges

- 1 Awareness of e-invoicing system nuances (e.g., hard coded vs. dynamic elements)
- 2 How mistakes will be handled
- 3 What transactions does the system support? (invoice, vendor bill, credit n etc.)
- 4 E-invoicing regulations vary from country to country
- 5 Controls: preventing transmitted transactions from being edited after sent



E-invoicing isn't onsize-fits-all, it's a mosaic of regulatory landscapes.

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Key Design Consideration

 <p>Error handling Protocol Failure to appoint the right ASP</p>	 <p>Editing Prevention Controls IT resistance to modify system controls</p>
 <p>Clarify supporting Transactions The absence of a support team to clarify missing fields from invoices or credit notes</p>	 <p>Rigorous transaction validation Delivery delay and late payment collection from buyers due overlooking mandatory fields by users.</p>

Planning your E-invoice Journey

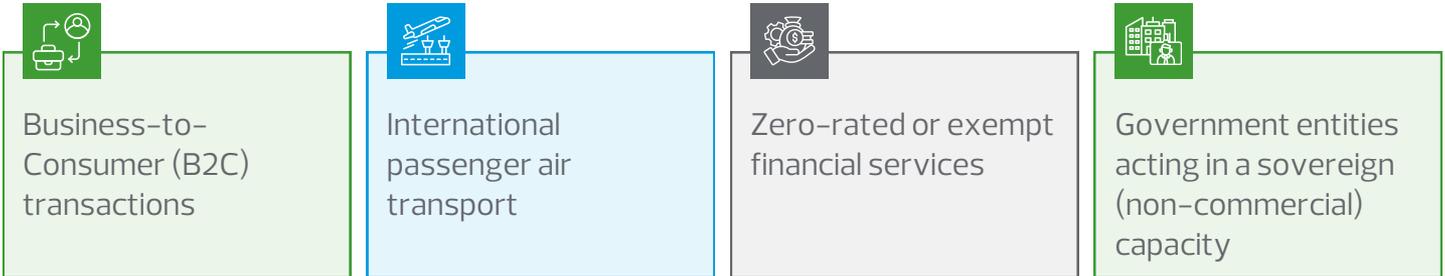
Who Needs to Comply with UAE E-Invoicing?

-  **VAT-registered businesses in the UAE**
-  **Businesses engaged in B2B and B2G transactions**
-  **Government entities involved in commercial activities**
-  **Businesses meeting revenue thresholds specified by the FTA**

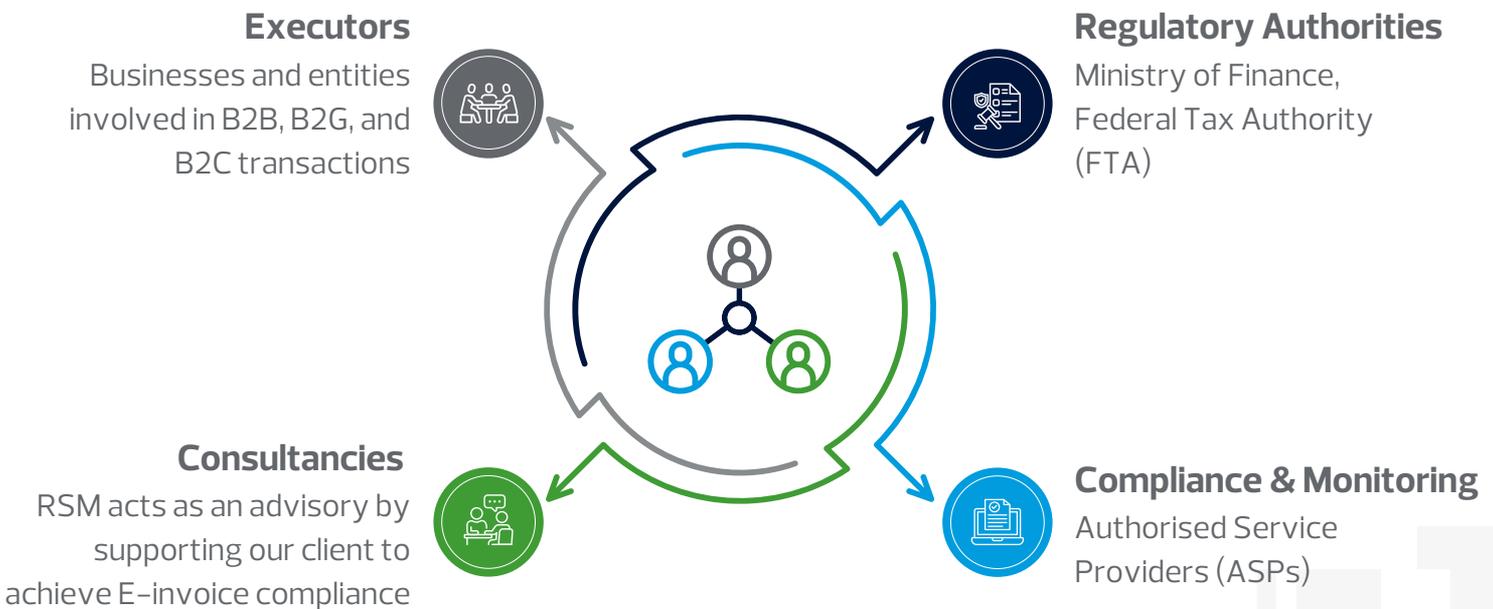


Exemptions from E-Invoicing

The following transactions are currently exempt:



Stakeholders



Know Your Compliance Go-Live Date

31 July 2026

Businesses with AED 50+ million revenue must upgrade ERP systems and appoint an ASP

1 January 2027

Full implementation for businesses with AED 50+ million revenue

31 March 2027

Deadline for smaller businesses (< AED 50 million) and government entities to appoint an ASP

1 July 2027

Full implementation for smaller businesses (< AED 50 million)

1 October 2027

Full implementation for government entities



Compliance is the floor, not the ceiling

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Penalties for Non-Compliance



AED 5,000 per month

Failure to appoint an ASP



AED 1,000 per day

Failure to report system issues



AED 100 per document

Missing invoices or credit notes: AED 100 per document, capped at **AED 5,000 per month**



AED 1,000 per day

Failure to update registered data with the ASP

Role of Authorised Service Providers (ASPs)

ASPs are critical to the UAE e-Invoicing ecosystem. They:



Provide certified Peppol
Access Points



Validate invoices against UAE
VAT and technical rules



Securely transmit
invoice data



Enable reporting to
EmaraTax



Support automation,
monitoring, and compliance

Compliance Process

1

Complete the RSM assessment tool to understand your phase and compliance deadline

2

Assess current invoicing and ERP readiness you can seek RSM support for Gap assessment

3

Seek support from your ERP supplier for upgrades. If your ERP has been customized to your sector needs, RSM will support you by developing BRD and TRD documents

4

Once your ERP adopts the PINT AE (XML) invoice format, including:

- 50 mandatory data fields
- 16 required business scenarios

Once You are ready to integrate with Access point provider

5

RSM can support you to select the right ASP as per your requirements. These ASP have different solutions that can fit your needs with out integrations

6

If integration is the only method, then integrate systems with the ASP (invoice converter, XML transformation, validation layer)

7

RSM will support you to conduct User Acceptance Testing (UAT) for end-to-end invoice creation, validation, transmission, and reporting

8

RSM will work with ASP to Enable automated supplier-buyer invoice exchange and tax data reporting

9

RSM will ensure optimize the invoicing processes with the client to reduce costs and improve VAT recovery

10

RSM will ensure accurate VAT reporting for B2B and B2G transactions via EmaraTax

RSM Capabilities

RSM UAE provides end-to-end support, including:

ERP Readiness & Impact

- Conduct gap analysis and system reviews
- Ensure ERP compatibility with the e-Invoicing system

Post-Implementation Review

- Higher risk of FTA audits, leading to increased costs and legal risks.

ASP Selection Advisory

- Assist in choosing the right UAE-authorized ASP
- Guide through the registration process and ensure seamless integration

Pre-Implementation Review & UAT

- Missing or incorrect invoices can result in penalties for inaccurate tax filings
- Technical integration, data mapping, and testing
- Non-compliant invoices may be rejected, causing transaction disruptions.

Implementation Support Advisory

- Prepare the Business Requirements Document (BRD)
- Prepare the Technical Requirements Document (TRD)
- Validate system functionality through user acceptance testing (UAT)

Contact RSM UAE

Get a clear snapshot of your E-invoicing readiness

Use our support email for all your E-invoice inquiry.

E-invoice-inquiry@rsm.ae



Scan the barcode to start your assessment

“ Adopting UAE e-Invoicing is no longer optional—it's a regulatory imperative. ”

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