

Here is an extensive rationalization of the critical aspect components that must be covered in a tax bill:

E-Invoice Format for Tax Invoice

The Tax Invoice layout is vital for Business-to-Business (B2B) and Business-to-Government (B2G) transactions in Saudi Arabia. This layout is ruled through guidelines mounted by way of the usage of the Zakat, Tax and Customs Authority (ZATCA) to make certain compliance with the Kingdom's VAT laws. Here is an extensive rationalization of the critical aspect components that must be covered in a tax bill:

Tax Invoice

Ali Enterprises VAT No. : 123456789012345		Invoice No. 1 e-Inv No.: 02032211043211		Dated 1-Jan-22		
Consignee Abdul Traders		Delivery Note		Mode/Terms of Payment		
		Supplier's Ref.		Other Reference(s)		
		Buyer's Order No.		Dated		
		Despatch Document No.		Delivery Note Date		
		Despatched through		Destination		
Buyer Abdul Traders		Terms of Delivery				
Country : Saudi Arabia VAT No. : 098765432123456 Place of supply : Saudi Arabia						
Sl No.	Description of Goods	Quantity	Rate	per	VAT %	Amount
1	Iron Roads	20 Nos	250.00	Nos	15 %	5,000.00
Amount Chargeable (in words) Saudi Arabian Riyal Five Thousand Seven Hundred Fifty Only (SAR 5,750.00)		Taxable Value 5,000.00 Value Added Tax 15 % 750.00 Invoice Total 5,750.00				
VAT Amount (in words) Saudi Arabian Riyal Seven Hundred Fifty Only (SAR 750.00)		E. & O.E				
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.						
	Customer's Seal and Signature		for Ali Enterprises			
Authorised Signatory						

This is a Computer Generated Invoice

A sample tax e-invoice format

1. **Seller and Buyer Information:** The invoice must display the names, addresses, and VAT registration numbers of the seller and the customer. This statistic is critical for identifying the parties concerned in the transaction and for tax reporting capabilities.
2. **Invoice Issuance Date:** It is essential to include the date while the invoice is issued. This enables to monitor payment timelines and ensuring compliance with tax pointers.
3. **Description of Goods/Services:** A special description of the goods or offerings being billed must be blanketed. This not only clarifies what is being charged however also aids in stock management and monetary reporting.
4. **Total Amount Due, Including VAT:** The bill has to sincerely use a the overall quantity payable, which incorporates any relevant VAT. This transparency is crucial for each occasion to recognize their economic duties.
5. **Unique Invoice Identifier (UUID):** Each tax bill should have a unique identifier, referred to as a Universally Unique Identifier (UUID). This ensures that every invoice can be tracked for my part within the tax machine.
6. **QR Code:** While non-obligatory for B2B transactions, a QR code is mandatory for Business-to-Consumer (B2C) transactions. The QR code serves as a gadget-readable representation of key invoice information, facilitating brief validation and enhancing protection.

E-Invoice format for simplified tax invoice

If you sell to individual customers in Saudi Arabia, you can issue a simplified invoice. Also, if the supply value does not exceed SAR 1,000, a simplified tax invoice can be issued

For sales to individual customers or when the supply value does not exceed **SAR 1,000**, businesses can issue a simplified tax invoice. The requirements for simplified e-invoices include:

Invoice No. 2
e-Inv No.: 02032211102312
Ref. No.

Dated 1-Jan-22

Ali Enterprises
VAT No. : 123456789012345

Tax Invoice

Party : **Cash**

Country : Saudi Arabia
Place of supply : Saudi Arabia

Sl.No	Description of Goods	Quantity	Rate	per	Amount	VAT %
1	Iron Roads	2 Nos	250.00	Nos	500.00	15 %
		VAT			75.00	
		Total	2 Nos		SAR 575.00	

Amount Chargeable (in words)

E. & O.E

Saudi Arabian Riyal Five Hundred Seventy Five Only (SAR 575.00)

VAT Amount (in words)

Saudi Arabian Riyal Seventy Five Only (SAR 75.00)

VAT %	Assesable Value	Tax Amount
15 %	500.00	75.00
<i>Total</i>	500.00	75.00

Declaration

We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.



Customer's Seal and Signature

for Ali Enterprises

Authorised Signatory

This is a Computer Generated Invoice

A sample simplified e-invoice format

Here are the mandatory fields for an E-invoice

1. **Invoice Type:** Need to mention that it is a simplified tax invoice in its document title.
2. **Invoice Identifiers:** Identifiers that are distinct to each simplified e-invoice, such as Invoice Reference Number (IRN), Universally Unique Invoice Identifier (UUID), etc.
3. **Date:** Needs to contain the date and time of its generation.
4. **Seller Identification:** A simplified e-invoice needs to contain fields that assist in seller identification, such as name, address, VAT registration number, etc.
5. **Buyer Identification:** Needs to contain details of the buyer to whom the invoice has been issued, such as name, buyer ID etc.
Note: for simplified e-invoice, ZATCA only requires the addition of the buyer's name.
6. **Line Items:** This field states the description of goods and services including unit price, quantity, discounts, VAT total, tax code and subtotals.
7. **Totals:** The invoice needs to state the total amount to be charged and the totals for discounts and VATs.
8. **Payment Terms:** This field should specify if the mode of payment
9. **Notes:** These are inserted in every invoice to capture fields other than those covered above.
10. **Cryptographic Stamp:** Added on e-invoice to ensure authenticity of origin and integrity of the content.

Technical Specifications

The technical specifications for e-invoices in Saudi Arabia include:

1. **Formats:** e-invoices must be generated in XML or PDF/A-3 formats with embedded XML.
2. **Security:** Invoices must include digital signatures, unique identifiers (UUID), and hash generation to ensure integrity.
3. **Internet Connectivity:** The invoicing system must be capable of connecting to ZATCA's API for real-time validation.

Difference between tax and simplified e-invoice formats

So, if you are thinking about which e-invoice format your business should issue, you just need to identify the business model. This will help to know if you need to issue a tax e-invoice or a simplified tax e-invoice. To make it easy, we have summarized the differences in the table below.

Details	Tax E-invoice	Simplified Tax E-invoice
Buyer Type	Business or Company	Individual Customer
Invoice Requirements	Same requirements of regular tax invoices	Same requirements of regular simplified tax invoices
Buyer VAT Number	If registered under VAT	Not Applicable
QR Code	Optional	Mandatory
Main Requirements of any e-invoice type	Seller's name	

VAT registration number of the seller
Timestamp of the Electronic Invoice or Credit/Debit Note (date and time)
VAT total
Electronic Invoice or Credit/Debit Note total (with VAT)

How can we help you in e-invoicing?

We use universal software recognized by ZATCA as compliant e-invoicing (FATOORA) software, designed to simplify the entire process — from generating e-invoices instantly to securely storing them, while offering comprehensive reporting features to track all transactions seamlessly.

Key E-Invoicing Features:

- **Seamless E-Invoice Generation:** Create e-invoices effortlessly during invoice recording or from reports anytime.
- **Support for Multiple Document Types:** Handle tax invoices, simplified invoices, debit notes, and credit notes with ease.
- **Automated Archiving:** Invoice details are automatically saved in XML format to meet compliance requirements.
- **Tamper-Proof Documentation:** Prevent further edits once an invoice is recorded, ensuring data security and integrity.
- **Enhanced Reporting:** Access exclusive e-invoice reports and event logs for complete visibility into invoicing activities.

In conclusion, as Saudi Arabia continues to embrace digital transformation with mandatory e-invoicing, understanding its formats and benefits becomes essential for businesses seeking compliance and growth. We help companies achieve both regulatory compliance and improved efficiency in their invoicing processes.