

Re : Updates in respect of E-Invoicing [Guideline Version 2.2] and [Specific Guideline Version 2.0]

Dear valued customers,

1. To support the growth of the digital economy, the Government intends to implement e-invoice in stages to enhance the efficiency of Malaysia's tax administration management.
2. On 9th February 2024, the Inland Revenue Board of Malaysia (IRBM) has updated the E-Invoice Guideline, releasing e-Invoice Guideline (Version 2.2) & e-Invoice Specific Guideline (Version 2.0).
3. Under the e-Invoicing Guideline Version 2.2, IRBM has included the following changes into the guideline: -

3.1 Mandatory e-Invoice Implementation Timeline

	Targeted Taxpayers	Implementation
1.	Taxpayers with an annual turnover or revenue more than RM 100 million	1 August 2024
2.	Taxpayers with an annual turnover or revenue of more than RM25 million and up to RM100 million	1 January 2025
3.	All other taxpayers	1 July 2025

3.2 Person Exempted from Issuing e-Invoice.

- a. Individuals who are not conducting business have been added to the exempted person list.

3.3 Income / Expenses exempted from e-Invoice

- b. To ease the adoption of e-invoice, an e-invoice (including self-billed e-Invoice) is not required for employment income, pension, alimony, distribution of dividend (specific circumstance), Zakat and scholarship.

3.4 Rejection & Cancellation

- a. Buyers to raise rejection request and/or Supplier to cancel the e-invoice within 72-hour.

3.5 E-invoice model via API

- a. API integration and configuration guide along with the API endpoints are included in SDK.
- b. There are 55 data fields (grouped in 8 categories) that are required to issue an e-invoice.

4. IRBM has also provide further guidance on specific areas of e-Invoice, relating to the following areas: -

4.1 Transactions with Buyers

- a. To reduce the burden to both Supplier & Buyers, Supplier is allowed to consolidate the transactions with buyers (who do not require an e-Invoice) into a consolidated e-Invoice monthly.
- b. Consolidated Invoices are not allowed for: -
 - i. Automotive (*i.e. sales of motor vehicle*)
 - ii. Aviation (*i.e. sales of flight ticket, private charter*)
 - iii. Construction
 - iv. Wholesalers & retailers of construction materials
 - v. Licensed betting & gaming (*i.e. payout to winner for all betting and gaming activities*)
 - vi. Payment to agent/dealers/distributor

The luxury goods & jewelry industry is currently being put on hold until such a time when the details are made available.

4.2 Statement or Bills on Periodic Basis

- a. IRBM has provide the following concession to Malaysian individual Buyer, to provide either: -
 - i. TIN (Tax Identification Number)
 - ii. MyKad / MyTentera ID or
 - iii. Both TIN & Mykad / MyTentera ID.
- b. For non-Malaysian individuals to provide either: -
 - i. TIN or
 - ii. Both TIN & Passport No. / MyPR / MyKas No.

4.3 Employment Perquisites & Benefits

- a. IRBM has further clarified that business is allowed to proceed with the use of e-Invoice in the employee's name or existing documents issued by Supplier to support the transactions for tax purposes.

4.4 Certain Expenses incurred by Employee on behalf of the Employer.

- a. IRBM has further clarified that business is allowed to proceed with the use of e-Invoice in the employee's name or existing documents issued by Supplier to support the transactions for tax purposes.

4.5 Self-Billed e-Invoice

- a. Individuals who are not conducting business have been added to the list of transaction where self-billed is allowed.
- b. Buyer is required to issue self-billed e-Invoice and submit to IRBM for validation.

4.6 Cross Border Transactions

- a. For importation of goods, Malaysian Purchaser should issue a self-billed e-invoice upon obtaining custom clearance.

- b. Self-billed e-Invoice should be issued (whichever earlier): -
 - i. Upon payment made by Malaysian Purchaser; or
 - ii. Upon receipt of invoice from foreign supplier.

4.7 Profit Distribution

a. Domestics

- i. Taxpayers that are not entitled to deduct tax under Section 108 ITA 1967 as well as taxpayers who are listed on Bursa Malaysia will be exempted from issuing self-billed e-Invoice.
- ii. Those not mentioned above are required to issue self-billed e-invoice.

b. Foreign Profit

- i. Issuance of e-Invoice is required to be done by recipient for any foreign profits / dividends as a proof of income.

4.8 Foreign Income

- a. Malaysian Seller is required to issue e-Invoice to Foreign Purchaser.
- b. As Foreign Purchaser is not part of MyInvois System, there would not be any request for rejection from the Foreign Purchaser. Any adjustment should be made by issuance of credit note/ debit note/ refund note e-Invoice by Malaysian Seller.

4.9 Currency Exchange Rate

- a. Supplier may choose from either of the following methods for the purpose of e-invoice issuance:
 - i. In the relevant foreign currency and applicable of currency exchange rate, without the RM-equivalent.
 - ii. In the relevant foreign currency and applicable of RM -equivalent, without the currency exchange rate. Or
 - iii. In the relevant foreign currency, the applicable RM-equivalent along with the currency exchange rate.

4.10 E-Commerce

- a. E-Commerce platform provider is responsible for the issuance of:
 - i. E-Invoice (upon Purchase's request) or
 - ii. Receipt (if Purchaser did not request for e-Invoice)

5. We attached herewith the related documents for your reference:

- i. [E-Invoice Guideline \(Version 2.2\)](#)
- ii. [E-Invoice Specific Guideline \(Version 2.0\)](#)

Should you require any clarification, please do not hesitate to contact us.

Thank you.

Regards,
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