

E-invoice FAQ

1. What is an e-Invoice?

An e-Invoice is a digital representation of a transaction between a supplier and a buyer, formatted in a structured, machine-readable manner. It is a file created in the format specified by the IRBM (i.e., in XML or JSON file format) and not in the form of PDF, JPG etc.

2. What is the e-Invoice file format acceptable by IRBM for validation purposes?

The e-Invoice must be generated in the form of XML or JSON file format, in accordance with the requirements outlined by the IRBM.

3. How can taxpayers start preparing for the e-Invoice implementation?

When implementing e-Invoice, the three (3) primary factors to consider are:

- **Admin/Account/Human Resources:** Businesses are advised to assemble a dedicated team equipped with the necessary expertise and capabilities to prepare for the implementation.
- **Business processes:** Conduct a comprehensive review of the current process and procedures in issuing invoice transaction documents.
- **Technology and systems:** Confirm the availability of the necessary resources, data structures and existing IT capabilities to ensure the systems in place comply with the e-Invoice requirements.

4. When is the e-invoice start date for businesses in Malaysia?

Phase 1 - 1st August 2024- Businesses turnover above RM100million.

Phase 2 - 1st January 2025 - Businesses with turnover RM25million - below RM100million.

Phase 3 - 1st July 2025 - All Taxpayers.

5. How much information is needed to complete an e-invoice transaction?

55 data fields, under 8 categories.

6. Are the buyers required to provide their relevant details to the supplier for the issuance of e-Invoices?

Yes, where the buyers request for an e-Invoice to be issued, the buyers are required to share their details to the supplier for the purposes of issuing e-Invoice

7. What process is involved in an e-invoicing transaction?

- E-invoicing issuance by seller
- E-invoicing submission by seller
- Validation process by IRBM Server

8. Which sectors are mandatory to issue e-invoice to buyers?

- Automative.
- Aviation.
- Luxury goods and Jewellery.
- Construction.
- Wholesalers and retailers of construction materials.
- Licensed betting and gaming. (4WD)
- Payments to agents, dealers and distributors. (Insurance agents & influencer)

9. Types of e-invoice transactions?

i. Standard: Invoice, Credit Note, Debit Note, Refund Note

- Suppliers will need to submit e-invoice to IRBM for any business activities with buyers that require e-invoice.
- Supplier to create the invoice and submit through MyInvois portal manually or via API using their PMS.
- After submission, the IRBM system will check if all requirements such as mandatory fields are provided before validating this e-invoice.
- Once validated by IRBM, a QR code will be returned to the supplier and the supplier can share this e-invoice to the buyer.
- The QR code purpose is for the buyer to ensure that the e-invoice is validated by IRBM, to avoid receiving faulty or "illegal" invoice.
- The buyer can request for cancellation for the e-invoice, with valid reasons.
- Any request for cancellation should be done within 72 hours after the e-invoice is validated.
- If the supplier accepts the cancellation, the supplier should perform a cancellation of e-invoice from their end.

- Any request of cancellation if not responded by the seller by the 72 hours timeframe will be deemed as accepted, meaning the e-invoice is valid as the previous submission.
- Any adjustment required after 72 hours timeframe will have to undergo issuing Debit Note or Credit Note.

ii. Consolidate: Invoice

- Consolidated e-invoice applies to buyers that do not need e-invoice (usually B2C).
- Examples of such business are retail stores, where normal receipts/bills/invoices are used.
- It aggregates or summarizes transactions of the month into a single e-invoice specified format by IRBM.
- If you have multiple branches or locations, each must submit a consolidated e-invoice of its own.
- When consolidated, receipt/bill/invoice reference number must be included in the "Description" field.
- Such consolidated e-invoice must be submitted to IRBM within 7 days of the following month.

iii. Self billed: Invoice, Credit Note, Debit Note, Refund Note

- Self-billing e-invoice is allowed in certain scenarios where the supplier party is not necessary to issue e-invoice to the buyer. This will then result in the buyer having to practice self-billing on behalf of the supplier.
- When the buyer issues a self-billed e-invoice and submits to IRBM for validation, this validated e-invoice will be used as a proof of expense for tax purpose.

10. How can I prepare to manage e-invoice for my property?

- Attend as many as possible e-invoice trainings & seminar
- Obtain individual & company TIN number in Mytax portal.
- Setup Client ID & Secret ID in Myinvois portal.

11. How can I manage my e-Invoices?

There are 2 mechanisms accepted by IRBM:

- Through the MyInvois Portal
- Application Programming Interface (API).

12. Can I “skip” E-Invoice?

No. Skipping e-Invoicing when it is mandatory, could result in penalties, fines, or other legal consequences, under INCOME TAX ACT 1967, S.120(1).

13. Do all guests need E-Invoice?

No. E-invoice is only required by any taxpayer who came for a business trip/company trip.

14. For those guests who book at Agoda, who should they liaise with for E-Invoice? Hotel or Agoda?

Agoda

15. How about guests from Booking.com?

For Booking.com, if the guest chooses to pay at the hotel, the hotel is responsible to issue an e-invoice to the guest that requested the e-invoice.

16. What if my guest makes the booking via my website direct booking engine? Do I need to generate E-Invoice to guests?

Yes, if the guest requests for an e-invoice.

17. Can I use MyInvois Portal to create E-Invoice for guests? If yes, what is the difference between MyInvois Portal and eZee E-Invoice Module?

Yes, you can. However, if you use Myinvois Portal to create e-invoice for guests, the process will be more tedious and manual compared to the eZee e-invoice module, where you can integrate and link with your data from our PMS, eZee Absolute.

18. Do I need to submit my sales to LHDN/IRBM every month?

Yes. You need to submit sales at the end of every month, before the 7th of the following month.

19. A guest checked out on 28th May with a normal invoice. What if he comes back to the hotel on 15th June and requests for E-Invoice?

Since he came back after the 7th of the month after his stay, the hotel has the right to decline the request as the hotel has already proceeded to consolidate e-invoice. This is because the last day to consolidate e-invoices each month is the 7th of the following month.

However, subject to the hotel's internal policy, if the hotel would like to accommodate to the guest, then, they may issue a credit note to adjust the consolidated e-Invoice for the relevant purchase amount. A new e-Invoice can then be generated for LHDNM's validation and provided to the Buyer.

20. My annual turnover is not more than RM150k. Is my company exempted from E-Invoice?

Your company is exempted from e-invoice, but if you do not implement e-invoice, you may lose competitive advantage resulting in a decrease in your property revenue.

21. If I have a referral who always refers sales to me, and I give 15% commission for this, should I give E-Invoice?

No. Referrals are responsible to submit under self billing.

22. When can guests request E-Invoice? Can guests request it before check-in?

Guests are able to request e-invoice upon check out.

23. What Happens if a Guest Misses the Deadline for Requesting an E-Invoice?

The very last deadline to request an E-invoice is generally before the hotel consolidates e-invoice. The last day to consolidate e-invoices each month is the 7th of the following month. Therefore, if the hotel has consolidated, then no e-invoice will be issued to them.

24. What if a guest requests to modify the details after the e-invoice has been issued?

If the request is made within 72 Hours: CANCEL & CREATE NEW. If after 72 Hours - use Credit Note/Debit Note.

25. Does a hotelier need to submit e-invoice if a guest turns NO SHOW with a PENALTY charge?

If the guest pays directly to the hotel, yes, if they request it. If from OTA, no need.

25. Does e-invoice need to be issued for Advance Payment?

No.

26. How will the e-invoice be generated for Group Booking? Eg: A representative from COMPANY ABC and a representative from COMPANY DEF, 2 rooms were made under a guest name , however both need to claim under their own company.

For this case, e-invoice will be issued under guest name.

27. How should a hotelier submit the consolidated invoice for those transactions that happen between crossed months?

Hotelier to submit by referring to the date of check out.