



UAE E-invoicing: Practical steps for businesses preparing for implementation

June 2026

A decorative graphic consisting of two overlapping orange parallelogram shapes. The first shape is on the left, and the second shape is on the right, overlapping the first one.

In brief

On 1 June 2026, the Ministry of Finance released Version 1.1 of the UAE Electronic Invoicing Guidelines.

While the updated guidelines do not change the core E-invoicing framework, scope, or implementation timelines, it provides further clarity on important practical areas as businesses move from planning to implementation. The overall approach to E-invoicing in the UAE remains consistent with the February 2026 release.

Key updates focus on data storage and retention responsibilities, Accredited Service Provider (ASP) obligations, and the treatment of specific invoicing scenarios including advance payments and retention arrangements.

The guidance is relevant for all businesses preparing their systems, processes, controls, and governance frameworks for E-invoicing implementation.

In detail

In practical terms, Version 1.1 introduces additional guidance in several areas that are relevant to E-invoicing readiness and compliance. These include the following:

- The guidelines now provide enhanced clarity on storage and retention obligations, including confirmation that the legal responsibility for retaining Electronic Invoices, Electronic Credit Notes, and associated data remains with the taxpayer.
- The update clarifies that where a business uses an ASP for storage or related services, this does not transfer the taxpayer's legal record retention obligation to the ASP.
- The guidelines provide further detail on the role of ASPs, particularly in relation to transactional logs, technical records, transmission status, routing information, and transaction identifiers.
- ASPs are expected to provide confirmation to the taxpayer, without undue delay, that Electronic Invoices or Tax Data Documents have been successfully transmitted to the Authority.
- The updated guidance confirms that there is no prescribed storage layer or location for E-invoicing records, provided that the records are retained for the required period, remain secure and complete, and can be made available to the FTA upon request.
- The guidelines include further clarification on advance payment scenarios, confirming that a tax invoice should be issued when an advance payment is received.
- The updated guidance also addresses retention arrangements, allowing businesses to continue with existing commercial and accounting practices, provided that VAT and E-invoicing requirements are met.

These updates are intended to provide clearer direction for businesses and ASPs as E-invoicing implementation planning becomes more operational and system-focused.

Area	What the guide clarifies
Storage and retention	Taxpayers shall remain responsible for retaining Electronic Invoices, Electronic Credit Notes, and associated data in line with applicable tax record retention requirements.
Use of ASPs for storage	Businesses may contract with an ASP to support storage, but the legal retention obligation remains with the owner of the records.
ASP transaction logs	ASPs are expected to retain transactional logs and technical records, including transaction identifiers, routing information, and transmission status.
Transmission confirmations	ASPs should inform taxpayers, on an event-driven basis and without undue delay, when Electronic Invoices or Tax Data Documents have been successfully transmitted to the Authority.
Storage architecture	The guidelines confirm that storage is not required to sit at a specific system layer, provided relevant compliance requirements are met.
Advance payments	A tax invoice must be issued when an advance payment is received. The final invoice should cover only the remaining balance and may reference the original advance invoice.
Retention arrangements	Businesses may issue an invoice for the amount payable after adjusting for retention, with a separate invoice issued when the retained amount becomes payable.
Record-keeping obligation	The guidelines clarify that taxpayers remain responsible for retaining Electronic Invoices, Electronic Credit Notes, and associated data in line with applicable tax record retention requirements.

Key takeaways and PwC's observations

In practice, businesses should revisit their E-invoicing readiness plans, ASP selection criteria, data storage models, invoice lifecycle controls, advance payment processes, and retention billing procedures in light of the additional guidance.

The updates reinforce the need to move from high-level readiness planning to the operational detail required for implementation. This includes data governance, auditability, system integration, and record accessibility.

For the full text of the updated guidelines, businesses should refer to the Ministry of Finance publication: UAE Electronic Invoicing Guidelines, Version 1.1, dated 1 June 2026 available [here](#).

Contact us

As the UAE E-invoicing regime moves closer to implementation, businesses should assess whether their systems, processes, and governance frameworks are ready for the next phase.

PwC's Middle East Tax team can help businesses prepare for the next phase of UAE E-invoicing, from readiness assessments and ASP selection to ERP and process reviews, governance frameworks, testing activities, and preparation for mandatory E-invoicing compliance.

For a deeper discussion, or if you have any questions, please contact the colleagues below or visit our website.



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