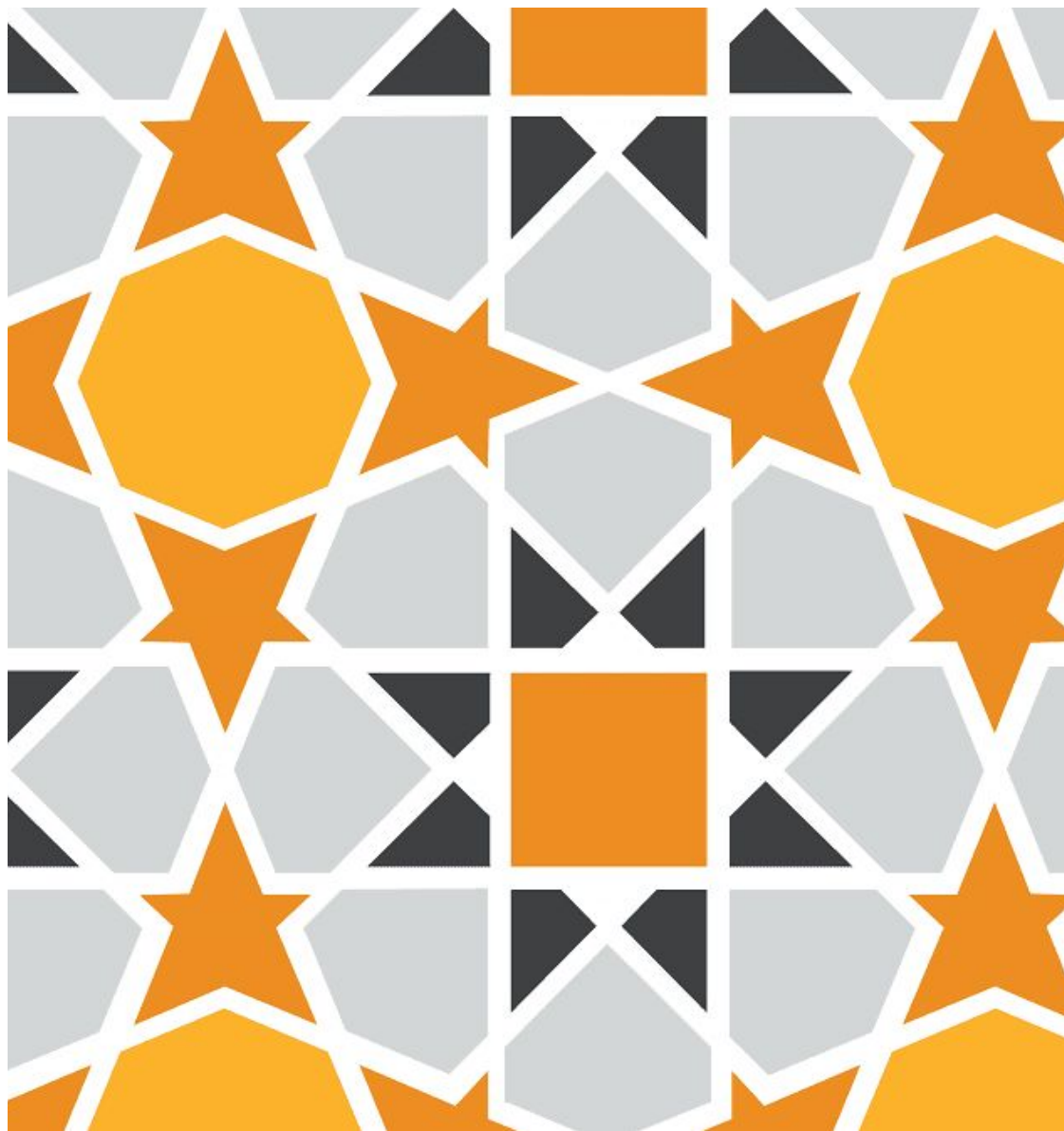


Saudi Arabia: Electronic Invoicing - Integration Phase - Third Group (Wave 3) Updates

March 2023





In brief

On 24 March 2023, the Zakat, Tax and Customs Authority (ZATCA), announced the criteria for the Electronic invoicing (E-invoicing) integration phase Wave 3 participants.

As per the announcement, VAT registered taxpayers that have an annual taxable revenue (taxable supplies) exceeding SAR 250 million during the calendar year 2022 or 2021, are required to integrate their E-invoicing solutions with the FATOORA platform starting from 1 October 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.

For taxpayers with taxable revenue exceeding SAR 3 billion, the go live date was 1 January 2023 (Wave 1) whereas for taxpayers with taxable revenue more than SAR 500 million, the go live date is 1 July 2023 (Wave 2).

As per the announcement made by ZATCA, taxpayers with taxable revenue exceeding SAR 250 million during calendar year 2021 or 2022, will be considered part of Wave 3 and therefore will be required to integrate their E-invoicing generation solution with the FATOORA platform starting from 1 October 2023.

It is expected that an official email will be sent by ZATCA to all taxpayers who have been selected as part of Wave 3 of the Integration phase of E-invoicing.

If you require further information on the E-invoicing phases, please feel free to reach out to one of our PwC colleagues mentioned on the next page.



VAT registered taxpayers having taxable revenues exceeding SAR 250 million should integrate their E-invoicing solutions with the FATOORA platform starting 1 October 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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