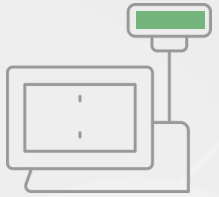
فـاتورة
Fatoora

هيئة الزكاة والضريبة والجمارك
Zakat, Tax and Customs Authority

FATOORA

WHAT IS
E-INVOICING?



Digitally generated e-invoices

E-invoices are automatically created via cash register or e-invoicing solutions

Digital sharing of e-invoices

E-invoices are automatically digitally shared with buyers and tax administration in a standardized and secure format

WHY E-INVOICING IS BEING IMPLEMENTED IN SAUDI ARABIA?

Enhance taxpayer and end user experience

Enhances business ecosystem with enriched fair competition and consumer protection

Improve effectiveness and efficiency of taxpayers and tax administration and support real-time decision-making

Improve tax compliance and reduce hidden economy

E-INVOICING IMPLEMENTATION IN SAUDI ARABIA - KEY SUCCESS FACTORS

01 Co-designed

Cooperative approach in building the operating model

02 Phased Approach

Tailored roll-out of e-invoicing across two phases

03 Solution Provider Ecosystem

Close day-to-day collaboration with solution providers

04 Continuous Support

Providing continuous support to taxpayers to ensure successful implementation

05 Awareness

National-wide multi-channel communication campaigns

Co-designed

01 **Co-designed**

Phased Approach

Solution Provider Ecosystem

Continuous Support

Awareness

COOPERATIVE OPERATING MODEL AND LEGAL FRAMEWORK

Focus Groups

- ✓ Participation of 250+ focus group members consisting of key stakeholders across the ecosystem (taxpayers from all industries, solution providers, accounting firms, and OGAs)

Public Consultation

- ✓ Review of 500+ comments and suggestions

Global practices

- ✓ Compare best practices with other tax authorities

Government entities alignment

- ✓ Close collaboration

Phased Approach

Co-designed

02

Phased Approach

Solution Provider Ecosystem

Continuous Support

Awareness

ZATCA IS ROLLING-OUT E-INVOICING IN TWO MACRO-PHASES

01

Phase I: Generation

Generating and storing the e-invoices

Requirements enforced: December 4, 2021

Purpose of Phase I:

Infrastructure readiness

Gradual preparation

Minimize burden on taxpayers

Outcome:

300k+

taxpayers

implemented Phase I requirements

ZATCA IS ROLLING-OUT E-INVOICING IN TWO MACRO-PHASES

02

Phase II: Integration

Integration of e-invoicing solutions with ZATCA

Requirements enforced: starting from January 1, 2023

Pilot launch on 130+ companies

Feedback channels

Enforcement into waves

Enforced in waves

Revenue based selection criteria

#	Integration Wave	Selection Criteria (SAR)	Enforcement Date
1	Wave 1	> 3 BN	30 Jun 2023
2	Wave 2	> 0.5 BN	31 Dec 2023
3	Wave 3	> 250 MM	31 Jan 2024
4	Wave 4	> 150 MM	29 Feb 2024
5	Wave 5	> 100 MM	31 Mar 2024
6	Wave 6	> 70 MM	30 Apr 2024
7	Wave 7	> 50 MM	31 May 2024
8	Wave 8	> 3 BN	30 Jun 2023

96%

On-time compliance

vs 11-83% benchmarks

Solution Provider Ecosystem

Co-designed

Phased Approach

03

Solution Provider Ecosystem

Continuous Support

Awareness

E-INVOICING SOLUTION PROVIDERS ARE THE SUCCESS PARTNERS

+700

National & International Solution Providers listed on ZATCA's website

ZATCA is engaged since day one with solution providers to support provision of compliant E-Invoicing solutions to the market

TESTING TOOLS AND DOCUMENTATION
500+ pages of education materials and dedicated portal for developers

DEVELOPER COMMUNITY FORUM
Dedicated forum to ask technical questions

DEDICATED TECHNICAL SUPPORT
Q&A forums and dedicated forms to resolve technical issues

SOLUTION PROVIDER LISTING
Publishing of solution providers on ZATCA's website that are e-invoicing compliant

Continuous Support

Co-designed

Phased Approach

Solution Provider Ecosystem

04

Continuous Support

Awareness

CONTINUOUS SUPPORT TO TAXPAYERS

01

Personal contact person for large taxpayers during pilot phase

03

E-invoicing subsidy program for SMEs

05

Free of charge portal accessible to small businesses generating limited number of tax invoices

02

Weekly technical and business workshops

04

Weekly Q&A Sessions
Daily one-on-one technical sessions

TECHNICAL SUPPORTIVE TOOLS

01

QR code reader

02

Sandbox

03

Fatoora simulation portal

04

XML and PDF samples

05

Online XML Validation tools

Awareness

Co-designed

Phased Approach

Solution Provider Ecosystem

Continuous Support

05

Awareness

PUBLIC AWARENESS CAMPAIGNS

TV/Radio

Media interviews and announcements across several key media channels

Billboards

300+ billboards across Saudi Arabia

Newspapers

30+ published articles regarding e-invoicing

Social Media

30+ million reaches across social media

White board and expert hour videos

Publishing multiple white board and expert hour videos

Guidance

Guidance in the form of educational videos, infographics and success stories

E-INVOICING EVENTS

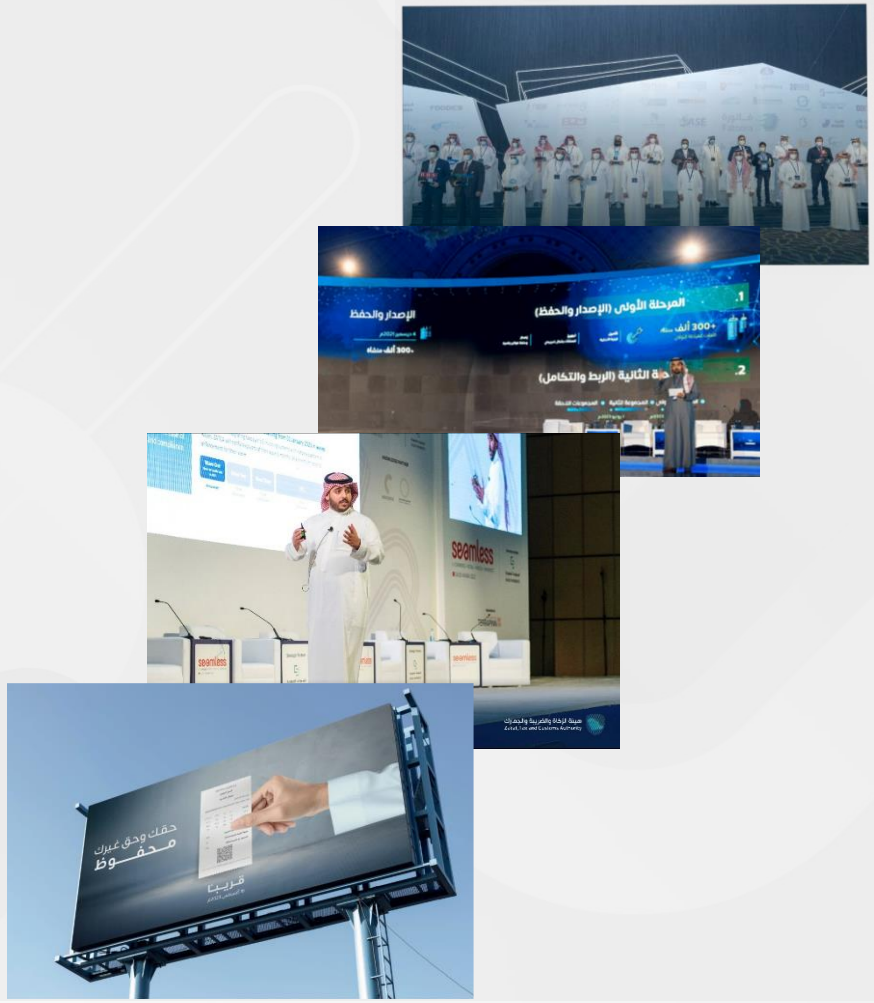
01 Fatoora Launch Event
Generating and storing the e-invoices

02 Zakat, Tax, and customs International Conference

03 FATOORA Movie launch

04 Seamless Saudi Arabia

05 Forum on Tax Administration - Australia



REMARKABLE ACHIEVEMENTS MADE IN E-INVOICING IN SAUDI ARABIA (2021-2023)

World's fastest E-invoicing implementation

Globally the average implementation period is from 4 to 7 years

300,000+ Taxpayers

Implemented e-invoicing phase one requirements successfully

500+ Million Invoices

Have been shared with Fatoora portal since January 1, 2023 with a daily average of 5MM invoices

99%+ Success rate of invoice sharing

Market success to share more than 99% of the invoices correctly

1,300+ Taxpayers

13x the enforced taxpayers in wave one successfully integrated with Fatoora portal

17,000+ E-invoicing solutions

Successfully integrated with the Fatoora portal

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