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Electronic data reporting – draft legislation on invoicing software programmes now available!

The draft legislation on invoicing software has finally been published. Below we provide you with the information you need on this new administrative obligation in an easy to understand Q&A format.

What do you need to report data on?

Electronic data reporting at least covers the mandatory data under the VAT Act, but taxpayers may also provide additional data on invoices, credit notes and correction invoices.

Following the issuance of invoices, what is the deadline for data reporting?

Data must be sent electronically to the state tax and customs authority ("NAV") immediately, but within 24 hours at the latest.

Is automatic data reporting possible?

The draft includes the xsd data structure that has to be used when reporting the data on invoices issued by invoicing software. This could facilitate automatic data reporting too.

When will the data reporting obligation become effective?

The amendment is expected to take effect from 1 July 2018, but data may be reported earlier on a trial basis as well.

Why is this needed?

The new electronic data reporting is designed to increase the efficiency of tax inspections, and will probably reduce opportunities for tax evaders. The regulation will be binding only for invoicing software, so it follows that this tool will not be applicable for combating tax fraud involving handwritten invoices (not issued by invoicing software).

What effect will this have on everyday administration?

Data reporting may begin after the taxpayer registers, which involves registering the data reporting end point and the invoicing software too. Based on a feasibility study of the draft, the automated process means the system should not place any extra burden on businesses aside from the one-off investment cost, and it will replace ex-post reporting at the level of invoices. One further advantage of implementing the system will most probably be that the receiving party can learn about the issuance and content of the invoice almost in real time.

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Should you have any questions regarding the above or any other professional issues, please do not hesitate to get in touch with your WTS advisor or use any of the contact details below.

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