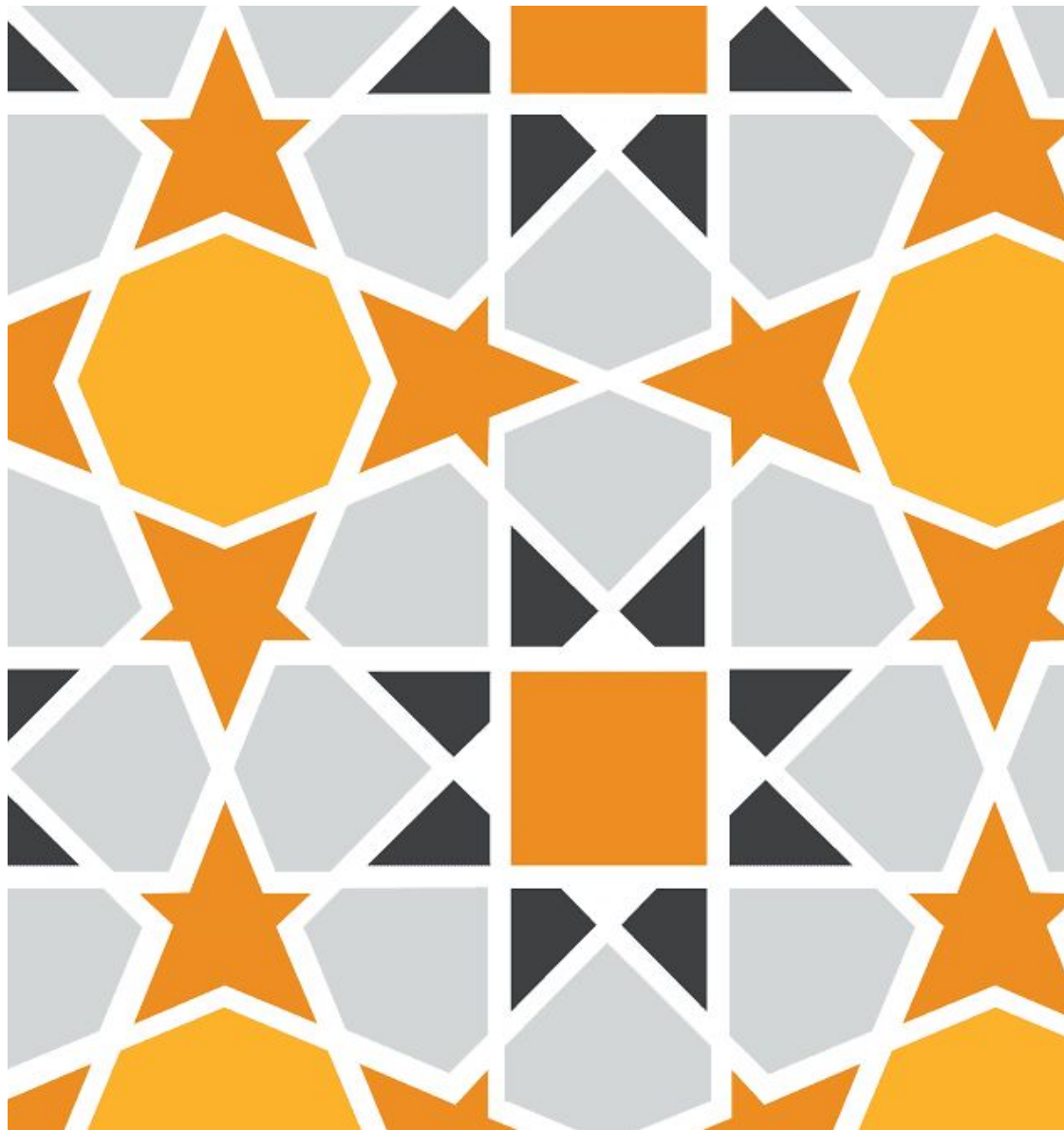


Saudi Arabia: Electronic Invoicing - Integration Phase - Fifth Group (Wave 5) Update

May 2023





In brief

On 26 May 2023, the Zakat, Tax and Customs Authority (ZATCA), announced the criteria for the Electronic invoicing (E-invoicing) integration phase Wave 5 participants.

As per the announcement, VAT registered taxpayers that have an annual taxable revenue (taxable supplies) exceeding SAR 100 million during the calendar year 2021 or 2022, are required to integrate their E-invoicing solutions with the FATOORA platform starting from 1 December 2023.

The official announcement can be accessed through this [link](#).

In detail

E-invoicing in KSA was introduced earlier in two phases: generation and integration phase. The Generation phase already went live in December 2021 whereas ZATCA decided to roll out the Integration phase in waves as follows:

- For taxpayers with taxable revenue exceeding SAR 3 billion, the go live date was 1 January 2023 (Wave 1)
- Taxpayers with taxable revenue of more than SAR 500 million, the go live date is 1 July 2023 (Wave 2)
- Taxpayers with taxable revenue exceeding SAR 250 million during calendar year 2021 or 2022, the go live date will start from 1 October 2023 (Wave 3)
- Taxpayers with taxable revenue exceeding SAR 150 million during calendar year 2021 or 2022, the go live date will start from 1 November 2023 (Wave 4)

Whereas for Wave 5 participants, as per the announcement made by ZATCA, taxpayers with taxable revenue exceeding SAR 100 million during calendar year 2021 or 2022 will be required to integrate their E-invoicing generation solution with the FATOORA platform starting from 1 December 2023.

It is expected that an official email will be sent by ZATCA to all taxpayers who have been selected as part of Wave 5 of the Integration phase of E-invoicing.



VAT registered taxpayers having taxable revenues exceeding SAR 100 million should integrate their E-invoicing solutions with the FATOORA platform starting 1 December 2023.



The takeaway

Taxpayers are recommended to assess their revenues for calendar year 2022 and 2021 to ensure readiness for the integration phase of E-invoicing and to implement the required changes. The integration phase entails a comprehensive review of ERP systems to ensure the smooth integration with the ZATCA system.


Taxpayers are recommended to conduct a gap analysis and take the required actions at the earliest.

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Let's talk

For a deeper discussion of how this issue might affect your business, please contact:

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Thank you

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