Guidelines update

UAE Electronic Invoicing New Guidelines

What has changed in version 2.0?

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Who must use E-invoicing?

EVERYONE IN BUSINESS

Mandatory for any Person conducting Business in the UAE, whatever their VAT status, unless excluded.

TRANSACTIONS IN SCOPE

B2B, B2G, G2B and G2G. Supplies to consumers are out of scope

YOUR IDENTIFIER

Participant ID is 0235 plus your 10-digit TIN, the first 10 digits of your own TRN.

How An E-invoice travels

Corner 1

Supplier

Corner 2

Supplier's ASP

Corner 3

Buyer's ASP

Corner 4

Buyer

Corner 5

Federal Tax Authority

Invoices are exchanged as XML in the Peppol PINT-AE format, with no QR code. Both ASPs report tax data to the FTA.

Rollout Timeline

Pilot and voluntary

From 1 Jul 2026.No penalties until your mandatory date.

Revenue ≥ AED 50M

Appoint an ASP by 31 Oct 2026. Go live 1 Jan 2027.

Revenue < AED 50M

Appoint an ASP by 31 Mar 2027. Go live 1 Jul 2027.

Government entities

Appoint an ASP by 31 Mar 2027. Go live 1 Oct 2027.

Transactions within a VAT group get a 24-month grace period from 1 Jan 2027.

Exclusions And Special Cases

Excluded

- Sovereign government activities not in competition with the private sector
- Certain international airline passenger services
- VAT-exempt financial services

Predefined buyer endpoints

- 0235:9900000098: buyer not on the system
- 0235:9900000099: exports, buyer not in Peppol
- 0235:9900000097: deemed supplies

Newly Established Business

Persons newly established and within the scope of Electronic Invoicing are required to appoint an Accredited Service Provider (ASP) and complete the onboarding process before issuing their first invoice, irrespective of their date of establishment. Any invoice issued must be an Electronic Invoice that complies with the applicable Electronic Invoicing requirements.

Advance Payments Involving Multiple Invoice Line Items

Where an advance payment has already been invoiced, the final eInvoice should reflect only the outstanding balance and reference the advance invoice(s). The advance should be allocated to relevant line items or reasonably distributed, without changing the applicable VAT treatment. Separate negative invoice lines for previously invoiced advances should be avoided.

Healthcare Services

The MoF clarified that E-Invoicing applicability depends on the actual recipient of healthcare services, not the payment source. Services provided to individual patients remain outside the mandatory B2B e-Invoicing scope, even if paid by insurers. However, where the insurer is the actual recipient of a separate supply, the transaction is treated as B2B and falls within the E-Invoicing scope. Split payments do not change this assessment.

Getting Ready

1. Understand

Review the rules and find the gaps in your ERP.

2. Select an ASP

Select and Contract with an ASP, then complete the required onboard through Emara Tax.

3. Test

Test exchange and tax reporting end to end.

4. Go live

Agree error handling and keep the ASP updated.

Record retention requirements and related penalties are subject to applicable UAE Tax Laws and regulations

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