وزارة المالية
MINISTRY OF FINANCE

eINVOICING
الفوترة الإلكترونية

UAE Electronic Invoicing Guidelines

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1. Scope of this guide

1.1. Who this guide is intended for

- Commercial businesses
- Government Entities
- Tax and technology advisors

1.2. Purpose

This guide is intended to help the readers understand the UAE Electronic Invoicing rules and the impact that they will have on existing processes. This document should be read in conjunction with the following:

For more details on Electronic Invoicing in the UAE, please refer to the Ministry of Finance website.

2. Highlights

- Electronic Invoicing is mandatory for any Person conducting Business in the UAE, regardless of their VAT registration status, unless specifically excluded as per Article 4 of MD No. 243 of 2025 and its amendments.
- The timeline for implementing Electronic Invoicing is as per the phased implementation plan detailed in MD No. 244 of 2025 and its amendments.
- Your Participant Identifier for Electronic Invoicing will be your Tax Identification Number (“TIN”).
- Taxpayers that have registered with the Federal Tax Authority (“FTA”) for any Tax type, will have been assigned a TIN already as part of this registration process. The TIN is the first 10 digits of the TRN that you have been issued.
- A Person that is within the scope of Electronic Invoicing but is not required to register for any Tax type, must register with the FTA to obtain their TIN.
- Please note that even if you are part of a Tax Group, your TIN is the first 10 digits of your own TRN and not the first 10 digits of the Tax Group representative’s TRN.

These points are expanded upon in the relevant Chapters of this guide.

3. Important terms

Term	Description
5 Corner model	The framework under which Electronic Invoices are issued and distributed in the UAE, with each corner being as follows: ► Corner 1: Supplier ► Corner 2: Supplier’s ASP ► Corner 3: Recipient’s (buyer’s) ASP

Term	Description
	► Corner 4: Recipient (buyer) ► Corner 5: Federal Tax Authority
Accounting Period	The period for which the Person is required to prepare financial statements, in accordance with the applicable legislation in the UAE.
Accreditation	The official approval issued by the Ministry to a Service Provider in accordance with the MD No. 168 of 2026.
Accredited Service Provider (“ASP”)	A Service Provider that is granted Accreditation to provide Electronic Invoicing Services in the UAE, in accordance with the MD No. 168 of 2026.
Airline	An enterprise which is certified by the civil aviation authority of the UAE or any other state to operate Aircrafts for commercial purposes and perform scheduled or non-scheduled air transport services, or both, and which are available to the public for the carriage of passengers, mail and/or cargo.
Aircraft	A transport vehicle which is certified as airworthy by a competent aeronautical authority.
Airway Bill	An electronic document issued by an Airline to confirm the receipt of goods and to prove the contract of carriage.
B2B	Business to Business.
B2G	Business to Government.
Business	Any activity conducted regularly, on an ongoing and independent basis by any Person, in any location, such as industrial, commercial, agricultural, professional, vocational, service or excavation activities or anything related to the use of tangible or intangible properties.
Business Transaction	Any transaction conducted in full or in part by a Person in the course of its Business.
Central Register	The repository containing the list of ASPs established and maintained by the Ministry and the list of End Users onboarded by those ASPs to provide Electronic Invoicing Services in the UAE.
Commercial Invoice	An invoice that is not a Tax Invoice.
Corporate Tax Decree-Law	Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses and its amendments, and any other Federal law replacing it.
Electronic Credit Note	A credit note issued, transmitted and received, through the Electronic Invoicing System, in a structured electronic format, that enables automatic and electronic processing, in accordance with the Electronic Invoicing System.
Electronic Invoice	An invoice issued, transmitted, and received, through the Electronic Invoicing System, in a structured electronic format that enables

Term	Description
	automatic and electronic processing, in accordance with the Electronic Invoicing System.
Electronic Invoice Data	All mandatory data required to be transmitted to the appointed ASP in order to generate an Electronic Invoice or Electronic Credit Note, in accordance with the standards mandated by the Ministry.
Electronic Invoicing System	An electronic system designated for the issuance, transmission, exchange and sharing of invoice and credit note data, in accordance with legislation governing tax procedures.
Electronic Miscellaneous Document	An electronic document issued by an Airline in accordance with the International Air Transportation Association standards to facilitate the fulfillment of optional or ancillary services related to the carriage of passengers.
Electronic Ticket	An electronic document issued by an Airline which contains information and conditions of a contract related to the carriage of passengers.
End User	An identified or identifiable entity that is responsible for the business content of the datasets that are exchanged (by sending and/or receiving) with another such entity using Peppol Services over the Peppol Interoperability Framework.
Free Zone	A designated and defined geographic area within the State that is specified in a decision issued by the Cabinet at the suggestion of the Minister.
FTA	Federal Tax Authority.
G2B	Government to Business.
G2G	Government to Government.
Government Entities	Ministries, government departments and agencies, authorities and public institutions in the UAE, whether Federal or local, or any other entities treated as Government Entities, in accordance with the decisions issued by the Cabinet for the purposes of implementing the provisions of the VAT Decree-Law.
Issuer	Any Person who is obligated to issue, transmit, share and exchange Electronic Invoices and Electronic Credit Notes through the Electronic Invoicing System, in accordance with MD No. 243 of 2025 and its amendments.
Ministry	Ministry of Finance.
OpenPeppol	An international non-profit association responsible for the development and maintenance of the Peppol Interoperability Framework.

Term	Description
Participant Identifier (or End Point ID)	A unique reference number issued by FTA as part of the onboarding process and is used to identify a Person or Government Entity on the Peppol network. This is 0235 followed by the 10-digit TIN of the Person or Government Entity.
Peppol	Pan-European Public Procurement Online.
Peppol Architectural Framework	The set of specifications that define the requirements for achieving business process interoperability within the Peppol Interoperability Framework and ensure interoperability for End Users.
Peppol Governance Framework	The set of agreements, internal regulations and operational procedures governing and operationalising the Peppol Interoperability Framework
Peppol Interoperability Framework	The Peppol Architectural Framework and the Peppol Governance Framework.
Peppol Service Provider Agreement	The agreement between the OpenPeppol and the Service Provider that grants the authorisation to the Service Provider to provide Peppol Services based on the Peppol Interoperability Framework in the authorised Peppol service domains.
Peppol Services	Services provided by a Peppol Service Provider in compliance with a Peppol Service Provider Agreement and the Peppol Interoperability Framework.
Person	Any natural person or juridical person.
PINT-AE	The Peppol International concept and methodology is used to delineate a family of technical specifications which describe the format of business documents such as Electronic Invoices and Electronic Credit Notes and allows for customisation according to national requirements while maintaining interoperability across global regions, as part of the Peppol Interoperability Framework. The UAE's requirements are defined in the corresponding Data Dictionary.
Provisional Invoice	An invoice issued before the final transaction details (such as quantity, price, or applicable taxes) are fully determined, used to record an estimated value of the supply for interim accounting or payment purposes. It is often replaced or supplemented later by a Tax Invoice once all particulars are confirmed.
Recipient	Any Person who shall receive Electronic Invoices and Electronic Credit Notes through the Electronic Invoicing System, in accordance with MD No. 243 of 2025 and its amendments.
Revenue	The gross income earned by a Person during the most recent Accounting Period, based on the financial statements prepared in accordance with applicable legislation in the UAE or, if such financial

Term	Description
	statements are not available, based on other documentation acceptable to the FTA.
Service Provider	An organization authorized by OpenPeppol to access the Peppol Interoperability Framework.
Tax Credit Note	A written or electronic document in which any amendment to reduce or cancel a Taxable Supply and its details are recorded, including an Electronic Credit Note, as the case may be.
Tax Data	Information directly or indirectly required for the purposes of tax reporting and compliance, including but not limited to Tax Registration Numbers, transaction details and tax amounts payable.
Tax Group	Two or more Persons registered with the FTA for Tax purposes as a single Taxable Person in accordance with the provisions of the VAT Decree-Law.
Tax Invoice	A written or electronic document in which any Taxable Supply and its details are recorded, including an Electronic Invoice, as the case may be.
Tax Procedures Executive Regulation	Cabinet Decision No. 74 of 2023 on the Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures and its amendments.
Tax Procedures Law	Federal Decree-Law No. 28 of 2022 on Tax Procedures and its amendments, and any other Federal law replacing it.
Taxable Person	Any Person registered or obligated to register for Tax purposes under the VAT Decree-Law, or subject to Corporate Tax in the UAE under the Corporate Tax Decree-Law.
Taxable Supply	A supply of goods or services for consideration during the course of Business by any Person in the UAE and does not include Exempt Supply.
Tax Identification Number (“TIN”)	A unique 10-digit identifier and the first 10 digits of the 15-digit TRN issued to all entities registered with FTA.
Tax Registration Number (“TRN")	A unique number issued by FTA for each Person registered for Tax purposes.
UUID	A Universally Unique Identifier that is a unique 128-bit number generated by an algorithm in the Electronic Invoicing System for distinguishing each Tax Invoice. This is generated in addition to the Electronic Invoice sequential number.
VAT Decree-Law	Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments, and any other Federal law replacing it.

Term	Description
VAT Executive Regulation	Cabinet Decision No. 52 of 2017 on the Executive Regulation of Federal Decree-Law No. 8 of 2017 on Value Added Tax and its amendments, and any other Cabinet Decision replacing it.
XML	Extended Markup Language, which is a structured, machine-readable format used to represent Electronic Invoices in a standardized way.

4. The benefits of the Electronic Invoicing System

One of the four pillars underpinning the "We the UAE 2031" vision is the *Forward Ecosystem*. This pillar emphasizes the need to improve government performance and to further advance the UAE's digital infrastructure by adopting the latest technological innovations.

Building on this vision, the UAE Cabinet has approved the implementation of an Electronic Invoicing System. This initiative not only aligns with global trends (such as the adoption of Digital Reporting Requirements (DRR) generally, and Continuous Transactions Controls (CTC) more specifically), but also supports several national priorities:

- **Tax compliance**: Maximize compliance, tackle the shadow economy, and shrink the tax gap.
- **Effectiveness**: Increase transparency and improve audits with a view to encouraging a long-term culture of compliance.
- **Taxpayer experience**: Enhance taxpayer and user experiences, potentially offering new and innovative engagements.
- **Digitalization**: Reduce human intervention in certain Business and tax reporting processes with a view to making the UAE and its fiscal ecosystem more digitally enabled.
- **Efficiency**: Optimize cost and core operations, reduce processing time and encourage a reduction in paper wastage with a view to helping meet sustainability objectives.
- **Economic contribution**: Contribute to the growth and competitiveness of the economy and utilize big data.
- **Contribute to policy making and government interventions**: By adopting the Electronic Invoicing System, the UAE government will have access to the relevant data in near real-time which will help in providing deep insights to policy makers for identifying areas and sectors that need government support and assistance.

For the business community, the Electronic Invoicing System has the potential to enhance the ease of doing business, promote fair competition, streamline the VAT refund mechanism, reduce compliance burden, pre-populate VAT returns and provide an environment for near real-time exchange of digitalized documents.

In countries that have already implemented an Electronic Invoicing System, businesses, over a period of time, have benefited from the overall reduction in the cost of invoice processing including:

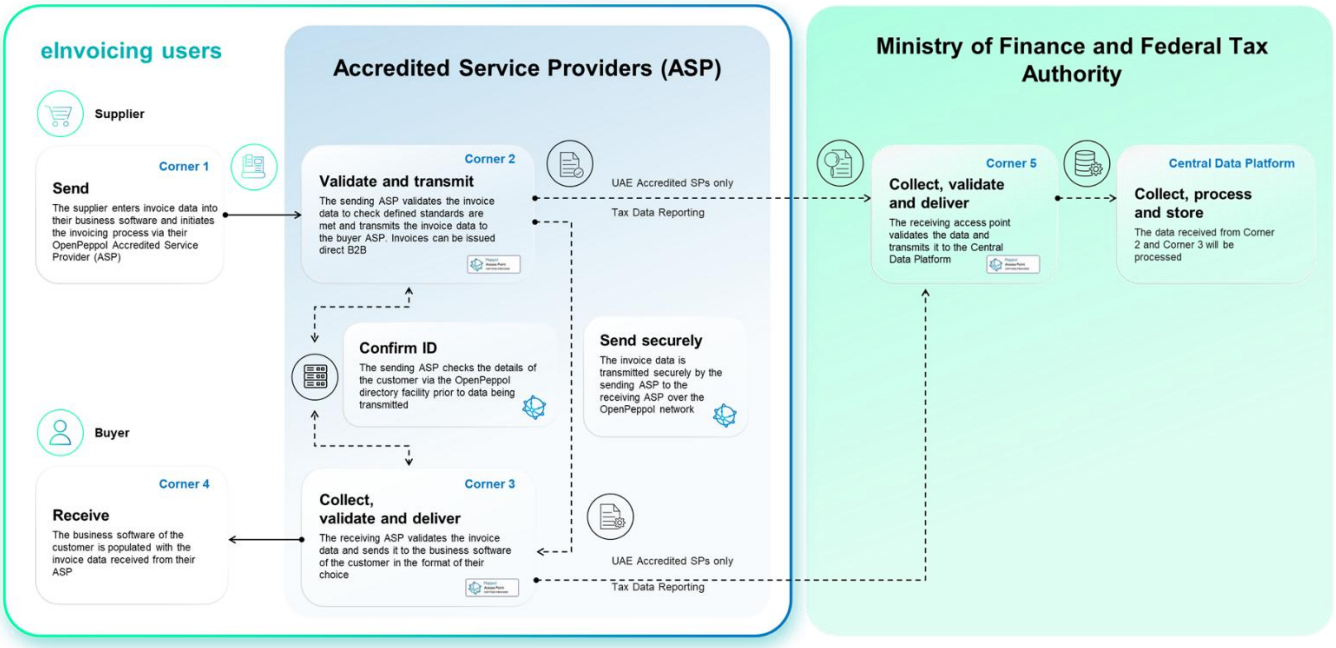
- Reduced processing time as compared to paper invoice cycles.
- Fewer commercial disputes since standardized formats significantly reduce data entry errors.
- Faster payment cycles and cash flow brought in by electronic approval workflows.
- Savings in archival and retrieval due to digital retention.
- Improved audit response times arising from easier searchability.

More information on the UAE Electronic Invoicing System can be found on the Ministry's website.

5. UAE Electronic Invoicing framework

5.1. Framework

The UAE has adopted a modern approach to Electronic Invoicing that leverages decentralized technologies to enhance the efficiency, security, and transparency of transaction processing.



1. Supplier (Corner 1) submits Electronic Invoice data in an agreed format with its ASP (Corner 2).
2. Corner 2 validates the Electronic Invoice data received from Corner 1 and converts it into the UAE standard Electronic Invoice in an XML format (if Corner 2 has received the Electronic Invoice in a different format from Corner 1).
3. Corner 2 transmits the Electronic Invoice (in an XML format) to the buyer's ASP (Corner 3).
4. In parallel, Corner 2 reports Tax Data to Corner 5.
5. Upon validating the Electronic Invoice, Corner 3 sends electronic confirmation to Corner 2.
6. Corner 3 submits the Electronic Invoice to the buyer (Corner 4) in a format that has been agreed between the two parties.
7. Upon successful validation of the Electronic Invoice, Corner 3 also reports Tax Data to Corner 5. If the validation of the Electronic Invoice was unsuccessful, Corner 3 confirms electronically to Corner 2 as well as to Corner 5. In this scenario, there will be no reporting of Tax Data to Corner 5 by Corner 3.
8. Corner 5 sends electronic confirmation to Corner 2 once the Tax Data has been successfully reported.

9. Corner 5 sends electronic confirmation to Corner 3 once the Tax Data has been successfully reported.
10. Corner 2 forwards the electronic confirmations received to Corner 1.
11. Corner 3 forwards the electronic confirmations received to Corner 4.

Note that the Electronic Invoicing framework is designed to support both the Arabic and English languages. This capability ensures compliance with any Arabic reporting requirements mandated in the UAE.

5.2. General responsibilities of suppliers, buyers and ASPs

No	Activities	Responsible party		
		Supplier	Buyer	ASP
1	Exchange and reporting of Electronic Invoices including receiving confirmation messages	Y	Y[1]	N[2]
2	Calculating all Electronic Invoice values	Y	Y**Error! Bookmark not defined.**	N
3	Secure transmission of Electronic Invoices using encryption	N	N	Y
4	Agreeing business-specific data security requirements with ASPs	Y	Y	N
5	Contacting the buyer and gathering their Peppol participant identifier in order for the supplier to issue Electronic Invoices to the buyer	Y	N	N
6	Looking up the Peppol participant identifier provided by the supplier	N	N	Y
7	Generating a UUID for every Electronic Invoice to ensure that each Electronic Invoice is uniquely identified and prevent duplication of the same Electronic Invoice	N	N	Y

[1] Self-billed invoices only
[2] Practically, ASPs are engaged by suppliers to carry out these activities although the compliance obligation remains with the supplier (or buyer in the case of self-billed invoices).

5.3. Format of Electronic Invoices

Electronic Invoices are issued, transmitted and received in XML format and will not feature a Quick Response Code ("QR code") or barcode.

Peppol's PINT-AE billing specifications set out the specific contents of an Electronic Invoice and how it varies based on the document type and the specific scenario in which it is being issued. Chapter 10 provides more detail on the specific requirements.

5.4. Data storage and archival

In line with Article 3(1) of the Tax Procedures Executive Regulation, data relating to the issuance, transmission and receipt of Electronic Invoices must be retained for a period of:

- 5 years following the Tax Period to which they relate in respect of a Taxable Person.
- 5 years from the end of the calendar year in which the concerned document was created in respect of all Persons other than Taxable Persons.
- 7 years from the end of the calendar year in which the concerned document was created for real estate records.[3]

In addition to these periods, Taxable Persons must retain data for an additional period of 4 years in the event of a dispute with the FTA, an ongoing tax audit, or receiving a notification from the FTA of its intention to conduct a tax audit. Similarly, data must be retained for an additional period of 1 year from the date that a voluntary disclosure is submitted, where this falls within the fifth year from the end of the relevant tax period.

Article 11 of MD No. 243 of 2025 and its amendments states that any Person subject to the Electronic Invoicing System shall retain all Electronic Invoices, Electronic Credit Notes, and any associated data for the period prescribed under the Tax Procedures Law and shall ensure that such records are capable of being produced to the Authority upon request.

A Business will be regarded as having met the requirements of Article 11 where:

(i) Electronic Invoices, Electronic Credit Notes, and associated data are retained in an electronic system that preserves their integrity and ensures secure retention throughout the applicable statutory retention period;

(ii) the records remain accessible and can be promptly provided to the Federal Tax Authority (FTA) upon request; and

(iii) the records can be retrieved and reproduced in a complete and readable form.

The objective of Article 11 is to ensure that Electronic Invoices, Electronic Credit Notes, and the data necessary to validate them remain accessible, reproducible, and verifiable by the FTA throughout the statutory retention period. Accordingly, Businesses must ensure that their electronic

[3] See Article 3 of Cabinet Decision No. 74 of 2023 on the Executive Regulation of Federal Decree-Law No. 28 of 2022 on Tax Procedures regarding the Period of Record Keeping

record retention arrangements enable the required records to be retrieved and provided to the FTA upon request.

For the purposes of Article 11, “associated data” refers to the information required to support the integrity, authenticity, and auditability of an Electronic Invoice or Electronic Credit Note. It does not extend to general business or transaction-related documentation, nor to ancillary commercial information, unless such data is specifically required to confirm the completeness and accuracy of the Electronic Invoice or Electronic Credit Note record itself.

6. The scope of Electronic Invoicing

Electronic Invoicing is mandatory for any Person conducting Business in the UAE, in respect of every Business Transaction, regardless of whether they are established in the UAE, unless specifically excluded (see Chapter 7).

6.1. Persons in scope

All Persons who make a Business Transaction in the UAE, notwithstanding their VAT registration status, are within the scope of Electronic Invoicing.

Compliance will be achieved through working with an ASP to meet the Electronic Invoicing requirements. A Person within the scope of Electronic Invoicing must appoint only one ASP in respect of both sending (e.g. accounts receivable) and receiving (e.g. accounts payable) Electronic Invoices.

The requirement to comply with Electronic Invoicing obligations rests with any Person who is subject to Electronic Invoicing and must issue Electronic Invoices in collaboration with their ASP. A customer's Electronic Invoicing onboarding status or tax registration status does not affect the Electronic Invoicing obligations in respect of a Business Transaction.

6.2. Transaction types in scope

The transaction types in scope for Electronic Invoicing are broadly determined by the nature of the supplier and buyer as outlined in the table below:

Supplier	Buyer					
	Business		Government		Consumer	
Business	B2B	✓	G2B	✓	C2B	✗
Government	B2G	✓	G2G	✓	C2G	✗
Consumer	B2C	✗	G2C	✗	C2C	✗

Electronic Invoicing applies to all Business Transactions carried out by Persons and Government Entities in scope, unless specifically excluded.

Any supplies to or from natural persons who are not in Business are not within the scope of Electronic Invoicing. This extends to where a billing agent is used for invoicing or collection purposes in respect of such a supply. There is no obligation for the supplier or the agent to issue an Electronic Invoice in relation to a supply that is made to a consumer.

Note that goods and services supplied to Government Entities (e.g. through contracts tendered in the UAE Government procurement portals) are subject to Electronic Invoicing.

Electronic Invoicing requirements are different to Tax Invoice requirements for VAT purposes. Electronic Invoicing does not remove a Taxable Person's obligation to issue a Tax Invoice or a Tax Credit Note. However, in accordance with Article 65(5) of the VAT Decree-Law, a Person subject to the Electronic Invoicing system, will be required to issue a Tax Invoice or Tax Credit Note in the form of an Electronic Invoice or an Electronic Credit Note.

Given that Electronic Invoices are in XML format, a separate Tax Invoice or Commercial Invoice (i.e. one that is not an Electronic Invoice) may be required by a buyer in respect of a transaction if they have not yet implemented Electronic Invoicing (e.g. to support input tax recovery, corporate income tax deductions, and/or to understand the amounts payable in respect of a supply).

6.3. Specific Scenarios

6.3.1. Investment holding companies

Investment holding companies are typically legal structures (companies) established to hold assets that generate passive income. If an investment holding company's revenue is solely generated from passive income and it does not have any Business Transactions, then the company in question would not be in scope for Electronic Invoicing.

However, it is worth noting that while an investment holding company may only generate its revenue from passive income, there may be instances where it would recharge operational costs (for example, management costs) or other types of recharges to third parties or related parties. In these cases, the recharges would constitute Business Transactions. Consequently, the investment holding company would have an obligation to register for Electronic Invoicing and issue Electronic Invoices for any Business Transactions in line with the phased implementation plan.

6.3.2. Tax Groups

MD No. 243 of 2025 and its amendments establishes the scope and substantive obligations of the Electronic Invoicing System. In accordance with that Decision, Business Transactions carried out between members of the same VAT group fall within scope and are not excluded solely by reason of being intra-group.

6.3.2.1 Application of the Electronic Invoicing implementation timeline to transactions within a VAT group

MD No. 244 of 2025 and its amendments sets out the voluntary and mandatory implementation timeline for the Electronic Invoicing System, including the phased mandatory implementation dates applicable to different categories of Persons. It does not contain any provision addressing the applicability of Electronic Invoicing on intra-group transactions.

Business Transactions carried out between members of the same VAT group often involve a high volume of recurring transactions and complex internal pricing and settlement arrangements and are commonly processed through centralised accounting systems or automated intercompany charging arrangements. The Ministry and the FTA recognize that the implementation of Electronic

Invoicing for such transactions may therefore require additional time to ensure consistency of data, integrity of reporting, and alignment of internal systems and processes across the group with the technical and operational requirements of the Electronic Invoicing System.

To support implementation readiness for VAT groups, a temporary grace period will be provided in respect of intra-group transactions. The grace period will apply to Business Transactions carried out between members of the same VAT group for a period of twenty-four (24) months commencing on 01 January 2027. During this period, the electronic invoicing obligations under MD No. 243 of 2025 and its amendments will not be required to be implemented in respect of Business Transactions carried out between members of the same VAT group.

The grace period affects the timing of compliance only. It does not remove intra-group transactions from the scope of the Electronic Invoicing System and does not affect the application of Electronic Invoicing obligations to other Business Transactions carried out by the Person. Upon expiry of the grace period, the requirements of the Electronic Invoicing System will apply in full to Business Transactions carried out between members of the same VAT group, in accordance with the applicable mandatory implementation phase.

6.3.3. Non-UAE established persons

Where a Person without a place of residence in the UAE is obligated to issue Tax Invoices in accordance with the VAT-Decree Law, such Tax Invoices should be issued in the form of Electronic Invoices.

6.3.4. Healthcare Services and Insurance Claims

The eInvoicing treatment depends on the nature of the underlying transaction, the contractual arrangements between the parties and the identity of the recipient of the relevant supply.

1. Where the hospital provides healthcare services to an individual patient and the insurance company merely settles all or part of the patient's payment obligation under an insurance policy, the patient remains the recipient of the healthcare supply. The payment arrangement alone does not constitute a B2B Business Transaction between the hospital and the insurance company. Where the contractual and commercial arrangements establish that the insurance company is the recipient of a separate in-scope supply, the insurance company should be identified as the buyer for that supply.
2. The insurance company should be identified as the buyer only where it is the recipient of the relevant in-scope supply, based on the underlying contractual and commercial arrangements.
3. Where the insurer and patient each pay a portion of the healthcare charges, the payment split alone does not determine the eInvoicing treatment. Only the portion that constitutes an in-scope Business Transaction is subject to mandatory eInvoicing. A supply to an individual acting in a personal capacity remains outside the mandatory B2B/B2G scope.

Where the contractual arrangements or nature of the transaction are unclear, the parties should assess the specific facts to determine the recipient of the supply and the applicable eInvoicing obligations.

Payments made by an insurance company to a hospital to settle a claim under a health insurance policy do not, in themselves, constitute consideration for a supply made by the hospital to the insurer. Accordingly, where the hospital provides healthcare services to an individual patient and the insurer merely settles all or part of the patient's medical expenses under the insurance policy, the transaction is not a B2B Business Transaction subject to eInvoicing transmission requirements.

However, where the insurer receives services from the hospital in its own capacity, the treatment should be determined based on the nature of the supply and the contractual arrangements.

7. Exclusions from Electronic Invoicing

Specific exclusions from Electronic Invoicing may be provided by the Ministry. It is important to note that administrative exceptions provided by the FTA in accordance with the VAT Executive Regulation in respect of Tax Invoices and Tax Credit Notes do not apply to Electronic Invoices and/or Electronic Credit Notes.

7.1. Sovereign activities

Business Transactions are excluded from Electronic Invoicing where all of the following are met:

- Conducted by a Government Entity;
- In a sovereign capacity; and
- Not in competition with the private sector.

This mirrors the exclusion that is provided for Government Entities within the VAT Law.

7.2. Supplies made by Airlines

Certain international passenger transportation services are excluded from Electronic Invoicing including:

- Those which are provided by an Airline via an Aircraft, where an Electronic Ticket is issued to the passengers; and
- Ancillary services provided directly to the passenger by an Airline where an Electronic Miscellaneous Document is issued.

A temporary exclusion from Electronic Invoicing is provided for international transportation services in respect of Goods provided by an Airline, where an Airway Bill is issued. This exclusion only applies for 24 months from the date specified in the Article 5 of MD No. 244 of 2025 and its amendments.

7.3. Financial services

Financial services which are exempt from VAT in accordance with Article 42 of the VAT Executive Regulation, are excluded from Electronic Invoicing. Where exempt financial services are provided to non-resident customers and qualify as zero rated exports of services in accordance with Article 31 of the VAT Executive Regulation, these are also excluded from Electronic Invoicing. For the avoidance of doubt, financial services that are standard rated if supplied to resident customers are not excluded from Electronic Invoicing even where they qualify as zero-rated exports of services under Article 31 of the VAT Executive Regulation.

7.4. Any other Business Transactions as may be determined by the Minister

Other exclusions may be added by the Minister in the future through the issuance of Ministerial Decisions.

8. Phased implementation

The Ministry published MD No. 244 of 2025 and its amendments on the Implementation of the Electronic Invoicing System detailing the roll-out plan and the thresholds for Persons and Government Entities to mandatorily implement Electronic Invoicing. Electronic Invoicing will be rolled out on a phased basis for any Person carrying out Business in the UAE, in respect of any Business Transaction, unless specifically excluded. Chapters 6 and 7 provide further details on the scope and exclusions.

8.1. Pilot phase

Electronic Invoicing shall commence on the 1st of July 2026 with a Pilot Programme. The Ministry will contact Persons and inform them of their inclusion in the Pilot Programme. The Person will only be part of the Pilot Programme if that Person agrees to participate in writing. Once the Pilot Programme commences, all Persons who have agreed to be part of it, will be required to adhere to all the technical requirements for Electronic Invoicing in the UAE, as prescribed by the Ministry and the FTA.

8.2. Voluntary Electronic Invoicing

All Persons, regardless of their Revenue, can choose to implement Electronic Invoicing on a voluntary basis from 1st July 2026. All Persons who voluntarily implement Electronic Invoicing will be required to adhere to all the technical requirements for Electronic Invoicing in the UAE, as prescribed by the Ministry and the FTA. Any administrative penalties shall only be applicable from the date that Person is required to mandatorily implement Electronic Invoicing.

8.3. Mandatory Electronic Invoicing

The mandatory implementation of Electronic Invoicing for transactions in scope (as detailed in Chapter 6 of this document), will commence based on a phased approach, depending on the Revenue generated by the Person. The table below provides the timelines for all Persons and Government Entities subject to the provisions of MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments to appoint an ASP and implement Electronic Invoicing:

No	Entity type	Annual Revenue	Last date to appoint an ASP	Last date to implement the Electronic Invoicing System
1	Person	≥ AED 50,000,000	31st October 2026	1st January 2027
2	Person	< AED 50,000,000	31st March 2027	1st July 2027

3	Government Entity	N/A	31st March 2027	1st October 2027

Voluntary implementation

- The roll-out will commence with an initial voluntary onboarding phase.
- You may choose to onboard and participate in the exchanging and reporting of Electronic Invoices during this voluntary phase.
- This will enable you to familiarize yourselves with the systems, processes and control mechanisms on the Electronic Invoicing System and perform adequate testing without the risk of penalties for failing to comply with mandatory Electronic Invoicing requirements.
- You will also benefit from any synergies that Electronic Invoicing may offer from the earliest opportunity.
- MD No. 244 of 2025 and its amendments provides more details on how you can participate in the voluntary phase.

Mandatory implementation

- The mandatory implementation of Electronic Invoicing will be phased for Persons from January 2027 onwards and mandatory for Government Entities, from October 2027 onwards.
- Adhering to the timelines in the roll-out plan is essential to avoid potential penalties, ensuring a smooth transition to Electronic Invoicing while maintaining compliance with regulatory requirements.
- All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, are encouraged to plan ahead for the adoption of Electronic Invoicing including making necessary changes to their in-house enterprise solutions to be compatible with the UAE Electronic Invoicing System specifications.
- You should work with your ASP to ensure sufficient data is available in respect of buyers and suppliers during the transitional period in which not all Businesses are onboarded onto the Electronic Invoicing System.

8.4. Mandatory Electronic Invoicing

Persons newly established and within the scope of Electronic Invoicing are required to appoint an Accredited Service Provider (ASP) and complete the onboarding process before issuing their first invoice, irrespective of their date of establishment. Any invoice issued must be an Electronic Invoice that complies with the applicable Electronic Invoicing requirements.

9. Getting ready for Electronic Invoicing

This chapter covers the key steps that are likely to be required for a Person or Government Entity to get ready for Electronic Invoicing. This includes onboarding with an ASP, conducting testing and subsequently going live with Electronic Invoicing.

The process of onboarding with an ASP should be initiated by the Person or Government Entity (not the ASP) via EmaraTax, which can be accessed through the FTA's website. The steps below are further elaborated in Appendix 1 of this document.

START

Step 1: Understand Electronic Invoicing requirements

a. Understand the changes in VAT Decree-Law, VAT Executive Regulation, Cabinet Decision and Ministerial Decisions related to Electronic Invoicing.
b. Develop a plan that enables readiness by the mandatory implementation date for you.
c. Identify changes required in your accounting/ERP/invoicing systems.

Step 2: Select an ASP

a. Identify and select an ASP and finalize all contractual obligations.
b. Onboard on to the identified ASP's system via EmaraTax.
c. Obtain a Peppol participant identifier via the identified ASP.

Step 3: Test Electronic Invoice exchange and reporting

a. Agree on approach to transmit invoice data.
b. Ensure system readiness to transmit invoice data to the ASP.
c. Test end-to-end exchange and reporting of Electronic Invoices.

Step 4: Go-live with Electronic Invoicing

a. Agree roles and responsibilities with ASP for invoice transmission oversight and error resolution.
b. Commence exchange and reporting of Electronic Invoices.
c. Address any issues emerging during go-live.

END

Ongoing: Manage changes

a. Update the ASP regarding any changes in circumstances, using the reverification/offboarding process in EmaraTax.
b. Follow established governance with ASP to address changes.

10. Electronic Invoice categories, special scenarios and tax codes

The specific requirements for an Electronic Invoice in terms of its contents (mandatory/optional fields) and the way that it is transmitted are determined based on the type of invoice document that is being issued and the details of the supply that is being invoiced or being issued with a credit note.

These requirements are set out in detail within Peppol's PINT-AE billing specifications, which are published on its website.

10.1. Electronic Invoice categories

The following 6 categories of Electronic Invoices can be issued:

Type	Standard billing	Self-billing
Tax Invoice	1. Electronic Tax Invoice	1. Self-billed electronic Tax Invoice
Tax Credit Note	2. Electronic Tax Credit Note	2. Self-billed electronic Tax Credit Note
Invoice	3. Commercial Invoice	Not applicable
Credit note	4. Electronic Credit Note	Not applicable

There is no Electronic Invoice category for 'provisional invoices'. Every provisional invoice issued should be an Electronic Invoice. Any adjustments to the provisional amount that has been invoiced can be accommodated by issuing either an Electronic Credit Note or an additional Electronic Invoice.

10.2. Standard billing

The majority of transactions follow a standard billing arrangement where the supplier is responsible for issuing an invoice or a credit note to the buyer.

Under a standard billing arrangement, there are two categories of Electronic Invoices that can be issued: electronic Tax Invoices and Commercial Invoices. Electronic Tax Credit Notes and Electronic Credit Notes can be issued for each respectively.

10.2.1. Commercial Invoices and Credit Notes

Commercial Invoice is the term used to describe an invoice that is issued in respect of any sales that do not require a Tax Invoice under the VAT Decree-Law. These sales might include supplies

that are exempt or out of scope for VAT purposes, or supplies made by Persons who are not registered for VAT.

Under Electronic Invoicing, traditional (e.g. pdf or paper format) Commercial Invoices must be replaced by Electronic Invoices that meet specific criteria and are exchanged and reported via the model described in Chapter 5.

10.2.2. Electronic Tax Invoices and electronic Tax Credit Notes

An electronic Tax Invoice is issued by a Taxable Person in respect of Taxable Supplies, as required by the VAT Decree-Law, and may include non-Taxable Supplies in additional to Taxable Supplies on the same Electronic Invoice. There is no need to issue a separate Electronic Invoice for taxable and non-Taxable Supplies.

An electronic Tax Credit Note is issued by a Taxable Person when a reduction of Output Tax occurs[4].

As per the revised definition of a Tax Invoice in the VAT Decree-Law, it includes an Electronic Invoice, and so a supplier may not be required to issue a separate Tax Invoice when issuing an Electronic Invoice to a buyer that has implemented Electronic Invoicing, provided this meets the criteria of a Tax Invoice as per Article 65 of the VAT Decree-Law and Article 59 of the VAT Executive Regulation.

When issuing Tax Invoices to buyers that have not yet implemented Electronic Invoicing (e.g. due to not having yet implemented on a voluntary basis and not having a mandatory implementation requirement as per the roll-out plan), regular Tax Invoices (e.g. in pdf) are required in addition to electronic Tax Invoices. In such scenarios where the buyer has not yet implemented Electronic Invoicing and does not have a Participant Identifier, the predefined endpoint (0235: 9900000098) should be mandatorily included by the supplier on the Electronic Invoice.

10.3. Self-billed electronic Tax Invoices and electronic Tax Credit Notes

The self-billing of electronic Tax Invoices will require the buyer to be on the Electronic Invoicing System.

Self-billing arrangements only apply for VAT purposes under the conditions within the VAT Decree-Law and are not available for suppliers who are not registered for VAT. Hence, there is no option for self-billing of Commercial Invoices. Subject to an agreement between the supplier and the buyer, the buyer may issue the Electronic Invoice on behalf of the supplier.

Once a supplier is in scope for mandatory Electronic Invoicing as per the roll-out plan, this will extend to all Business Transactions, including those that are made under a self-billing arrangement. It is therefore important to check any self-billing arrangements with customers to

[4] See Article 62 of the VAT Decree-Law on the Mechanism for Output Tax Adjustment and Article 70 of the VAT-Decree Law on Conditions and Requirements for Issuing the Tax Credit Note

ensure that the buyer is able to issue self-billed Electronic Invoices as the buyer may not be in scope for mandatory implementation at that point in time.

Similar to an electronic Tax invoice, a self-billed electronic Tax Invoice should fulfil the criteria of a Tax invoice that are required under the VAT Decree-Law and the VAT Executive Regulation.

10.4. Electronic Invoice scenarios

There are 8 different scenarios with specific requirements attached to them in terms of mandatory fields and issuance criteria for Electronic Invoices. The following table describes each of these scenarios with examples and provides details of the specific considerations that are attached to each scenario. Some of the scenarios do not apply to Commercial Invoices (and commercial credit notes) as indicated in the final column of the table:

No	Scenario	Description	Example(s)	Additional considerations (if any)	Applies to Commercial Invoices?
1	Free Zone	Where a transaction involves a Free Zone entity (e.g. the supplier, buyer, or beneficiary) or the supply itself takes place within or from a Free Zone.	► A supply to or from a party established in a Free Zone. ► A supply of goods within a Free Zone. ► An export of goods from a Free Zone.	Where the customer is a Free Zone entity, the Electronic Invoice requires the details of the "beneficiary" in addition to the customer. In practice, the beneficiary is the person or entity that ultimately uses, consumes, or owns what is being supplied. For most standard B2B transactions, this will be the same legal entity that is named as the customer. Practically, when you issue an Electronic Invoice, the below guidelines can be followed: ► The customer is the Person who issued the purchase order or is the contracting party. ► If the ultimate beneficiary of the service is different from the buyer (whose details are captured on the Electronic Invoice), then such beneficiary details should be recorded on the Electronic Invoice.	✓

No	Scenario	Description	Example(s)	Additional considerations (if any)	Applies to Commercial Invoices?
				► If the customer has declared another Person as the end user, that Person should be recorded as the beneficiary on the Electronic Invoice.	
2	Deemed supply	Where a supply made by a VAT registered Person is deemed to be a Taxable Supply for VAT purposes as per the VAT Decree-Law[5]	► Supplies for no consideration (e.g. free of charge supplies, gifts exceeding the prescribed threshold, or the private use of business assets or inventory). ► Goods and services that are owned by a Taxable Person at the date the VAT registration is cancelled.	► In the case of a deemed supply, the buyer electronic address should always be 0235: 9900000097. This value does not change based on the identity of the supplier. ► In instances where an invoice in respect of deemed supplies is not issued to the recipient, there will be no exchange of Electronic Invoices, only reporting to the FTA by the supplier's ASP.	✘
3	Margin scheme	Instances where VAT is calculated only on the supplier's margin (i.e. the difference between the	► A car dealer sells a used car under the profit margin scheme. ► A gallery resells artwork purchased from private collectors	► As per the VAT Decree-Law and the VAT Executive Regulation, even though PINT-AE mandates the inclusion of VAT information, the VAT amount is not required to be displayed for margin scheme transactions. The amount to be displayed should be "0".	✘

[5] See Article 11 on Cases of Deemed Supply and Article 12 on Exceptions from Deemed Supply of the VAT Decree-Law

No	Scenario	Description	Example(s)	Additional considerations (if any)	Applies to Commercial Invoices?
		purchase price and the resale price)[6]	who are not Taxable Persons.		
4	Summary invoice	Where multiple transactions with the same customer over a defined invoicing period are consolidated onto a single summary invoice[7].	► A bank makes multiple supplies to a customer and issues a monthly electronic Tax Invoice summarizing all of the supplies made.	► Certain fields at the document level (i.e. invoice level) can be zero or a positive number to pass Peppol validation. ► If the total payable amount is negative (i.e. a credit scenario), the transaction must be documented using an electronic Credit Note. This rationale is applicable to a Summary Invoice as well.	✓
5	Continuous supply	A supply that is provided on an ongoing/recurring basis or that includes periodic invoicing.	► Monthly advisory services retainer. ► Delivery of building materials in instalments. ► Milestone based payments.	► For Business Transactions that involve retention payments, a separate commercial document should be issued, detailing the calculation of the milestone amount and the deduction of the retained amount. These calculations should not appear on the Electronic Invoice that is issued. When the payment for the retention amount is due, an electronic Tax Invoice should be issued with the applicable VAT amount.	✓
6	Agent billing	Where a Person is acting as a disclosed agent on behalf of a principal and	► An insurance broker issues an invoice to collect premiums from	► The responsibility to issue an Electronic Invoice remains with the supplier even if an agent issues one on its behalf.	✓

[6] See Article 43 of the VAT Decree-Law on Charging Tax based on Profit Margin
[7] See Article 65 of the VAT Decree-Law and Article 59 of The Executive Regulation of the VAT Decree-Law regarding Tax invoices

No	Scenario	Description	Example(s)	Additional considerations (if any)	Applies to Commercial Invoices?
		issuing invoices on its behalf. This scenario does not apply for undisclosed agents.	a buyer on behalf of a VAT registered insurance company principal.		
7	Supply through e-Commerce	An electronic commerce supply through an Electronic Commerce Medium as defined by 'Ministerial Decision No. 26 of 2023 on Criteria and Conditions for Electronic Commerce for Purposes of Keeping Records of the Supplies Made'.	► A retailer sells products through its website directly to consumers. ► Goods sold via an e-commerce platform.	► The responsibility to issue an Electronic Invoice remains with the supplier even if the e-commerce platform issues one on its behalf.	✓
8	Exports	Goods or services supplied to customers outside the UAE.	► UAE wholesaler exports cosmetics to a retailer in Kuwait. ► UAE IT firm provides software development services to a client in France.	► In the case of an export transaction, the Tax Invoice for VAT purposes should be issued as an Electronic Invoice and the same may be provided to Customs. ► For exports, if the buyer does not have a Peppol ID, the predefined endpoint (0235: 9900000099) should be mandatorily included by the supplier on the Electronic Invoice.	✗

The Electronic Invoice allows you to capture multiple different scenarios within a single Electronic Invoice. Where more than one scenario applies to a supply, then the specific requirements for each applicable scenario must be included within the Electronic Invoice that is issued for that transaction.

10.5. Tax categories

One of the mandatory fields for an Electronic Invoice is the tax category for each transaction. These tax categories are applicable at a supply level and may be applicable for both electronic Tax Invoices as well as Commercial Invoices. A description of each tax category is included in the table below.

No.	Tax Category	Description
1	Standard Rate	A Taxable Supply subject to the Standard Rate of VAT.
2	Exempt from VAT	The goods or services are within the scope of UAE VAT but qualify for VAT exemption[8] (e.g. certain real estate services, financial services, and local passenger transportation).
3	Goods and services outside the scope of VAT	The transaction is out of scope for VAT purposes, for example due to the place of supply being outside of the UAE, or where there is a specific exclusion from being regarded as a supply as per the VAT Decree-Law.
4	Reverse Charge	This covers the domestic supply of certain Goods that are subject to the reverse charge mechanism under the VAT Decree-Law and Cabinet Decisions[9]. Note that the import of Concerned Services and Concerned Goods are not subject to any Electronic Invoicing requirements.
5	Zero rated	Supplies of goods or services that are zero-rated (subject to VAT at 0%)[10]. These supplies may include qualifying exports of goods/services, or certain healthcare, education or real estate supplies.
6	Margin scheme	Supply subject to the margin scheme[11] (e.g. qualifying supply of second-hand goods).

10.5.1. Reverse charge mechanism

Concerned Goods and Concerned Services

Article 48 of the VAT Decree-Law contains specific rules relating to ‘Concerned Services’ and ‘Concerned Goods’ that are imported by a Taxable Person for Business purposes: these are subject to the reverse charge mechanism for VAT reporting. The import of Concerned Services and Concerned Goods is not subject to any Electronic Invoicing requirements.

[8] See Article 46 of the VAT Decree-Law on Supply Exempt from Tax
[9] See Cabinet Decision No. 91 of 2023 on the Application of the Reverse Charge Mechanism on Electronic Devices among Registrants in the State for the purposes of Value Added Tax, and Cabinet Decision No. 127 of 2024 on The Application of the Reverse Charge Mechanism on Precious Metals and Precious Stones among Registrants in the State for the Purposes of Value Added Tax, and Cabinet Decision No. 153 of 2025 on the Application of the Reverse Charge Mechanism on Metal Scrap Trading among Registrants in the State for the Purposes of Value Added Tax
[10] See Article 45 of the VAT Decree-Law on Goods and Services Subject to Zero Rate
[11] See Article 43 of the VAT Decree-Law on Charging Tax based on Profit Margin

Domestic Reverse Charge

The reverse charge mechanism tax category for Electronic Invoicing should only be used where the reverse charge mechanism applies to a supply of certain goods between two VAT Registrants, which is subject to the provisions contained within the VAT Decree-Law and Cabinet Decisions referenced below. Where the reverse charge mechanism tax category is applied, the supplier is required to issue an Electronic Invoice which will not include VAT and include a narrative specifying the reason for the supply being subject to the reverse charge mechanism. The goods to which the domestic reverse charge applies include:

- Electronic devices;[12]
- Precious metals and precious stones;[13]
- Crude or refined oil;[14]
- Unprocessed or processed natural gas;[1413] and
- Pure hydrocarbons;[1413]
- Metal Scrap trading[15].

The type of goods subject to the reverse charge mechanism must be included as a reference on the Electronic Invoice.

[12] See Cabinet Decision No. 91 of 2023 on the Application of the Reverse Charge Mechanism on Electronic Devices among Registrants in the State for the purposes of Value Added Tax and Ministerial Decision No. 262 of 2023 on the Criteria to be Followed in the Determination of Parts and Pieces of Electronic Devices.
[13] See Cabinet Decision No. 127 of 2024 on The Application of the Reverse Charge Mechanism on Precious Metals and Precious Stones among registrants in the State for the Purposes of Value Added Tax.
[14] See Article 48 of the VAT Decree-Law on Reverse Charge
[15] See Cabinet Decision No. 153 of 2025 on the Application of the Reverse Charge Mechanism on Metal Scrap Trading among Registrants in the State for the Purposes of Value Added Tax

11. Penalties

If a Person or Government Entity subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, fails to meet its obligations in respect of the issuance or processing of Electronic Invoices, certain penalties may apply.

The penalties that may apply fall under administrative penalties and Electronic Invoicing penalties and are described below.

Please note that Electronic Invoicing penalties will not apply for violations that relate to Electronic Invoices that are issued voluntarily (e.g. by Persons that are not yet required to implement Electronic Invoicing on a mandatory basis in accordance with the implementation plan).

11.1. Administrative penalties

Administrative penalties may apply to the extent that compliance obligations with respect to tax invoicing are not met, for example where a Person fails to issue or maintain compliant Tax Invoices in line with the VAT Decree-Law and the Tax Procedures Law.

Please refer to Cabinet Decision No. 40 of 2017 and its amendments for the list of administrative penalties related to the implementation of the VAT Decree-Law and the Tax Procedures Law.

11.2. Electronic Invoicing penalties

Specific penalties may apply for failing to meet Electronic Invoice compliance obligations. Details of Cabinet Decision No. 173 of 2026 and applicable penalties can be found here

12. Electronic Invoice samples

The XML examples for various scenarios can be accessed using the “Download resources” option via Peppol’s PINT-AE billing specifications, which are published on its website.

Kindly note that the Ministry has also published a document outlining the mandatory fields for Electronic Invoicing, which can be accessed here.

وزارة المالية
MINISTRY OF FINANCE

eINVOICING
الفوترة الإلكترونية

12.1. Human readable version of a sample Electronic Tax Invoice

Tax Invoice

SELLER:

Name	: Supplier Name
Tax Registration Number (TRN)	: 123456789012003
Supplier legal registration number	: 1122334455
Supplier legal registration type	: Trade License
Authority name	: Dubai Economy and Tourism
Address	: Sheikh Zayed Road, Dubai, Dubai, UAE
Contact number	: +971 4 123 4500
Email address	: contact@Supplier.com
Electronic address	: 0235:1234567890

Business Process type	: urn:peppol:bis:billing
Specification Identifier	: urn:peppol:pint:billing-1@ae-1

Invoice Number	: INV-001/2025
Invoice Issue Date	: 2025-06-18
Invoice Type Code	: 380
Invoice Currency Code	: AED
VAT Currency Code	: AED
Payment Due Date	: 2025-06-25
Invoice transaction type code	: 00000000
UUID	: 19e2c9a3-b000-4fb0- 9bd5-a9c4ebda2358

BUYER:

Name	: Buyer Name
Tax Registration Number (TRN)	: 124578091212003
Buyer legal registration number	: 2233557788
Buyer legal registration type	: Trade License
Authority name	: Dubai Economy and Tourism
Address	: Sheikh Zayed Road, Dubai, Dubai, UAE
Contact number	: +971 4 345 4500
Email address	: contact@Buyer.com
Electronic address	: 0235:1245780912

OTHER INFORMATION:

VAT Point Date	: 2025-06-15
Currency Exchange Rate	:
Frequency of Billing	: Fortnightly
Billing Period	: 2025-06-01 to 2025-06-15

PAYMENT INFORMATION:

Payment Mode	: Bank Transfer
Supplier's Bank Account Number	: 101010101010
Payment Terms	: Within one week

No.	Item name	Item Description	Quantity	Unit of measurement	Unit of price AED	Subtotal AED	Allowance amount AED	Charge amount AED	Tax type	Tax Rate (%)	Tax amount AED	Gross Amount AED
1	Pen	Fountain Pen	2,000	Piece	5.00	10,000.00	-	-	Standard Rated	5.00	500.00	10,500.00

VAT BREAKDOWN

Tax Type	Taxable Amount	Tax Rate (%)	VAT Amount
Standard Rated	10,000.00	5.00	500.00

Total Net Amount	*10,000.00*
(LESS): Total Document Level Allowances	-
ADD: Total Document Level Charges	-
Total Excluding VAT	1,000.00
Total VAT Amount	500.00
Total Including VAT	10,500.00
(LESS): Paid Amount	1,000.00
ADD: Rounding Amount	-
Total Payable Amount	***9,500.00***

12.2. Constraints and considerations:

1. **Inclusion of TRN:** For electronic Tax Invoices and electronic Tax Credit Notes, the TRN should be included in the Electronic Invoice and Electronic Credit Note. However, the TRN is not mandatory for Commercial Invoices as well as for out of scope and exempt transactions.
2. **Line-item constraints:** There are no constraints on the number of lines that can be included in an Electronic Invoice for the UAE.
3. **Preceding invoice references:** In instances where a single electronic Tax Credit Note is issued for multiple past electronic Tax Invoices, references to these multiple electronic Tax Invoices can be provided in one electronic Tax Credit Note.
4. **Partial credit notes:** If required, an Electronic Credit Note can cover only part of the Electronic Invoice amount.
5. **Rounding off:** Rounding off is applicable at the invoice level total up to 2 decimal places. Rounding off is not applicable at the tax category level or line-item level.
6. **Goods and Services:** If the items listed on the invoice include both goods and services, they can be differentiated by specifying the value in the “Item type” field. The possible values are 'G' for Goods, 'S' for Services, and 'B' for Both.
7. **Surcharges:** If there are any surcharges that need to be included in the invoice, they can be reported under the “Document Level Charges” section. Examples include the Dubai Municipality surcharge on construction projects or tourism levies.
8. **Import VAT paid by agent:** In accordance with Article 50 of the VAT Executive Regulation, when an agent imports goods and has paid import VAT on behalf of another party, an Electronic Invoice shall be issued by the agent. The VAT paid by the agent can be mentioned under the "Document Level Charges" section.
9. **Advance payments:** For Business Transactions involving advance payments made prior to the final invoice being issued, the adjustment amounts for these advance payments should be included in the “Paid Amount” field. Furthermore, to ensure clear recordkeeping, you should also reference the original invoice that was issued when the advance payment was received. This reference can be included in the “Preceding Invoice Reference” section. This way, all parties involved can easily track the advance payment and its adjustment in the final invoice.
10. **Prepayments**: The “Paid Amount” field and “Preceding Invoice Reference” field can be used respectively, to reference the prepaid amounts and prepaid invoice details in the final invoice.

11. **Exports:** For export transactions, if the supplier wishes to declare the customs reference number in conjunction with the applicable Incoterms, this information can be provided in the designated fields: "Customs Reference Number" and "Incoterms".
12. **Triangular sales:** In instances where billing is addressed to one individual, while delivery is directed to another, the TRN or TIN of the recipient of the goods can be provided in the "Delivery to Party ID" field within the Delivery Information section.
13. **Discounts:** Item level discounts can be provided in the “Line Level Allowances” section. The reason for the line level discount can be provided in “Invoice Line Allowance Reason” field. The document level discount can be provided in the “Document Level Allowances” section. The reason for the document level discount can be provided in the “Document Level Allowance Reason” field. Further, there is also a code list for providing the allowance reason.
14. **Volume discounts:** Electronic Credit Notes can be used to reflect volume discounts, and the “Credit note reason code” can be selected as volume discount.
15. **Batch number:** Various industries within the manufacturing and trading sectors categorize their goods based on batch numbers to enhance inventory management and traceability. This information can be entered in the designated "Batch Number" field.
16. **VAT line amount and amount payable:** It is mandatory to specify the VAT amount and the total amount payable in AED for each service or goods supplied.[16] To ensure compliance, the VAT amount should be provided in the "VAT Line Amount" field, while the total amount payable must be provided in the "Amount Payable" field. This requirement applies regardless of whether the invoice is issued in AED or any other currency. The supplier is responsible for ensuring the correctness of the value provided in the "Amount Payable" field.
17. **Invoice currency and tax accounting currency:** A Tax Invoice must include the gross amount payable for an invoice in AED. In instances where the document currency differs from AED, and the tax accounting currency is AED, the gross total payable amount in AED must be provided in the "Invoice Total Amount with VAT in Tax Accounting Currency" field. The amount shall be converted into the UAE Dirham according to the exchange rate approved by the Central Bank.[17] The supplier is responsible for ensuring the correctness of the value provided in this field. When the document currency is not in AED, the “Tax Accounting Currency” field is mandatory.

[16] See Article 59 of the VAT Executive Regulation on Tax Invoices
[17] See Article 69 of the VAT Decree-Law on Currency used on Tax Invoices

18. **Contract Value field:** If the project value changes, this “Contract Value” must be updated in the invoice that is issued after the project value changes.
19. **Multiple payment methods:** Multiple payment methods can be included in the same Electronic Invoice using the “Payment Instructions” field.
20. **Authority name:** The name of the trade license issuing authority needs to be manually populated by the issuer of the Electronic Invoice, using the “Authority Name” field. There will not be any code list provided for the “Authority name” field.
21. **Rounding off:** The field “Rounding Amount” is an optional field and the value is to be provided by the issuer of the Electronic Invoice, if applicable.
22. **Multiple payment dates:** In instances where the buyer and supplier have agreed on multiple payment dates for a single invoice, this can be included using the field “Invoice Terms”.
23. **Date of supply:** If the date of supply is different from the Tax Invoice issue date, the date of supply can be provided in the “VAT Point Date” field.
24. **Industry specific field requirements:** Persons or Government Entities that may need some industry specific fields/classifications should discuss with their respective ASPs on how these can be accommodated.
25. **Adding optional fields:** Persons and Government Entities will not be allowed to add additional optional fields of their own into PINT-AE. Persons and Government Entities should discuss with their respective ASPs regarding how their requirements can be accommodated.
26. **Beneficiary Details:** If the ultimate beneficiary and the customer are the same, the “Beneficiary Name” and “Beneficiary ID” can mirror the customer information i.e. the customer details can be duplicated in the beneficiary details. This ensures the Electronic Invoice remains technically complete without implying another party is involved. If the end customer is an individual consumer, you may use the individual’s name and available identification details, or note that no registered ID exists if none applies.
27. **Insurance premiums and claims:** In the insurance sector, statements for reinsurance treaty portfolios are typically generated by insurance companies, encompassing reinsurance premiums, claims, and commissions without issuing separate documents for premiums and claims. Under the Electronic Invoicing framework, any invoice or statement that has VAT implications must be issued as an Electronic Invoice in compliance with the VAT legislation. It is for the insurance company and broker to decide who would issue the Electronic Invoice.
28. **HSN codes:** HSN codes are currently optional. The timelines for making the HSN codes mandatory shall be announced in due course.

13. Appendix 1: Getting Ready for Electronic Invoicing

13.1. Step 1: Understand Electronic Invoicing requirements

a. Changes were introduced in the Tax Procedures Law, VAT Decree-Law and VAT Executive Regulation arising from the introduction of the Electronic Invoicing System. All Persons or Government Entities should understand these changes in order to adequately prepare for Electronic Invoicing.

b. The Ministry has published MD No. 243 of 2025 and its amendments detailing the scope of application of Electronic Invoicing in the UAE and MD No. 244 of 2025 and its amendments detailing the plan for rolling out the Electronic Invoicing System in the UAE. All Persons or Government Entities should understand the roll-out plan and when they will be mandatorily required to go-live with Electronic Invoicing. This will enable them to plan the necessary steps for the timely adoption of the Electronic Invoicing System. Should a Person wish to be part of the pilot phase, ensure that you work with your ASP on your go-live plan. The UAE Cabinet has published CD No. 173 of 2026 listing the potential violations of the legislation regulating the Electronic Invoicing System and the associated administrative penalties.

c. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments should carry out a gap analysis of the requirements against its activities, to understand the specific categories of Electronic Invoices required for each of its transactions and the data points required to be included on those Electronic Invoices. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, need to ensure that their accounting/ERP/invoicing systems can generate and extract all the data points that are required for Electronic Invoices as well as plan for any data migration that may be required.

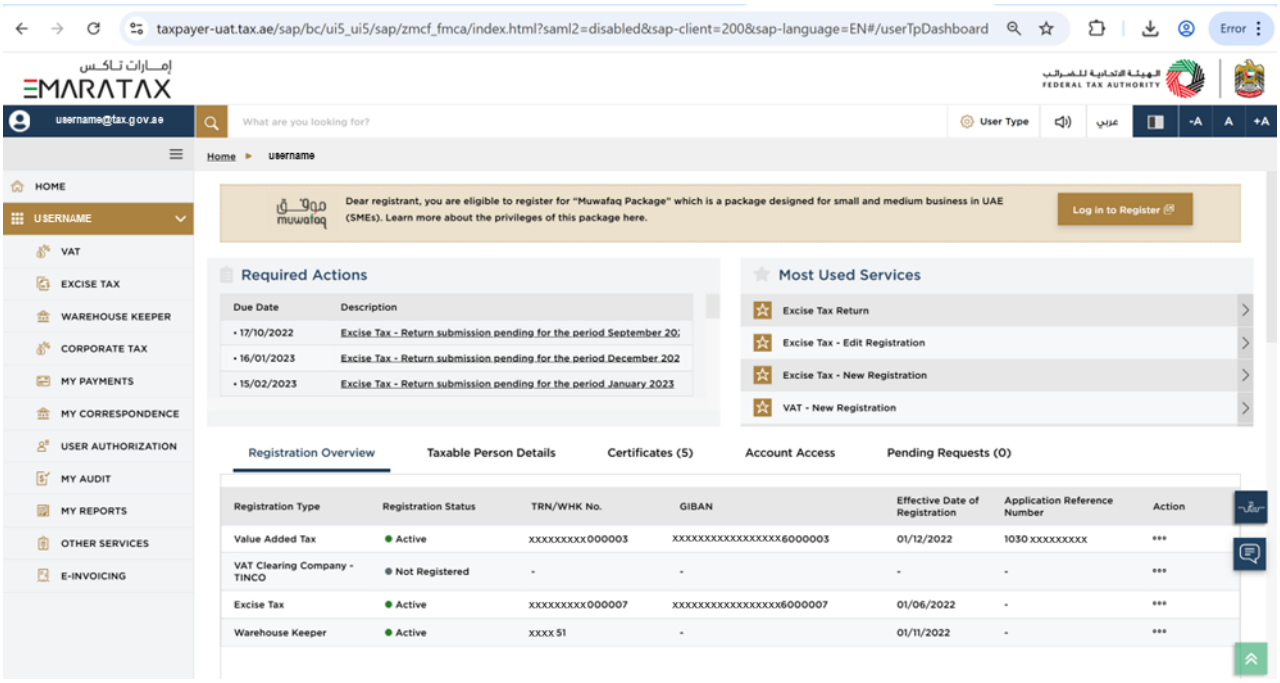
13.2. Step 2: Select an ASP

a. Persons and Government Entities can refer the Ministry's website for the list of ASPs and identify which ASP they would like to onboard with. The Person or Government Entity is required to finalize their contract with the selected ASP and fulfil all commercial obligations before onboarding on to their ASP's system via EmaraTax.

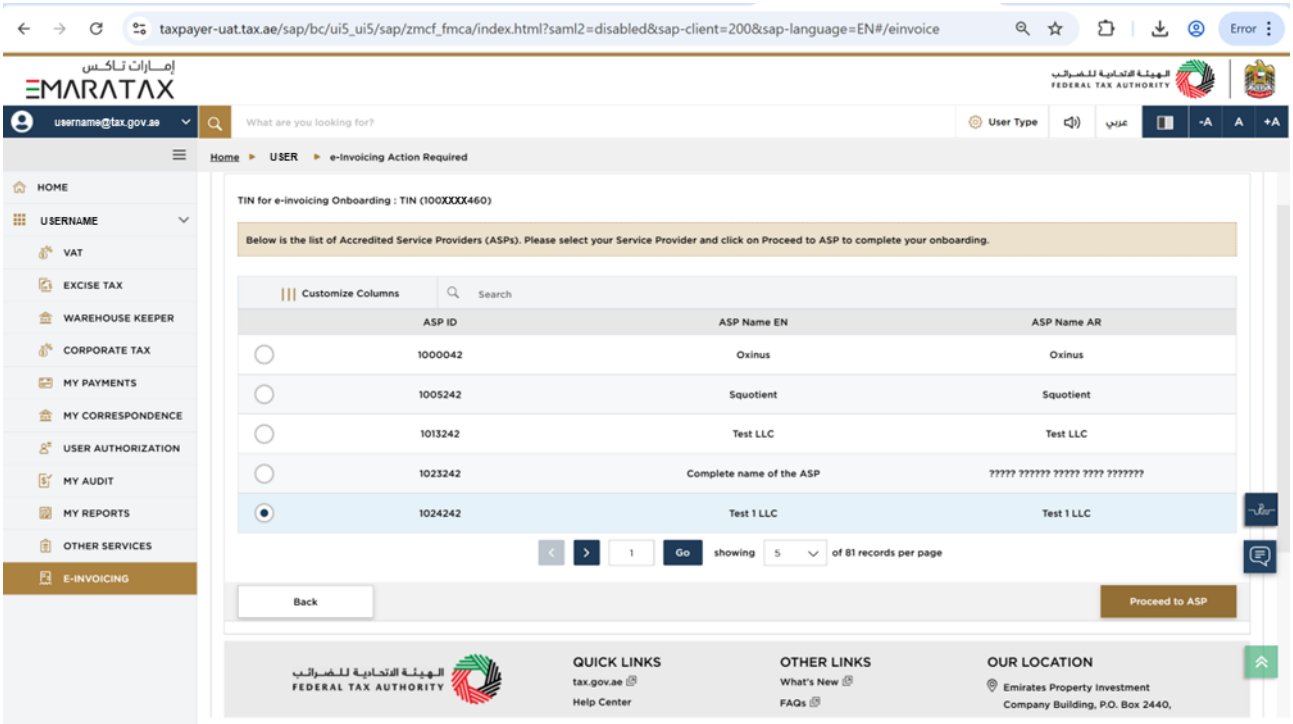
   NOTE: Each member of a Tax Group needs to be onboarded for Electronic Invoicing. Each Tax Group member will have their own TIN, which is used to generate their individual Peppol participant identifier. Each of the group members may onboard with a different ASP.

b. Persons and Government Entities shall onboard to their contracted ASP's system.

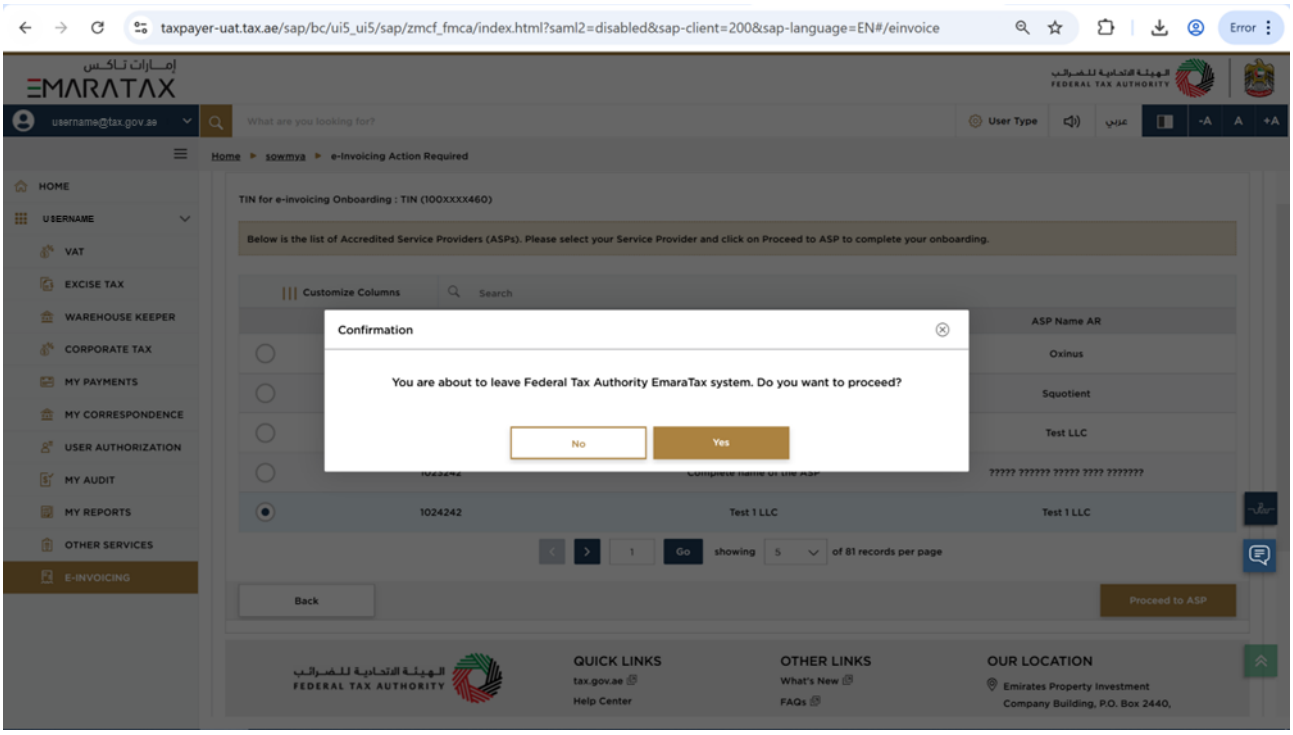
   i. This onboarding process should be initiated via the FTA's EmaraTax system by the Account admin of the Taxable Person.



ii. Click on the E-INVOICING tile from the menu options on the left side to view the list of ASPs:



iii. You can select the required ASP and click “Proceed to ASP”. You will then be redirected to that ASP’s portal and can continue the onboarding process. Note that each Person or Government Entity should onboard with only one ASP for all their Electronic Invoicing requirements.



c. If the Person is not already registered with the FTA or required to register with the FTA for tax purposes, they will need to generate a TIN through EmaraTax. For those Persons already registered with the FTA, the TIN is the first 10 digits of their TRN.

13.3. Step 3: Test Electronic Invoice exchange and reporting

a. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, will need to discuss and agree with their ASPs on how:

   i. The required data for each invoice to be issued to buyers will be shared with their ASP.

   ii. They will receive confirmation messages regarding the success or failure of the Electronic Invoice exchange and reporting.

   iii. They will receive Electronic Invoices that are issued to them by suppliers via their ASP.

b. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, may also need to integrate their applications with the ASP's systems which would need to be completed in time. They may also need to reconfigure any approval workflows to accommodate the Electronic Invoicing System, including setting up automated approval chains to speed up processing.

c. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, need to ensure they have enough time to sufficiently test the process of exchanging and reporting Electronic Invoices, including:

i. Transmitting the invoice data to the ASP.

ii. The ASP issuing the invoice to the buyer.

iii. The Person or Government Entity receiving the confirmation message from the ASP regarding the success or failure of the Electronic Invoice exchange.

iv. The Person or Government Entity receiving an Electronic Invoice from the ASP that has been issued by a supplier.

v. The ASP reporting the required Tax Data to the FTA.

vi. The Person or Government Entity receiving the confirmation message from the ASP regarding the success or failure of the Tax Data reporting.

13.4. Step 4: Go-live with Electronic Invoicing

a. Prior to going live, all Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, should establish a governance model with the ASP on how to resolve errors that may arise during and after the go-live.

b. Based on the established rollout plan, the Person or Government Entity should commence the exchange (sending and receiving) and reporting of Electronic Invoices.

c. All Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, should monitor for any issues arising during the exchange and reporting of Electronic Invoices and work with your ASP for the timely resolution.

13.5. Ongoing: Manage changes

a. After going live with Electronic Invoicing, the Person may undergo a change in their circumstances which could include registering for VAT, joining or leaving a Tax Group, deregistering from VAT, closing down the business, etc. In such cases, the Person should promptly update the ASP regarding any such changes in circumstances. This can be done via EmaraTax, using the reverification/offboarding processes, as applicable.

b. As per the established governance model, the Person or Government Entity subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, should work with the ASP to address any changes in legislation, technology, technical specifications, etc.

More details on Electronic Invoicing can be found on www.mof.gov.ae/eInvoicing.

14. Appendix 2 - Electronic Invoicing readiness checklist

The following Chapter provides a high-level indicative checklist for all Persons and Government Entities subject to MD No. 243 of 2025 and its amendments and MD No. 244 of 2025 and its amendments, to ensure their readiness for Electronic Invoicing. Each Persons or Government Entity may have additional activities that need to be considered to ensure their readiness for Electronic Invoicing.

Checklist item description	Done
Have you understood MD No. 243 of 2025 and its amendments as well as the changes in the VAT Decree-Law, VAT Executive Regulation and Tax Procedures Law arising from the introduction of Electronic Invoicing?	☐
Have you identified when you will be required to go-live with Electronic Invoicing as per the phased implementation plan explained in MD No. 244 of 2025 and its amendments?	☐
Have you reviewed the list of administrative penalties resulting from the violation of the legislation regulating the Electronic Invoicing System as outlined in CD No. 173 of 2026?	☐
Have you identified the data points required to be included in an Electronic Invoice and ensured your accounting/ERP systems can extract these data points?	☐
Have you selected an ASP and completed all contractual and commercial obligations with that ASP?	☐
Have you created a profile on your ASP's system?	☐
Have you registered with the FTA and created your TIN if you do not have one already?	☐
Have you completed your onboarding procedures with your ASP via EmaraTax?	☐
Have you got a Peppol participant identifier created via your ASP?	☐
Have you agreed with your ASP on how you will transmit invoice data to and from your ASP?	☐
Have you agreed with your ASP on how you will receive confirmation messages regarding the exchange and reporting of Electronic Invoices?	☐
Have you agreed with your ASP on data hosting and data security requirements?	☐

Checklist item description	Done
Have you completed the necessary changes to your ERP/accounting applications to generate the necessary data points?	☐
Have you completed any necessary integrations between your ERP/accounting applications and your ASP's systems to send and receive invoice data?	☐
Have you and your ASP completed testing of Electronic Invoice exchange and reporting?	☐
Have you established a governance model with the ASP on how to resolve errors?	☐
Are you ready to go-live with Electronic Invoicing as per the roll-out plan?	☐

15. Appendix 3 - Roles and responsibilities

The successful deployment and functioning of Electronic Invoicing within the UAE involve various parties, each with specific responsibilities.

15.1. Ministry of Finance

- **Regulatory framework:** Establish and enforce laws and regulations governing the Electronic Invoicing System.
- **Standardization:** Develop and maintain standards for Electronic Invoicing formats and protocols.
- **Accreditation of Service Providers:** Review and process applications, and grant/remove accreditation to qualified UAE Service Providers.
- **Monitoring and compliance:** Monitor compliance with Electronic Invoicing regulations and address non-compliance issues.
- **Coordinate with Peppol:** Work with Peppol on day-to-day operational matters like ensuring that ASPs adhere to the latest agreed Electronic Invoice requirements for the UAE.

15.2. Federal Tax Authority

- **Register Persons**: Facilitate the registration of Persons and the generation of their respective TINs and TRNs.
- **Support Service Provider accreditation**: Facilitate the testing of onboarding of Persons and Government Entities and Tax Data reporting.
- **Infrastructure support:** Facilitate the necessary technological infrastructure and platforms for Electronic Invoicing.
- **Facilitate onboarding**: Enable Persons and Government Entities to onboard with ASPs via EmaraTax.
- **Monitor and enhance Electronic Invoicing compliance**: Assist the Ministry with monitoring the compliance of both ASPs, as well as Persons and Government Entities with Electronic Invoicing requirements.
- **Data analysis**: Analyse Electronic Invoice data for tax audits and fraud detection.
- **Support services**: Provide support and guidance to Persons and Government Entities on Electronic Invoicing requirements.

15.3. Persons and Government Entities (suppliers and buyers)

- **Review Electronic Invoicing regulations and requirements**: Review the material published by the Ministry, including but not limited to the laws and regulations, Electronic Invoicing process, data requirements and roll-out plan.
- **Complete registration with the FTA**: Register with the FTA if not already done to obtain a TIN.

- **Verify all company details in EmaraTax:** Prior to onboarding with an ASP, ensure that all your company information within EmaraTax, e.g. your trade license, address, contact details, etc. are up to date.
- **Timely onboarding with an ASP**: Choose an ASP, complete contractual and commercial requirements and initiate onboarding procedures with the ASP via EmaraTax.
- **Complete testing with ASP:** Work with the ASP to decide on how invoice data will be transmitted to them, complete any customisations to in-house systems and begin testing the transmission of invoice data.
- **Ensure Tax data is shared with the FTA:** Ensure receipt of confirmation messages from the ASP for all required Tax data that must be reported to the FTA.
- **Ensure any changes in circumstances are updated with the ASP:** Ensure that any changes in circumstances like joining or leaving a Tax Group, or deregistration from a tax type, etc. are promptly updated with the ASP.
- **Ensure notifications are sent to stakeholders for any disruptions in service:** In case of any disruptions in service, ensure that the ASP notifies the FTA in a timely manner.
- **Ensure the exchange and reporting of any delayed Electronic Invoices upon resumption of service:** Once the disruption in service is resolved, ensure that the ASP exchanges and reports all pending Electronic Invoices in a timely manner.

15.4. Electronic Invoicing Service Providers

- **Ensure adherence to accreditation criteria:** Once accredited, the Service Provider must continue to meet all the requirements for accreditation including but not limited to their Peppol membership, company registration and product information security. The Service Provider should also ensure timely renewals of their accreditation.
- **Onboard Persons and Government Entities for Electronic Invoice exchange:** Help new clients onboard to the Peppol network, ensuring they understand the requirements and processes involved. Work with the Person or Government Entity on any integrations and customisations that may be required for their existing systems. Enable testing of Electronic Invoice exchange with onboarded Persons and Government Entities.
- **Provide Participant Identifier:** Upon completion of the onboarding process, the ASP shares the Participant Identifier with the Person or Government Entity.
- **Document exchange:** Facilitate the secure and efficient exchange of Electronic Invoices between suppliers and buyers.
- **Report Tax Data to the FTA:** Ensure that Tax Data for each individual Electronic Invoice is reported to the FTA in a timely manner.
- **Adhere to latest Electronic Invoice specifications:** Stay informed of any updates to the requirements and ensure that the latest version is always used when exchanging any Electronic Invoices.
- **Ensure compliance with Peppol standards:** Ensure that all electronic documents comply with Peppol specifications and standards.
- **Technical support:** Provide ongoing technical support to resolve any issues related to the Peppol services.

- **Security monitoring and data protection:** Implement robust security measures to protect sensitive data during transmission and storage, and ensure compliance with data protection regulations.
- **Notify stakeholders of any disruptions in service:** In case of any disruptions in service, inform:
  - The Person or Government Entity; and
  - The FTA by sending an email to e-invoicingsupport@tax.gov.ae.
- **Exchange and report any delayed Electronic Invoices upon resumption of service:** Once the disruption in service is resolved, exchange and report all pending Electronic Invoices in a timely manner.

15.5. Peppol

- **Standardization:** Provide a standardized framework for Electronic Invoicing, as well as the document formats for the exchange of Electronic Invoices.
- **Access points:** Define the requirements for access points that facilitate the exchange of Electronic Invoices between suppliers and buyers.
- **Testing and Certification:** Provide a framework for testing and certifying access points to ensure they meet Peppol standards.
- **Facilitate creation of Participant Identifiers:** Work with ASPs to help create Participant Identifiers (End Point IDs) for each Person or Government Entity that is onboarded onto the Electronic Invoicing System.
- **Monitor ASP compliance on the Peppol network:** Ensure that all ASPs are adhering to the latest Electronic Invoice specifications when exchanging any Electronic Invoices and that all electronic documents comply with Peppol specifications and standards.
- **Governance:** Maintain a governance structure to ensure that their standards remain relevant and effective.

16. Appendix 4 - Further guidance in respect of storage obligations under Article 11 of Ministerial Decision No. 243 of 2025 and its amendments

For the avoidance of doubt, and in accordance with Article 11 of the Ministerial Decision No. 243 of 2025 and its amendments on the Electronic Invoicing System, the following clarifications are provided regarding storage and retention obligations under the Electronic Invoicing System:

16.1. Obligation of the Person (as defined in the Ministerial Decision No. 243 of 2025 and its amendments)

- Any Person subject to the Electronic Invoicing System shall retain all Electronic Invoices, Electronic Credit Notes, and any associated data for the period prescribed in the Tax Procedures Law and shall ensure that such records are capable of being produced to the Authority upon request.

16.2. Role and Obligations of Accredited Service Providers (ASPs)

16.2.1. Transactional Logs and Technical Traceability

ASPs are required to retain transactional logs for each transaction. These logs are distinct from invoice content and must include technical records with unique transaction identifiers covering the end-to-end cycle of the Electronic Invoice exchange and reporting process, including transmission statuses and routing information.

Such technical transmission data forms part of the ASP's operational and compliance obligations and does not constitute business document data required to be retained by the Person under Article 11.

Such logging obligations shall be maintained:

- In accordance with the Service Provider Agreement with OpenPeppol; and
- As per the requirements specified in the UAE Peppol Authority Specific Requirements (PASR).

16.2.2. Delegation of Storage

The use of an ASP for storage purposes is permissible where agreed contractually. Such delegation by a Person, does not transfer the legal obligation under Article 11. The Person remains ultimately responsible for ensuring compliance with retention requirements.

- The ASP, subject to the terms of the commercial agreement with the Person, may store Electronic Invoices, Electronic Credit Notes and associated data on behalf of the Person.

16.2.3. Storage Location and Architecture

- There is no requirement mandating that storage must occur at a specific system layer, including C1/C4. Any compliant storage arrangement is acceptable, provided that:
    - Data is retained for the required period;
    - Data integrity and security are preserved; and
    - Records can be made available to the Authority upon request.

16.2.4. Transmission Confirmation

- ASPs must ensure that Persons are informed, on an event-driven basis and without undue delay, that Electronic Invoices / Tax Data Documents have been successfully transmitted to the Authority, supporting Person awareness and compliance.

17. Appendix 5 – Advance Payments and Retention Clarification

This Appendix provides clarification regarding advance payments and retention handling for PINT AE purposes.

17.1. Advance Payments

In cases where the businesses receive an advance payment, a tax invoice must be issued at the time of receipt.

Therefore, when issuing the final invoice, it should cover only the remaining balance amount, and not the full value, as a tax invoice has already been issued for the advance.

A reference to the original invoice may be included under IBT-25 and IBT-26 or a note can be provided in IBT-022.

The cbc:PrepaidAmount field may be left blank, since the subsequent invoice reflects only the outstanding amount and does not require any further adjustment of the advance.

For example, the total contract is for AED 10,000 plus VAT of 5 %. An advance payment is received for AED 1,000 AED + 5% VAT.

Advance payment received

Issue Tax Invoice (380)

```
 <Invoice>
  <cbc:ID>ADV-001</cbc:ID>
<cbc:IssueDate>2026-05-01>/cbc:IssueDate>
  <cbc:InvoiceTypeCode>380</cbc:InvoiceTypeCode>


  <cac:LegalMonetaryTotal>
    <cbc:LineExtensionAmount currencyID="AED">1000.00</cbc:LineExtensionAmount>
    <cbc:TaxExclusiveAmount currencyID="AED">1000.00</cbc:TaxExclusiveAmount>
    <cbc:TaxInclusiveAmount currencyID="AED">1050.00</cbc:TaxInclusiveAmount>
    <cbc:PayableAmount currencyID="AED">1050.00</cbc:PayableAmount>
  </cac:LegalMonetaryTotal>


  <cac:TaxTotal>
```

<cbc:TaxAmount currencyID="AED">50.00</cbc:TaxAmount>
</cac:TaxTotal>
</Invoice>

When issuing the final invoice

Issue Tax invoice (380)

<Invoice>
<cbc:ID>Final-001</cbc:ID>
<cbc:IssueDate>2026-05-21>/cbc:IssueDate>
<cbc:InvoiceTypeCode>380</cbc:InvoiceTypeCode>

cbc:Note>Final invoice for the net amount, reference to advance payment provided</cbc:Note>
<cac:BillingReference>
<cac:InvocieDocumentReference>
<cbc:ID>ADV-001</cbc:ID>
<cbc:IssueDate>2026-05-01</cbc:IssueDate>

<cac:LegalMonetaryTotal>
<cbc:LineExtensionAmount currencyID="AED">9000.00</cbc:LineExtensionAmount>
<cbc:TaxExclusiveAmount currencyID="AED">9000.00</cbc:TaxExclusiveAmount>
<cbc:TaxInclusiveAmount currencyID="AED">9450.00</cbc:TaxInclusiveAmount>
<cbc:PayableAmount currencyID="AED">9450.00</cbc:PayableAmount>
</cac:LegalMonetaryTotal>

<cac:TaxTotal>
<cbc:TaxAmount currencyID="AED">450.00</cbc:TaxAmount>
</cac:TaxTotal>
</Invoice>

17.1.1. Advance payments involving multiple invoice line items

Where an advance payment has been received and invoiced prior to the issuance of the final eInvoice, the final eInvoice shall reflect only the outstanding amount after deduction of the previously invoiced advance payment. The final eInvoice shall reference the eInvoice(s) issued for the advance payment.

Where the advance payment relates to specific invoice line items, the advance shall be allocated to the relevant line items. Where the advance payment relates to the transaction as a whole and is not attributable to specific line items, the buyer and seller may agree on the allocation of the advance payment between the relevant invoice line items.

The allocation shall be reasonable, consistently applied and supported by the underlying commercial arrangement. The allocation shall not alter the applicable VAT treatment of the underlying supplies.

A separate negative invoice line for an advance payment that has already been invoiced should not be used where the advance can be appropriately reflected through the invoice line amounts.

Example 1 – Advance allocated between lines with the same VAT treatment

Product A and Product B are both subject to 5% VAT. The total value of the transaction is AED 10,000 and an advance of AED 3,000 has previously been invoiced. The advance is not attributable to a specific product.

The buyer and seller may agree on the allocation of the AED 3,000 advance between the two lines. For example:

Invoice line	Original amount	Advance allocated	Final amount
Product A	AED 6,000	AED 2,000	AED 4,000
Product B	AED 4,000	AED 1,000	AED 3,000
Total	AED 10,000	AED 3,000	AED 7,000

A different reasonable allocation may be used, provided that the total advance deducted is AED 3,000 and the applicable VAT treatment remains unchanged.

Example 2 – Advance relating to supplies with different VAT treatments

Product A is subject to 5% VAT and Product B is subject to 0% VAT. An advance of AED 3,000 has previously been invoiced and is specifically attributable to Product A.

Invoice line	Original amount	VAT treatment	Advance allocated	Final amount
Product A	AED 6,000	5% VAT	AED 3,000	AED 3,000
Product B	AED 4,000	0% VAT	AED 0	AED 4,000
Total	AED 10,000		AED 3,000	AED 7,000

In this case, the advance should be allocated to Product A because it relates specifically to that supply. It should not be allocated arbitrarily between the two lines, as doing so could affect the VAT treatment of the underlying supplies.

17.2. Retention

In contracts where retention arrangements apply, Businesses may continue following their existing commercial and accounting practices, provided such practices remain compliant with the applicable VAT and Electronic Invoicing requirements.

One such acceptable practice is outlined below:

- An Electronic Invoice may be issued for the amount payable by the Supplier after adjusting for the retention amount.
- A separate Electronic Invoice may subsequently be issued for the retained amount at the point in time when the Buyer becomes liable to release and settle the retained amount.

Businesses should ensure that the relevant contractual arrangements and payment obligations are appropriately reflected in the corresponding Electronic Invoices issued.

18. Appendix 6 -Clarifications on Taxpayer Identification, Buyer Identification and Invoice Classification

18.1. TIN, TRN and Taxpayer Identification Clarification

18.1.1. Taxpayer Identification Requirements – TIN and VAT TRN

A Person within the scope of the UAE Electronic Invoicing System is identified using the Tax Identification Number (TIN) assigned by the Federal Tax Authority (FTA). The TIN is a unique 10-digit identifier used to identify UAE businesses for Electronic Invoicing purposes, including Persons registered for tax types other than VAT.

For Electronic Invoice exchange, the Seller's tax identification details shall be populated in accordance with the applicable PINT-AE specifications, as follows:

- VAT-Registered Seller: Where the Seller is registered for VAT, IBT-031 – Seller VAT Identifier shall be populated with the Seller's 15-digit VAT Tax Registration Number (TRN).
- Seller Not Registered for VAT: Where the Seller is not registered for VAT, IBT-032 – Seller Tax Registration Identifier shall be populated with the Seller's 10-digit TIN. A Corporate Tax TRN or any other tax-type-specific TRN shall not be populated in IBT-031.
- Mandatory Seller Identification: Either IBT-031 or IBT-032 shall be provided, as applicable, in accordance with PINT-AE rule IBR-177-AE and the relevant invoice type and validation rules.

These requirements also apply to Corporate Tax-registered Persons who are not registered for VAT. The absence of a VAT TRN does not remove the requirement to provide the applicable Seller tax identifier in an Electronic Invoice

18.1.2. Different TINs Across VAT and Corporate Tax Profiles

Where different TINs are reflected across the Corporate Tax and VAT profiles for the same entity, the Person may contact the Federal Tax Authority through its Paid Clarifications service or consult a qualified tax adviser for further guidance regarding the application of these requirements to its specific business scenario.

18.2. Buyer Identification Clarifications

18.2.1. Buyer Legal Registration Identifier (IBT-047)

Under the UAE PINT-AE Specification, IBT-047 – Buyer Legal Registration Identifier is conditional and is not mandatory by default.

It shall be provided when the applicable PINT-AE business rule conditions are met, irrespective of whether IBT-048 – Buyer VAT Identifier is available.

The applicable validation rules are IBR-149-AE and IBR-136-AE.

IBT-047 is mandatory where the Invoice Type Code is 480 – Out of Scope of VAT, or 81 – Credit Note related to goods or services, as prescribed by UAE-specific validation rule IBR-136-AE.

For Export transactions, IBT-047 remains conditional and shall be provided when the applicable PINT-AE business rule conditions are met, irrespective of whether IBT-046 – Buyer Identifier is available.

18.2.2. Buyer Identifier (IBT-046) for UAE Buyers

The field IBT-046 – Buyer Identifier is a standard PINT business term and is optional by default.

It becomes mandatory where the conditions defined under UAE-specific validation rule IBR-135-AE are satisfied, irrespective of the Buyer's VAT registration status.

The Buyer Identifier (IBT-046) shall contain an identifier selected from the ISO/IEC 6523 ICD list.

For a UAE Buyer, IBT-046 shall be populated with the UAE Tax Identification Number (TIN) where the applicable PINT-AE business rules require IBT-046.

IBT-046-1 – Scheme Identifier shall be populated with the applicable identifier scheme from the ISO/IEC 6523 ICD code list. For the UAE TIN, the scheme identifier is 0235.

IBT-046 and IBT-047 serve distinct identification purposes and shall not be treated as interchangeable fields. The value reported in IBT-046 is determined by the applicable identification scheme, whereas IBT-047 represents the Buyer's legal registration identifier.

18.2.3. Buyer Identifier for Foreign Buyers and Out-of-Scope Transactions

In accordance with the UAE PINT-AE specification, where the customer is located outside the UAE, is not subject to the UAE Electronic Invoicing framework and only has a foreign tax identifier, the following requirements apply:

- IBT-046 – Buyer Identifier: Populate with the customer's foreign Tax Identification Number (TIN) or equivalent identifier, where available. The identifier shall be selected from the ISO/IEC 6523 ICD list.
- IBT-048 – Buyer VAT Identifier: Populate only if the Buyer has a VAT identifier applicable to the transaction. Otherwise, this field shall not be populated.
- IBT-049 – Buyer Electronic Address: Populate with 9900000098, which identifies a Buyer that is not subject to the UAE Electronic Invoicing framework.
- BTAE-02 – Commercial Transaction Type: Populate with the commercial transaction type applicable to the transaction. Export (00000001) shall only be used where the transaction meets the conditions defined for an Export transaction under the UAE Electronic Invoicing specifications and shall not be selected solely because the Buyer is located outside the UAE

18.3. Invoice Type Codes, Out-of-Scope and Export transactions Clarification

18.3.1. Invoice Type Codes – 380 and 480

The intended distinction between Invoice Type Codes 380 and 480 under PINT-AE is based on the tax treatment of the invoice, rather than solely on the tax registration status of the issuing party or the supplier's establishment location.

Accordingly, Invoice Type Code 380 should be used for UAE Tax Invoices where VAT is applicable, while Invoice Type Code 480 – Out of Scope of VAT should only be used where the transaction relates exclusively to supplies that fall outside the scope of VAT under the VAT Decree-Law.

Invoice Type Code 480 should not be used for exempt or zero-rated supplies, as those transactions remain within the VAT framework and should be reflected through the applicable tax treatment fields rather than through the Invoice Type Code.

18.3.2. Out-of-Scope Transactions – Foreign Country Supplies

The Invoice Transaction Type Code (BTAE-02) shall be selected based on the applicable transaction classification prescribed by the UAE Electronic Invoicing framework.

For the scenario where goods are supplied from a location outside the UAE directly to another location outside the UAE without entering the UAE, the transaction is classified as an Out-of-Scope transaction under the UAE Electronic Invoicing framework.The above classification applies to the specific transaction scenario described and should not be interpreted as applying to all transactions that are outside the scope of UAE VAT.

18.3.3. Predefined Buyer Electronic Addresses – 9900000098 and 9900000099

The predefined endpoint values 0235:9900000098 and 0235:9900000099 are not intended to be interpreted independently.

They are prescribed as part of specific business scenarios defined in the UAE PINT-AE BIS and shall be used in conjunction with the applicable transaction classification and Buyer status.

- 0235:9900000098: Applies where the Buyer is not subject to the UAE Electronic Invoicing framework and does not have a Participant Identifier.

- 0235:9900000099: Applies where the transaction is classified as Export (BTAE-02 = 00000001) and the receiver is not registered in Peppol.

Accordingly, the predefined endpoint values shall be selected based on the complete business scenario prescribed by the specification and should not be interpreted or populated independently of the associated transaction type and Buyer participation status.