

## EUROPEAN ELECTRONIC E-INVOICING PDF COMPLIANCE : Legal requirements per country

### 1. UNITED KINGDOM

UK is prepared to accept electronic invoicing where the authenticity of the origin and integrity of the invoice data are guaranteed by means other than the use of electronic signatures, for supplies made in the UK, as long as you are able to impose a satisfactory level of control over the authenticity and integrity of your invoice data.

Provided that the relevant invoice messages used contain the required data, UK will accept a PDF electronic invoice.

You must transmit your invoices in a secure environment, using industry-accepted security technologies on the:

- messages themselves; or
- communication links/networks over which the invoices are transferred.

Examples of these include http-s, SSL, S-MIME and FTP.

Alternatively, you may use other procedural means that offer similar assurances. You must be able to ensure the authenticity and integrity of your invoice data during the transfer between trading partners.

If you are issuing electronic invoices to other member states then those invoices must meet the UK conditions for electronic invoicing.

Conditions for electronic storage:

You must be able to ensure the authenticity and integrity of your invoice data during and after application processing.

You must:

- be able to guarantee the authenticity and the integrity of the content of your source documents throughout the storage period by electronic or procedural means, and store all the data related to your invoices; and
- store your invoices in a readable format. You must readily be able to recreate the invoice information as at the time of its original transmission.

The same rules apply to storage of electronic invoices as to paper invoices so you must normally keep copies of all the invoices you issue and all the invoices you receive for 6 years.

You may store electronic invoices in another EU Member State but you must still be able to produce any records we require from you in a readable form, and within a reasonable period of time, at a mutually agreed place.

It is recommended that you maintain on-line access to your records if you store them outside the UK.

You may store electronic invoices outside the European Union provided that the country where you are storing your invoices respects European Data Protection principles regarding the storage of personal data, names/addresses etc); and you can produce any required records in a readable form, and within a reasonable period of time, at a mutually agreed place.

If you receive electronic invoices from your suppliers, you must meet the same conditions for storing them as are set out for suppliers. This also applies to scanned images of paper documents used as stored electronic records for VAT purposes.

### **Legal aspects**

The law doesn't compel you to use electronic invoicing. It's up to you whether you issue paper or electronic VAT invoices.

In the UK you cannot use paper and electronic VAT invoicing at the same time. If you were to raise both electronic and paper invoices for the same supplies, or with the same trading partners, you would be running what is known as a dual system. This is only allowed when running system trials.

Electronic invoices must contain the same information as paper invoices.

If you are sending batches of invoices to the same customer, you may record details that are common to the individual invoices once per computer file rather than once per invoice.

You may also process credit notes but if you issue invoices to persons in another Member State, documents that amend those invoices, for example credit notes or debit notes, must contain the same information that is required on an invoice.

You may express the invoice amounts in any currency but you must express the total amount of VAT due in sterling where there is a positive rate of VAT due in the UK.

## **2. AUSTRIA**

E-Invoicing is regulated in § 12/2 of the VAT-Law stating that the recipient must agree to the electronic form of transmission and that authenticity and integrity is provided. This can until now be done by using EDI or advanced electronic signatures. Until the end of 2009 fax-transmission is also valid. Further details are regulated in a decree of the Ministry of Finance dated 23.12.2003 and in a further decree from 13.7.2005.

## **3. BELGIUM**

Most of the large firms in Belgium have many years ago implemented electronic invoicing as part of the logistic process with their partners. The exchanging of invoices was promoted by some of the main industry sectors, such as the automotive-, the electronic-, the chemical industry and the retail sector, towards their first tier suppliers. This exchange was set-up using Electronic data exchange and proprietary invoice formats, specific industry formats or later the international UN/EDIFACT standard.

Due to the advantages of e-Invoicing, the emerging Internet technologies and XML (extensible Markup Language), the large firms have taken over the last years, initiative to set-up e-Invoicing projects with SME's acting as customer or supplier. Beside the initiatives taken by large firms a number of Billing services providers in Belgium provide to a large number of companies a platform allowing to exchange electronic invoicing with their customers.

## **4. FINLAND**

Legislation in Scandinavia imposes no hindrances on electronic invoicing. As a transmitter of electronic invoices, the e-Invoicing service provider corresponds to the Post Office so e-Invoicing data enjoys the same privacy and protection as conventional mail. The Accounting Act in Nordic countries permits the use of electronic archives for both vouchers and accounts ledgers. Many Nordic companies already use electronic archives. The EU-legislation also supports electronic invoicing.

## **5. FRANCE**

Electronic invoicing is used by less than one third of companies in France. However it is expected that in 2008 six companies over 10 should use an e-invoicing system (source : [www.indexel.net](http://www.indexel.net)).

In France, e-invoicing is regulated by article 17 of the law 2002-1576 dated 30th December 2002, Decree no. 2003-659 and the July 18, 2003 Ministerial Order and commented in the tax instruction dated August 7th 2003 3 CA 136. This regulation provides for the ability to send invoices electronically according to the following secured norm:

- Electronic signature (Article 289 V of the FTC)

## **6. GERMANY**

Transmission of an invoice in compliance with the legal requirements

The German Turnover Act considers the sending of a paper invoice to be the norm, and therefore requires the invoice recipient's consent when alternative methods of transmission are employed (Article 14 (1) (2)). Nonetheless, no particular form is required for this, and consent can be given by simply accepting the electronic invoice without comment. Acceptance without comment is considered given if the recipient books or pays the invoice. In other words, when invoice recipients do not want to accept invoices in electronic form, they must express their refusal or reject the invoice and demand a paper invoice.

Forms of electronic transmission must guarantee the authenticity of the invoice's origin and the integrity of the invoice's content (Article 14 (3) of the German Turnover Tax Act). This means that it must be possible to validate the identity of the invoice originator and verify that there has been no tampering with the invoice content.

To achieve this, legislators and tax administrations have laid out detailed requirements. These include, for instance, the requirement that invoices that are transmitted electronically must bear at least a qualified electronic signature in accordance with Article 2 (3) of the German Digital Signatures Act.

## **7. ITALY**

Italian legislation requires compulsory digital signature for the legal validity of e-invoices. As per the latest in Italian legislation (Legge no. 244 of 24 December 2007 – Finance Act 2008). Currently the Italian Government has made electronic billing compulsory for operators that have business relations with them. In particular, Public Administrations are prevented from accepting other types of billing, besides electronic ones, and from making any payment before having received an invoice in electronic form.

This measure is in line with the strategic objectives of PP.AA, namely to accelerate its path of renewal and promote the dissemination of information tools to support the fight against tax evasion.

## **8. NORWAY**

E-invoice in the sense of using EDIFACT is pretty much in use in Norway. It has been also an increase of using XML-based e-Invoice, but based on different "standards". Use of scanning is also common. - This however counts for the b2b-market. Norway is very advanced in using e-Invoice in the b2c-market.

In 2005 it was established a private initiative to create a standard for all private industry. This standard is called e2b, and has started to be widespread used in both private and public sector. E2b is also Norway's contribution to the NESUBL-project. It has been established a roaming agreement between Vans.

Norway participates in the NESUBL-project. A work group has recommended use of NESUBL from private sector to public sector from 2012. e2b-format will be mapped to NESUBL-format during this process (e2b is an abstract of UBL 2.0 basic e-Invoice)

### **Legal aspects**

Norway is planning to introduce a special law from 210 to have NESUBL mandatory for all invoices to governmental sector (not the municipalities).

## **9. POLAND**

Invoices can be sent by electronic means provided that the authenticity of the origin and the integrity of their content are guaranteed by the following method (§ 4 of the Regulation):

By means of a secure (not an advanced one – the Polish electronic signatures law defines no advanced electronic signature) electronic signature within the meaning of point (3) of Article 2 of the Electronic signatures Law of the 18th of September 1997 (Official Journal 2001 No. 130, item 1450) verified by an qualified certificate

The invoices sent in electronic form shall be stored by the issuer and by the recipient in electronic form in original form in which they were sent in a way that the authenticity of the origin of the invoices and the integrity of their content, as well their legibility is provided (§ 6.5 of the Regulation).

## **10. SPAIN**

The main aspects regarding electronic invoices, i.e. authenticity & integrity, issuance, storage, service providers, etc. are laid down in Order EHA 962/2007 of the Ministry of Economy and Finance.

Section 7 of Order EHA/962/2007, of 10 April, deals with certified digitization of invoices, substitute documents and any other documents, establishing that the invoices, substitute documents and other documents thus digitized enable the taxpayer to discard the hardcopy originals from which said digitization's were made.

Requires certified digitization software, but also that the digitization process guarantees a faithful and entire image of each document signed with the electronic signature and

that the digitization is organized in a document database with certain guarantees, both in terms of the database itself and in terms of its conservation.

## **11. SWEDEN**

In summary, no technical measures are mandatory for e-invoicing, as long as the invoice remains unchanged; the interpretations allow e.g. conversions as long as the contents remain the same. Already before the transposition of the VAT Directive (2001/115/EC) paper based and electronic invoices had to be correct and unaltered in order to be valid proof for the statement of account and the tax declaration. No specific technical solutions have been required in order to achieve this purpose.

In relation to archiving of electronic invoices an amendment was made to the Tax Payment Act, according to which the invoices must be kept unaltered and readable during the entire storage period.

The Swedish Tax Agency (Skatteverket) may issue regulations with regards to the control of the electronic transfer of invoices. So far no such regulations have been issued by the Tax Agency. Relevant Swedish VAT legislation is the Book-keeping Act (SFS 1999:1078, bokföringslag), the VAT Act (SFS 1994:200, mervärdesskattelag) and the Tax Payment Act (SFS 1997:483, skattebetalningslag).

## **12. SWITZERLAND**

E-Invoicing is regulated in the Ordinance of the Federal Department of Finance on Electronic Data and Information (OEIDI) since 30 January 2002.

It states that e-invoices have to be signed with an advanced electronic signature to secure authenticity and integrity. The issuance of an electronic invoice can be delegated to a third party. In terms of verifiability and storage of e-invoices the ordinance is referring to the Ordinance of 24 April 2002 on Accounting Records.

**All the above extracted from : CEN / ISSS e-Invoice Gateway : country related information. <http://www.e-invoice-gateway.net/knowledgebase/countryrelated>**