

Summary of Responses – Public Consultation on the Draft e-Tax Guide “Adopting InvoiceNow Requirement for GST-registered Businesses”

IRAS conducted a Public Consultation exercise between 12 Jun to 25 Jul 2024 to seek feedback on its draft e-Tax Guide “Adopting InvoiceNow Requirement for GST-registered Businesses”.

During the consultation period, we received more than 400 comments from 60 respondents pertaining to the following topics:

1. Phased Implementation of the GST InvoiceNow Requirement
2. Scope of the GST InvoiceNow Requirement
3. Invoice Data Transmission
4. Mandatory Data Elements and Validation Checks
5. Obligations and Penalties
6. Data Protection and Privacy
7. Government Grant and Support
8. Others

IRAS would like to thank all respondents for providing your valuable feedback and comments for the Public Consultation.

This document summarises our responses to your feedback and comments. In the coming months, we will be publishing a revised e-Tax Guide and a set of frequently asked questions (“FAQ”) to incorporate your feedback and comments.

1. **Phased Implementation of the GST InvoiceNow Requirement**

- **Soft Launch for Early Adopters (from 1 May 2025)**

- (a) **Comment:** To clarify whether there is a testing environment for GST-registered businesses that wish to be early adopters of GST InvoiceNow, or required to comply with the GST InvoiceNow Requirement from 1 November 2025, to test their system implementation and ensure that they are able to transmit invoice data to IRAS successfully ahead of time.

IRAS' response: [Clarifications] A sandbox environment has been made available since September 2024 to enable InvoiceNow Access Point Providers, InvoiceNow-ready Solution Providers¹ participants of the soft launch and businesses to test their API integration and submission of invoice data to IRAS. Please speak to your accredited InvoiceNow Access Point Provider or InvoiceNow-ready Solution Provider to find out how they can support you in this work.

- (b) **Comment:** To confirm that existing GST businesses need not activate the GST InvoiceNow feature to transmit invoice data to IRAS from 1 May 2025 if they are not joining the soft launch. To also confirm that Peppol invoices issued by businesses to customers will not be transmitted to IRAS if the GST InvoiceNow feature is not activated.

IRAS' response: [Clarifications] The soft launch on 1 May 2025 is intended to encourage early and voluntary adoption of the GST InvoiceNow Requirement. Businesses are strongly encouraged to participate in the soft launch and adopt InvoiceNow solutions early. During the soft launch period, businesses need not activate the GST InvoiceNow feature to transmit invoice data to IRAS.

- **For New Voluntary GST Registrants (from 1 November 2025 and 1 April 2026)**

- (c) **Comment:** To confirm that the implementation timeline of 1 November 2025 and 1 April 2026 only applies to new voluntary GST registrants (and not to new compulsory GST registrants). To provide examples on how IRAS would determine whether businesses will fall under the 1 November 2025 or 1 April 2026 timelines, if at all.

IRAS' response: [Clarifications] The implementation timeline of 1 November 2025 and 1 April 2026 applies to new voluntary GST registrants. IRAS will provide more clarity on which businesses would fall within the 1 November 2025 and 1 April 2026 timelines, along with examples, in the updated e-Tax guide.

- (d) **Comment:** To consider implementing an exceptional handling framework to manage the onboarding of businesses onto the GST InvoiceNow Requirement, e.g. new voluntary GST registrants with genuine difficulties to onboard InvoiceNow before applying for GST registration, as well as GST registrants that may have registered on a voluntary basis even though they were compulsory registrants as certain documents were not available at the point of registration.

IRAS' response: [Not Accepted] IRAS will determine whether a registrant is subject to the GST InvoiceNow Requirement at the point of GST registration.

With respect to the example where a business that lacks the documentation to demonstrate its liability for compulsory registration at the point of registration, such a business will be regarded as a voluntary registrant, no different from how current GST registration application is processed. Consequently, the business will be subject to the GST InvoiceNow Requirement.

Other than the published list of "Excluded Businesses" that are not required to comply with the GST InvoiceNow Requirements, IRAS is not planning for any exceptional handling framework for businesses mandated to onboard this initiative.

¹ Previously known as "Solution Providers". We will be making edits to our publications to reflect this change.

- **For Existing GST Businesses and New Compulsory GST Registrants**

- (e) Comment: To provide clarity on the implementation timeline for existing GST-registered businesses and new compulsory GST registrants so that businesses could adequately prepare and allocate resources for the implementation of the GST InvoiceNow Requirement. In general, businesses have requested that IRAS give sufficient advance notice (e.g. at least 1 year) before the implementation date.

IRAS' response: **[Accepted]** IRAS notes businesses' request for sufficient lead time to make preparations (e.g. at least 1 year), and will take this into account when reviewing the next steps. More information on the implementation timeline for existing GST-registered businesses and new compulsory GST registrants will be published when it is available. In the meantime, all GST-registered businesses are encouraged to plan ahead for the requirement.

- **Phased Adoption of the GST InvoiceNow Requirement**

- (f) Comment: To highlight that significant time may be spent on data reconciliation during the transitional period as customers and suppliers progressively adopt the GST InvoiceNow Requirement, e.g. a supplier could be adopting the requirement whilst its customers may not be on InvoiceNow.

IRAS' response: **[Clarifications]** IRAS does not require businesses to perform data reconciliation between invoice data issued via the InvoiceNow network or outside the network during the transitional period as businesses progressively onboard the GST InvoiceNow Requirement. Further, since the new requirement is intended to align with businesses' existing processes of issuing and recording invoice data into businesses' accounting systems, we do not expect a significant shift in the day-to-day processes as they comply with the requirement.

2. Scope of the GST InvoiceNow Requirement

- **Invoice Data to be Transmitted to IRAS**

- (a) Comment: To clarify whether the following types of transactions would fall within the scope of the GST InvoiceNow Requirement and are to be transmitted to IRAS:
- Supplies where there is no GST obligation to issue tax invoices (e.g. invoices issued for zero-rated supplies, invoices issued for supplies made to non-GST registered businesses etc);
 - Statement of account, closing letter, settlement letter or commercial invoice for Customs purposes, which may not be considered as an "invoice"; and
 - Exempt supplies (including exempt supplies which qualify for zero-rating), out-of-scope supplies, commercial samples given for free to customers locally, goods given away for free, supplies to related parties, government grants, regardless of whether invoices are issued or not.

IRAS' response: **[Clarifications]** IRAS notes that the current proposed scope of transactions which depends on specific GST technical rules (e.g. taxable or exempt) could add complexity to the requirement and be complicated for businesses. We will review and streamline the scope of the requirement and update the e-Tax guide to provide the finalised scope and greater clarity on the transactions that fall within the scope of the requirement.

- **Clarification on the Definition of “B2C” Used by the GST InvoiceNow Requirement**

- (b) Comment: To clarify if the definition of the term “B2C” used in the GST InvoiceNow Requirement publications refer to end-consumers, as the same term is used differently under the Overseas Vendor Registration (“OVR”) regime to refer to non-GST registered customers (which includes non-GST registered individuals and businesses).

IRAS’ response: **[Accepted]** “B2C” is intended to refer to business-to-consumer sales made by businesses that are to be submitted to IRAS. To avoid complication, IRAS will be replacing the term “B2C” with “POS” and “STI” in its next iteration of the e-Tax guide and other publications. These new terms will be used to categorise sales made using point-of-sales systems (“POS”) and sales where simplified tax invoices or receipts are issued (“STI”) respectively.

- **Requirement and Rationale for Transmission of Standard-rated Purchase Invoice Data**

- (c) Comment: To clarify whether businesses need to transmit standard-rated purchases since invoice data on the corresponding standard-rated supplies should have been transmitted by the suppliers to IRAS, and so the requirement appears to be duplicative.

IRAS’ response: **[Clarifications]** Businesses need to transmit invoice data relating to standard-rated purchases to substantiate their input tax claims. This is no different from the requirement today where businesses are required to submit such invoices when requested during audit. In addition, the purchase invoice data submitted by businesses may be different from the sale invoice data submitted by the suppliers, as businesses will also need to provide additional information in the purchase invoice data submission process, such as the amount of input tax to be claimed.

- **GST Reporting Requirement for Transactions Outside the Scope of the GST InvoiceNow Requirement**

- (d) Comment: To clarify whether businesses need to report transactions in their GST returns, if they are not transmitted to IRAS under the GST InvoiceNow Requirement.

IRAS’ response: **[Clarifications]** There is no change to the types of supplies and purchases transactions to be reported in the GST returns. The implementation of the GST InvoiceNow Requirement does not preclude businesses from their existing GST filing obligations.

- **More details on the Invoice Data to be Submitted by Partially Exempt Traders**

- (e) Comment: To provide more details on the invoice data that partially exempt traders would need to submit, as paragraph 7.7 of the draft e-Tax guide had stated that invoice data pertaining to both input tax directly attributable to the making of taxable supplies and residual input tax would fall within the scope of the requirement and needs to be submitted to IRAS.

IRAS’ response: **[Accepted]** IRAS will update the e-Tax guide to provide more details on the invoice data that partially exempt traders need to submit under the GST InvoiceNow Requirement.

- **Clarification on Reverse Charge Businesses that qualify as “Excluded Businesses”**

- (f) Comment: To clarify on the reverse charge businesses that would be considered as “Excluded Businesses” as businesses have varying amounts of reverse charge transactions even though they may all be registered for GST due to reverse charge.

IRAS’ response: **[Clarifications]** For the avoidance of doubt, newly voluntary registered businesses that make some reverse charge transactions but did not register for GST solely by virtue of reverse charge will not be classified as “Excluded Businesses”. Such businesses will still need to comply with the GST InvoiceNow Requirement.

- **Clarification if Overseas Businesses that have Appointed Section 33(1) Agents or have a Singapore branch qualify as “Excluded Businesses”**

- (g) Comment: To provide more details on whether overseas businesses that have appointed section 33(1) agents or have a Singapore branch are considered as “Excluded Businesses”, as it is not clear whether the presence of such local agents or a local branch would cause them to be viewed as local businesses.

IRAS’ response: **[Accepted]** Overseas entities that have appointed section 33(1) agents are considered “Excluded Businesses”. This includes both overseas entities that are registered under the normal GST registration rules or under the OVR full regime. However, overseas businesses with a Singapore branch would be regarded as local entities, and hence would not be considered as “Excluded Businesses”. IRAS will update the e-Tax guide to provide more clarity.

- **Whether the Following Groups of Businesses can also be included under “Excluded Businesses”**

- (h) Comment: To consider expanding the list of “Excluded Businesses” for the GST InvoiceNow Requirement to also include the following groups of businesses:

Group of businesses	IRAS’ response
<p>1. Businesses that wholly make supplies to related entities and the businesses already have portals which require suppliers to upload their invoice data.</p> <p>The latter businesses have incurred significant amount of costs in developing the portal and do not see a significant benefit in adopting InvoiceNow</p>	<p>[Not Accepted] Not Excluded Businesses.</p> <p>Businesses that wholly make supplies to related entities would still need to transmit invoice data relating to standard-rated purchases to substantiate their input tax claims.</p> <p>Businesses that already have existing portals for suppliers to upload their invoices should consider integrating these solutions with InvoiceNow. Adopting InvoiceNow will help digitise more transactions across more businesses in a standardized way through a shared invoicing network, allowing suppliers of such businesses to also benefit from InvoiceNow.</p> <p>We encourage businesses to start planning for the system changes needed to adopt InvoiceNow as soon as possible, in view of the upcoming implementation of GST InvoiceNow Requirement.</p>

Group of businesses	IRAS' response
<p>2. Small businesses, or businesses with low transaction volume</p> <p>It is not cost effective and counterproductive for business with low transaction level to adopt InvoiceNow and comply with the requirement</p>	<p>[Not Accepted] Not Excluded Businesses.</p> <p>IRAS and IMDA are working with the InvoiceNow-ready solution providers to ensure that there are free or lower cost InvoiceNow-ready solutions available in the first few years of implementation for businesses to comply with GST InvoiceNow Requirements.</p>
<p>3. Businesses that wholly make zero-rated exempt supplies</p>	<p>[Not Accepted] Not Excluded Businesses.</p> <p>There is a need for such businesses to transmit data relating to in-scope transactions relating to their sales and purchases (e.g. standard-rated purchases to support their input tax claims).</p>

- **Self-billing Transactions**

- (i) Comment: To clarify how invoice data on self-billing transactions can be transmitted via InvoiceNow to IRAS, whether both the supplier and the customer are required to submit the invoice data, as well as the GST category codes to apply for the respective submissions.

IRAS' response: **[Clarifications]** Invoices for self-billing transactions can only be issued outside the InvoiceNow network and are to be transmitted to IRAS by way of the Solution-extracted invoice method. The customer-cum-issuer of the self-billing invoice is to submit the invoice data to IRAS under Type 2 Submission, whereas the supplier-cum-recipient is to submit the invoice data under Type 3 Submission:

Party	Submission method	GST category code
Customer-cum-issuer	Type 2 Submission (Sales transactions made outside InvoiceNow network)	TX – Standard-rated taxable purchases ²
Supplier-cum-recipient	Type 3 Submission (Purchase transactions made outside InvoiceNow network)	SR – Standard-rated supply of goods or services

Paragraph 7.3 of the draft e-Tax guide mentions that sale transactions made under self-billing are included in the scope of transactions to be transmitted under the GST InvoiceNow Requirement. IRAS had also provided details on the specific mandatory data elements that are to be filled for self-billing scenarios.

² Assuming that the customer is claiming the input tax and is a fully taxable person.

- **Bad Debt Relief Claims**

- (j) Comment: To clarify whether invoice data on bad debt relief claims is within the scope of the GST InvoiceNow Requirement, and if so, how such information should be submitted to IRAS.

IRAS' response: **[Clarifications]** Bad debt relief claims fall outside the scope of the GST InvoiceNow Requirement, as no additional invoices are issued or received with respect to these claims. Likewise, the repayment of bad debt relief claims subsequently recovered would also fall outside the scope.

- **Pre-registration GST Claims**

- (k) Comment: To clarify whether invoice data for pre-registration GST claims falls within the scope of the GST InvoiceNow Requirement, and if so, how such information should be submitted to IRAS.

IRAS' response: **[Clarifications]** Invoice data pertaining to pre-registration GST claims falls outside the scope of the GST InvoiceNow Requirement as such purchases were typically made by businesses before they had registered for GST or adopted the requirement.

- **Customer Accounting Transactions for Prescribed Goods**

- (l) Comment: To request for IRAS to rely on the invoice data submitted by the supplier as documentary evidence for the supply of the customer accounting transactions, rather than to require the customer to issue a tax invoice to fulfil the GST InvoiceNow Requirement.

IRAS' response: **[Accepted]** We will simplify the process by requiring the customer to submit invoice data only once (using TXCA instead of both TXCA and SRCA-C). IRAS will amend the e-Tax guide to reflect this simplification.

- **Supply of Imported Goods from Overseas Principal to Section 33(2) Agent**

- (m) Comment: To request for invoice data involving the supply of goods by the overseas principal to the section 33(2) agent itself (as well as the corresponding input tax claims made) to be excluded from the scope of the requirement.

IRAS' response: **[Accepted]** To ease compliance for businesses, the Comptroller has waived the requirement for the section 33(2) agent to issue tax invoices to itself for the supply of goods by the overseas principal to the agent itself. We are prepared to extend this waiver such that the agent is not required to transmit the invoice data specifically for such supply and the corresponding purchase. For clarity, the agent is still required to issue tax invoices for goods sold by the agent to its local customers and transmit invoice data to IRAS under the requirement.

3. Invoice Data Transmission

- (a) Comment: To clarify how businesses with overseas shared service centres that issue invoices to customers in Singapore would be impacted by the GST InvoiceNow Requirement.

IRAS' response: **[Clarifications]** We understand that typically the overseas shared service centre would issue the business's sales invoices to the customers and post the transactions in the business' accounts. In this regard, the overseas shared service centre may submit the sales invoice data to IRAS on behalf of the business by using a suitable InvoiceNow-ready solution or connecting their solution via an IMDA accredited Access Point. When sending the invoice data, the overseas shared service centre needs to ensure that the business is indicated as the "Sender" or "Supplier" of the invoice data. You may wish to reach out to your InvoiceNow-ready Solution Provider or Access Point Provider to find out more about how to enable this use case.

- (b) Comment: To request to send only electronically-received invoices to IRAS, as requiring businesses to also submit invoices received in paper or PDF format could lead to additional manual data entry efforts and increased operational costs.

IRAS' response: **[Not Accepted]** IRAS understands that in general businesses would record all purchase invoices (whether electronically or otherwise) into the business' accounting system when they are received, as part of the business' existing process. Under the GST InvoiceNow Requirement, such invoice data will then be extracted by data jobs within the InvoiceNow-ready solution and transmitted to IRAS as Solution-extracted invoices. In this regard, we expect there to be minimal additional manual data entry efforts required to transmit such invoice data to IRAS.

- (c) Comment: To clarify on the difference between the "Peppol invoice method" and the "Solution-extracted invoice method".

IRAS' response: **[Clarifications]** The differences between the two methods are summarised in the table below. IRAS will also update its e-Tax guide to provide greater clarity on this issue.

	Peppol invoice	Solution-extracted invoice
What is it?	<ul style="list-style-type: none"> A Peppol invoice refers to an invoice created and transmitted from the supplier to the customer <u>through</u> the InvoiceNow network. <p>The customer must on the InvoiceNow network before the supplier can issue a Peppol invoice to the customer</p>	<ul style="list-style-type: none"> A Solution-extracted invoice refers to: <ul style="list-style-type: none"> (a) Non-Peppol sales invoices issued outside the InvoiceNow network, and is recorded into the InvoiceNow-ready solution. Non-Peppol sales invoices include paper / pdf invoices issued to individuals, overseas customers or customers who are not on InvoiceNow network (b) all purchases invoices (regardless whether they are received through the InvoiceNow network) that is recorded into the InvoiceNow-ready solution
How is the invoice data transmitted to IRAS?	<ul style="list-style-type: none"> A copy of the invoice data is automatically transmitted to IRAS when the Peppol invoice is routed from the supplier to the customer through the network. Transmission Type 1A (Peppol sales invoice data) 	<ul style="list-style-type: none"> A copy of the invoice data is automatically extracted from the InvoiceNow-ready solution and transmitted to IRAS on a periodic basis when the invoice is recorded in the solution. Transmission Type 1B (Peppol purchase invoice data), Type 2 (Non-Peppol sale invoice data) and Type 3 (Non-Peppol purchase invoice data)

- (d) Comment: To consider allowing bulk submission of invoice data.

IRAS' response: [Accepted] We will allow businesses to perform bulk submissions via API to send invoice data to IRAS. Each bulk submission data package can contain a maximum of 10 documents of the same invoice type (e.g. up to 10 invoices or 10 credit notes). Each package should be no more than 10 MB in total data size. IRAS will provide more details in the e-Tax guide. Businesses may speak to their accredited InvoiceNow Access Point Provider and/or InvoiceNow-ready Solution Provider to find out more on how they can perform bulk submissions.

- (e) **Comment:** To clarify whether businesses can use different systems for invoicing and accounting, and whether businesses need to replace their existing ERP systems in order to meet the GST InvoiceNow Requirement and transmit invoice data to IRAS.

IRAS response: [Clarifications] Businesses have the flexibility and can choose to adopt separate systems for invoicing and for accounting. Businesses that prefer to use their existing ERP systems may wish to reach out to an InvoiceNow-accredited Access Point Provider and/or InvoiceNow-ready Solution Provider for advice on how their existing systems can be enhanced to meet the GST InvoiceNow Requirement.

- (f) **Comment:** To clarify the difference in the format for Type 1A and Type 2 submissions.

IRAS' response: [Clarifications] The format / schema for Type 1A and Type 2 submissions is the same. Type 1A submissions refer to Peppol invoice submissions whereas Type 2 submissions refer to Solution-extracted invoice submissions (invoice issued to customers that are not on the InvoiceNow network, e.g. individuals, overseas customers). IRAS has published examples of such submissions in Annex A of the draft e-Tax Guide.

- **Clarification on the Submission of Aggregated Invoice Data**

- (g) **Comment:** To clarify whether businesses can only submit POS sales and PCP purchases on an aggregated basis, and whether they can also submit aggregated invoice data for other types of transactions (e.g. simplified tax invoices) if it is not feasible to them on a transactional basis.

IRAS' response: [Clarifications] In addition to POS sales, businesses can choose to aggregate the sales transactions where simplified tax invoices or receipts are issued to both GST-registered and non-GST registered customers, and submit them to IRAS via the Solution-extracted invoice method, if it is not feasible to do so on a transactional basis. We will provide more details on how to perform the submission of such aggregated invoice data in Annex A of the e-Tax Guide.

- **Contingency plan in the event of downtime**

- (h) **Comment:** To provide guidance on the contingency protocols, policies, and procedures to be adopted in the event the InvoiceNow system/ solutions or the InvoiceNow network is unavailable, or there is data transmission failure. Specifically, IRAS should provide guidance on how businesses can continue to comply with the GST InvoiceNow Requirement in such a scenario.

IRAS' response: [Accepted] IRAS acknowledges the feedback and will work with IMDA to provide greater clarity in the e-Tax Guide on the procedures for businesses to adhere to in such a situation. If the cause is related to the businesses' own system, then businesses can consider activating their own business continuity plans.

- **API Transmission mode**

- (i) Comment: To confirm whether there are other modes of transmission e.g. connecting directly to IRAS portal via API in addition to connecting through an accredited Access Point Provider.

IRAS' response: **[Clarifications]** The submission of data to IRAS can only be done through an accredited Access Point. You will need to engage an Access Point Provider to integrate with InvoiceNow. The accredited Access Point Provider will be able to help you get connected to the InvoiceNow network. By adopting InvoiceNow, businesses would be part of the nationwide e-invoicing initiative, and enjoy both the digitalisation benefits and cost savings from InvoiceNow.

- **GST Invoice Data Submission Due Date**

- (j) Comment: To clarify whether invoice data must be submitted to IRAS on a real-time basis, or at the earlier of the date in which the relevant GST return is filed or the filing due date of the relevant GST return, and to consider allowing the submission of all invoice data by IRAS' stipulated due date so that the data can be submitted together with the GST returns.

IRAS' response: **[Clarifications]** For Peppol invoices issued and to be submitted to IRAS under Type 1A, the invoice data will generally be transmitted to IRAS on a real-time / near real-time basis as and when the invoice data is successfully transmitted to the customer via the InvoiceNow network.

For Solution-extracted invoice data (whether they are aggregated or at the transaction level), which are to be submitted to IRAS under Types 1B, 2 and 3 submissions, businesses are to make submissions on a regular basis, e.g. weekly, monthly etc. depending on the configuration in the solutions, and within the prescribed timeline.

IRAS will update our e-Tax Guide to provide more clarity on the frequency of the data submission for each transmission method.

- (k) Comment: To request for purchase invoice data to be submitted to IRAS based on posting/processing date instead of the date shown on the supplier's tax invoice, if the company claims its input tax according to the date of posting/processing dates.

IRAS' response: **[Accepted]** IRAS will update the e-Tax Guide to reflect this change.

- **Other Data Transmission Issues**

- (l) Comment: To confirm whether businesses can send PDF copies of the invoices or paper invoices to their Access Point Providers, so that they can convert them to the required Peppol format for transmission to IRAS.

IRAS' response: **[Clarifications]** Access Point Providers are not able to convert PDF copies of the invoices or paper invoices to Peppol format. Businesses will need work with the Access Point Providers to enable their invoice data to be submitted to IRAS seamlessly.

- (m) Comment: To clarify how scenarios involving the issuance of debit notes (e.g. to recover expenses paid on behalf of related companies) can be handled under the requirement.

IRAS' response: **[Clarifications]** Currently, InvoiceNow does not support the transmission of debit notes via the network. If businesses issue debit notes as part of their business practice, they can do so and send such data as invoices to IRAS. This can be facilitated via the Solution-extracted invoice method using the current debit note format. Businesses may need to speak with their InvoiceNow-ready Solution Providers to enable this use case.

We wish to remind businesses that they should not be issuing a debit note in place of a tax invoice when making a standard-rated supply to a GST-registered business.

4. **Mandatory Data Elements and Validation Checks**

- **Credit Note Submissions**

- (a) **Comment:** To consider making the Preceding Invoice Number and Preceding Invoice Date non-mandatory for credit note submissions as businesses may encounter practical difficulties to tag the credit note to a single invoice e.g. when issuing a credit note to give rebates based on sales volume for a list of preceding invoices.

IRAS' response: [Accepted] IRAS will make the Preceding Invoice Number (IBT-025) and Preceding Invoice Date (IBT-026) data elements of a credit note submission non-mandatory to provide greater flexibility. Businesses that are able to tag/ trace the credit note to a single invoice should continue to key in the required details into the Preceding Invoice Number and Preceding Invoice Date data elements in accordance with the guidance provided in the e-Tax Guide. Businesses that are unable to do so must maintain other documentary evidence that you have accounted for GST on the original supply, and provide them upon request during an audit. IRAS will update the e-Tax Guide to reflect the changes.

- **Invoices / Credit Notes Denominated in Foreign Currency**

- (b) **Comment:** To clarify on the need to reflect the Singapore dollar equivalent values on invoices/ credit notes involving zero-rated supplies that are denominated in foreign currency before they are transmitted to IRAS, as there is no such requirement for businesses to do so presently.

IRAS' response: [Clarifications] Although there is no requirement at present for zero-rated supplies denominated in foreign currency to be reflected in Singapore dollar equivalent when such invoices are issued, businesses are required to convert to Singapore dollar equivalent values for such invoices/ credit notes before they are transmitted to IRAS. This is to align the invoice data with the figure reported in the GST return. We recommend businesses to do this at the point of issuing the invoice/ credit note to avoid the need to rectify the data at a later stage. IRAS will update the e-Tax Guide to provide a sample example on how the Singapore dollar equivalent values can be reflected on an invoice that is denominated in foreign currency.

Businesses may also wish to refer to the e-Tax Guide "Exchange Rates for GST Purpose" for guidance on the acceptable exchange rates to perform the conversion.

- **Collecting Customers' Details (Including from Overseas Customers)**

- (c) **Comment:** To confirm whether businesses need to collect additional customer information from their customers (including overseas customers), and whether businesses need to validate such information.

IRAS' response: [Clarifications] Businesses would need to collect their customer's information, e.g. Customer UEN (i.e. customer's business identification number), Customer Name and Customer Address, which are mandatory data elements for submission to IRAS. For the Customer Scheme ID, businesses will default as "0195" for all customers. When indicating the details of overseas customers, businesses can indicate the customer's overseas business identification number as the Customer UEN.

There is no need for businesses to validate their customers' details as businesses will be relying on the information provided by their customers to make the invoice data submissions to IRAS. However, businesses must maintain supporting documents to substantiate the customer information as part of their recording keeping.

- (d) **Comment:** To confirm whether mandatory data elements such as the Customer UEN, Customer Scheme ID can be left empty for invoices that are issued to an overseas customer that is not on the InvoiceNow network.

IRAS' response: [Clarifications] The Customer UEN and Customer Scheme ID are mandatory data elements and cannot be left empty. If these fields are left empty, the submission to IRAS would not go through. When indicating the details for overseas customers, businesses can indicate the customer's overseas business identification number as the Customer UEN, and "0195" as the Customer Scheme ID.

In the updated e-Tax Guide, we will provide more clarity on the definition of Solution-extracted invoices and include examples on how non-Peppol invoices, such as paper or PDF invoices issued to customers that are not on the InvoiceNow network (e.g. overseas customers, end consumers or customers who have not adopted InvoiceNow), should be recorded in accounting and ERP platforms.

- **GST Category Codes**

- (e) **Comment:** To provide clarity as the list of GST category codes published in the e-Tax Guide is not complete and there is insufficient guidance on how to tag submissions that pertaining to out-of-scope supplies and purchases.

IRAS' response: [Accepted] IRAS will update the e-Tax Guide to provide the full list of IRAS-prescribed GST Category Codes (including those that does not fall within the scope of the GST InvoiceNow Requirement).

- (f) **Comment:** To clarify whether there is a need to follow the GST category codes provided by IRAS or if businesses can continue to use their internal tax codes in their system.

IRAS' response: [Clarifications] Businesses can continue to use their internal tax codes as per the current process but they will need to map their internal tax codes to IRAS' GST category codes in order to submit invoice data to IRAS. Please speak to your accredited InvoiceNow Access Point Provider or InvoiceNow-ready Solution Provider to find out how they can support you in this work. Alternatively, businesses can also consider adopting IRAS' list of prescribed GST category codes to tag their transactions moving forward.

IRAS will update the e-Tax Guide to provide the full list of IRAS-prescribed GST Category Codes (including those that do not fall within the scope of the GST InvoiceNow Requirement) to enable this work.

- (g) **Comment:** To clarify whether it is possible for a single invoice submission to be tagged with more than one GST category code.

IRAS' response: [Clarifications] An invoice can contain multiple line items, but each line item can only be tagged to one GST category code. Hence, it is possible for one invoice with multiple line items to have more than one GST category code.

- (h) Comment: To consider whether to make the requirement to indicate the GST category codes optional for purchase transactions as some businesses may apply the tax coding on their purchases during the GST return preparation stage rather than at the time of processing the suppliers' invoices.

IRAS' response: **[Not Accepted]** The GST category code is one of the mandatory data elements. We understand that businesses would generally indicate the GST category codes of their purchases when processing their suppliers' invoices and recording them into their solutions. Businesses may consider working with their InvoiceNow-ready Solution Providers to establish a regular interval to submit their purchase invoice data after the proper tax coding is applied (before the invoice data submission due date). Should there be a subsequent change in the GST category code, businesses may make a resubmission. We will provide more clarity on how to make such adjustments in the e-Tax Guide.

- (i) Comment: To confirm the GST category codes to be applied for the following transactions:
- Standard-rated supplies where GST is not charged
 - Supplies made under the Discounted Sales Price Scheme
 - Supplies concerning Electronic Marketplace Operators

IRAS' response: **[Accepted]** IRAS will update its e-Tax Guide to provide more clarity on these scenarios.

- (j) Comment: To consider whether to make certain line items on the purchase invoice optional for transmission if the supplier's tax invoice contains a non-claimable component (e.g. disallowed expenses).

IRAS' response: **[Not Accepted]** The purchase invoice data can contain multiple line items and each line item can be tagged with a specific GST category code. We have explained in paragraph 7.13 of the draft e-Tax Guide that if the invoice has a line item that is to be transmitted to IRAS, then the invoice data relating to the entire invoice has to be transmitted.

- (k) Comment: To clarify whether businesses are required to submit invoice data for the whole transaction, if the transaction involves both a standard-rated and an exempt supply e.g. the lease of furnished residential apartments whereby taxable and exempt components are typically reflected on one invoice issued to the customer.

IRAS' response: **[Clarifications]** If the invoice has multiple line items where at least one line item that falls within the scope of the Requirement as specified under paragraphs 7.3 and 7.5 of the draft e-Tax Guide, the entire invoice must be transmitted to IRAS. You may refer to paragraph 7.13 of the draft e-Tax Guide.

• **Clarifications on Mandatory Data Elements**

- (l) Comment: To provide more information on what each mandatory data element represents, e.g. Supplier Scheme ID, Customer ID, Customisation ID, Invoice ID, so that businesses are able to know what information is to be provided for each data element, and to know the list of mandatory and non-mandatory data elements.

IRAS' response: **[Accepted]** IRAS will provide more clarity in the e-Tax Guide.

- (m) Comment: To provide more sample examples, particularly on the following scenarios:

- Invoices containing multiple line items (involving a mix of taxable and non-taxable transactions)
- Invoices with multiple line items with different GST rates charged

IRAS' response: **[Accepted]** IRAS will update our e-Tax Guide to provide more sample examples.

- **Validation Checks for Invoice Data Submission**

- (n) Comment: To consider providing more details on the validation checks to be performed for invoice data submission, e.g. the validation rules, list of error codes / messages etc. To also consider making tools like Validex accessible to businesses that are adopting the GST InvoiceNow Requirement.

IRAS' response: **[Accepted]** IRAS will update the e-Tax Guide to provide more details about how to develop these validation checks to facilitate invoice data submission. Tools like Validex are currently available for businesses to use and will be updated with GST InvoiceNow Requirement to validate invoice data prior to submission to IRAS. Businesses may wish to speak to your accredited InvoiceNow Access Point Provider or InvoiceNow-ready Solution Provider to find out how they can support you in this work.

- (o) Comment: To clarify whether there is a tolerance set for handling rounding error at the invoice line level and the invoice level.

IRAS' response: **[Clarifications]** IRAS is cognisant that the solutions used by businesses may be designed differently. Some solutions may have chosen to round the amounts at the line level whereas others may do so at the invoice level, and this may result in certain rounding errors occurring within the invoice. We would like to clarify that we have not imposed a validation check between the invoice level amounts and the line level amounts, so regardless of the approach adopted by the solution, businesses would still be able to submit the invoice data to IRAS. We will update our e-Tax Guide to provide more guidance on this matter.

- (p) Comment: To clarify whether sales invoice data would be rejected by IRAS if the output tax does not tally to 9% of the value of the supply, e.g. sales made under the Discounted Sales Price Scheme. If so, whether these transactions should not be submitted to IRAS.

IRAS' response: **[Clarifications]** Our system will not reject standard-rated invoice data where the output tax charged does not tally to the computed output tax based on 9% of the value of supply. As such, businesses may submit invoice data for transactions such as sales of second-hand vehicles under the Discounted Sales Price Scheme.

- **Validation Checks for Detecting Wrongful GST Charges**

- (q) Comment: To provide more details on the validation checks for detecting wrongful GST charges, e.g. sharing the list of InvoiceNow-ready Solutions Providers that have successfully built validation checks into the submission process, elaborating on how InvoiceNow-ready Solution Providers can build these validation checks within the accounting solution/ ERP system, and providing clarity on whether such checks are mandatory.

IRAS' response: **[Accepted]** IRAS will update the e-Tax Guide to provide more details on how to develop these validation checks to detect wrongful GST charges.

We would also like to clarify that these validation checks are not mandatory under the GST InvoiceNow Requirement. Nonetheless, businesses are encouraged to develop these features within their ERP system or to use accounting solutions that support such features so that they can benefit from the value-added services provided by InvoiceNow-ready solutions to ease tax compliance. Certain InvoiceNow Access Point Providers may also be providing a passthrough API to enable businesses and/or InvoiceNow-ready Solution Providers to consume the service. We suggest that you speak to your accredited InvoiceNow Access Point Provider or InvoiceNow-ready Solution Provider to find out how they can support you in this work.

- **Adjustments to Submitted Invoice Data**

- (r) **Comment:** To streamline the procedure for correcting erroneous credit note issued as the current proposed process is administratively cumbersome.

IRAS' response: **[Accepted]** IRAS noted businesses' feedback that it would be administratively cumbersome to write to IRAS to make corrections each time a credit note was erroneously issued. We will update our e-Tax Guide to remove this requirement.

- (s) **Comment:** To provide more clarity on the conditions for performing a resubmission/ issue a credit note to IRAS for adjustments that do not involve a change in the taxable value and GST amount, and the process and timeline to perform the resubmission/ issuance and whether the data that needs to be submitted.

IRAS' response: **[Accepted]** IRAS will update its e-Tax Guide to provide more clarity on the conditions for performing a resubmission or to issue a credit note.

- (t) **Comment:** To provide clarity on the process for changes in GST category code after invoice data is transmitted. For example, a purchase invoice may be coded as standard-rated purchases at the point of processing and reclassified to residual input tax during GST return preparation, or if the decision not to claim input tax is made after the invoice is submitted to IRAS.

IRAS' response: **[Accepted]** IRAS will update its e-Tax Guide to provide more clarity on the conditions for making adjustments to purchase data that have already been submitted to IRAS.

- (u) **Comment:** To confirm that businesses can issue a credit note to effect credit adjustments or to cancel a previously issued invoice.

IRAS' response: **[Clarifications]** Yes, businesses may issue a credit note to make credit adjustments or to cancel an invoice that has been issued. To cancel an invoice, the Total Amount with GST (IBT-112) on the credit note would need to tally with the Total Amount with GST (IBT-112) of the invoice. IRAS will update its e-Tax Guide to provide more clarity.

- (v) **Comment:** To confirm whether a credit note is outside of the scope of the GST InvoiceNow Requirement and is not required to be transmitted to IRAS, if the customer and supplier choose not to adjust the GST amount when issuing a credit note.

IRAS' response: **[Clarifications]** Such credit notes must be transmitted to IRAS, notwithstanding that no GST will be reduced. IRAS will provide more details in its e-Tax Guide.

- (w) **Comment:** To confirm whether a credit note needs to be created for rebates given (i.e. reduction of a supply) or whether a negative figure invoice can be created for InvoiceNow purposes, as there may be instances where the business issues a negative amount invoice to its customer on rebates (i.e. discount given for past transactions) due to system restriction.

IRAS' response: **[Clarifications]** For discounts and rebates granted to customers pertaining to past invoices issued, the business should not be issuing an invoice with a negative total value as such negative invoices will not be accepted by IRAS. Instead, the business should issue a credit note to the customer to decrease the amounts due to the supplier. The InvoiceNow solutions will support credit note issuance.

We understand that businesses may encounter practical difficulties to tag the credit note to a list of preceding invoices. In this regard, IRAS will make the Preceding Invoice Number (IBT-025) and Preceding Invoice Date (IBT-026) data elements of a credit note submission non-mandatory to provide greater flexibility. However, the business must maintain other documentary evidence that you have accounted for GST on the original supply, and provide them when requested during an audit. IRAS will update the e-Tax Guide to reflect the changes.

5. **Obligations and Penalties**

- **Discrepancy Between GST Return Declarations and Submitted Invoice Data**

- (a) **Comment:** To clarify whether businesses are expected to reconcile the invoice data with the figures submitted in the GST return and whether businesses will be penalised for discrepancies between invoice data and GST F5 declarations.

IRAS' response: [Clarifications] IRAS does not expect the invoice data submitted to tally with the figures in the GST F5 as there may be legitimate reasons for differences to occur. Examples of such situations include timing differences (e.g. advance payments), supplies where invoices are not required to be issued (e.g. deemed supplies and transactions subject to reverse charge), and the IRAS administration concession to correct errors of past GST F5s in the current GST F5. Nonetheless, businesses should perform their own due diligence to check whether the differences arise from legitimate reasons or otherwise.

Businesses will be considered as in compliance for GST so long as they adhere to their GST obligations and are able to produce the necessary records upon request to substantiate the differences. IRAS will provide more clarity in the e-Tax Guide.

- **Non-compliance to the GST InvoiceNow Requirement**

- (b) **Comment:** To clarify whether businesses can choose not to adopt the GST InvoiceNow Requirement and send invoice data to IRAS, and whether there are penalties for non-compliance (e.g. non-submission, late submission of invoice data, errors/mistakes on the invoice).

IRAS' response: [Clarifications] The GST InvoiceNow Requirement is currently applicable for businesses that register for GST on a voluntary basis. For these businesses, their GST applications may not be approved or their GST registration status may be revoked if they do not comply with the GST InvoiceNow Requirement.

IRAS recognises the importance of adapting to the GST InvoiceNow Requirement and will be calibrated in our enforcement approach during the initial phases, especially for genuine mistakes or errors in invoice data that are not due to negligence or made without reasonable excuse.

- **Eligibility for Voluntary Disclosure Programme**

- (c) **Comment:** To clarify whether businesses are still eligible for the voluntary disclosure programme should IRAS audit them before they complete their internal review (e.g. post filing review).

IRAS' response: [Clarifications] GST-registered businesses must continue to fulfil their existing GST obligations, including ensuring that their GST returns are complete and accurate at the time of submission. If a business is selected for IRAS audit prior to the completion of its internal review, any errors disclosure of errors discovered by the company would not be eligible for voluntary disclosure, unless the disclosure is not directly related to the scope of audit query (see para 4.2 of e-Tax Guide on "IRAS' Voluntary Disclosure Programme").

- **Assisted Compliance Assurance Programme (“ACAP”)**

- (d) Comment: To confirm whether businesses accorded with ACAP status (“ACAP businesses”) would continue to enjoy benefits such as step-down audits with the implementation of the GST InvoiceNow Requirement. To also consider whether to exempt businesses awarded with ACAP status from the GST InvoiceNow Requirement given that it is an IRAS compliance initiative to encourage businesses to set up robust GST control framework.

IRAS’ response: **[Not Accepted]** There is currently no plans to exclude ACAP businesses from the GST InvoiceNow Requirement and the benefits that ACAP business enjoy, such as step-down audits will continue to apply. IRAS will review and assess the impact of InvoiceNow implementation on the scope of review on ACAP and ACAP renewal and update the relevant ACAP publications when we are ready.

- **Maintaining Records on Invoice Data Submissions**

- (e) Comment: To clarify whether businesses are still obligated to maintain documents for 5 years, particularly for those that have been transmitted to IRAS.

IRAS’ response: **[Clarifications]** Businesses need to continue to adhere to the prevailing record keeping requirements, which remain unchanged. The adoption of the GST InvoiceNow Requirement does not preclude businesses from having to comply with the mandatory record keeping requirements for GST-registered businesses.

6. **Data Protection and Privacy**

- **Data Protection Measures**

- (a) Comment: To clarify on the data protection measures implemented on e-invoices that are sent via InvoiceNow.

IRAS’ response: **[Clarifications]** The InvoiceNow network is implemented with security measures in place. Firstly, only IMDA Accredited Access Point Providers are allowed to operate on the network and are authorised with a PKI certificate issued by OpenPeppol who is the governing authority. Secondly, the transmitted data is protected with SSL transport layer security such that the data is sent through the secured and encrypted channel in the InvoiceNow network. Thirdly, the transmitted data is signed using the Access Point Providers’ authorised PKI certificate to ensure that the data is genuine and non-repudiable. Lastly, any receiving Access Point Providers will check the signature of sending Access Point Providers to ensure that they are authorised on the network before they accept the data.

- (b) Comment: To clarify on the data protection measures that have been put in place to safeguard the invoice data that is received by IRAS, including the retention period of the data.

IRAS’ response: **[Clarifications]** The IRAS system that receives invoice data, also known as the C5 system, employs a multi-layered approach to ensure the security of our API integration. This includes robust authentication and authorization mechanisms to verify the identity of Access Point Providers (APs) accessing C5 APIs through APEX. Data transmitted through the APIs is encrypted to protect it from cybersecurity threats such as unauthorised access or data breaches. Role-based access control also governs access to specific API functionalities and data. Additionally, regular security audits and testing are conducted to identify and address potential vulnerabilities, and compliance with industry standards and regulations is maintained. Continuous monitoring processes are in place to detect and respond to security incidents in real time, to monitor and log all data access activities, ensuring the integrity and confidentiality of the API integration and data transmitted.

Similar to the tax information collected by IRAS, IRAS is bound by secrecy laws and may disclose such information to third parties only for reasons permitted by law. IRAS is committed

to safeguarding the confidentiality and security of our taxpayers' data and upholding high standards of accountability. Please refer to our [Data Protection Statement](#) and [Privacy Statement](#) for more information on how we handle the data that you have entrusted to us securely.

- **Compliance with Existing Laws and Regulatory Requirements**

- (c) Comment: To clarify how businesses are to comply with data protection laws like the Personal Data Protection Act ("PDPA") and industries' regulatory requirements e.g. Banking Secrecy Act when sending invoice data to IRAS. To clarify whether businesses can be exempted from disclosing or to mask certain confidential information pertaining to their customers when transmitting invoice data to IRAS.

IRAS' response: **[Clarifications]** IRAS, through the powers granted in Section 84(2) of the GST Act, has the power to obtain information for the purposes of GST administration. While the PDPA applies only to the private sector, IRAS is governed by the public sector security requirements and is committed to safeguarding the confidentiality and security of our taxpayers' data, while upholding high standards of accountability.

To safeguard personal data, if the sales are made to individuals, businesses are not required to indicate the individual's NRIC or name in fields that identify the customer (e.g. Customer UEN, Customer Name) when transmitting invoice data to IRAS. Instead, if the sales are made to individuals in their business capacity, the seller should indicate the customers' business UEN and name instead. If the sales are made to the individuals' personal capacity, they can indicate "NA" in these fields. IRAS will update its e-Tax Guide to provide more clarity.

7. Government Grant and Support

- (a) Comment: To explore the provision of grants to offset the compliance costs involved for businesses to integrate its existing system infrastructure with InvoiceNow e.g. managing invoice data from customers and suppliers who may be adopting InvoiceNow at different timelines, recurring costs to store and transmit invoice data etc.

IRAS' response: **[Accepted]** To help businesses defray the cost of adoption and utilisation of InvoiceNow, IMDA has introduced a variety of grants, such as the InvoiceNow Transaction Bonus for businesses. For more details on these grants including the terms and conditions, eligibility criteria, steps to register interest and FAQs, refer to the "Connect, Transact & Be Rewarded when you use InvoiceNow!" page on the IMDA website.

IRAS and IMDA are committed to help businesses navigate the regulatory requirements and embrace digital solutions. IRAS is working closely with InvoiceNow-ready Solution Providers to provide Free-of-Charge ("FOC") solution packages for businesses to adopt. These FOC solution packages aim to reduce businesses' costs associated with complying to the GST InvoiceNow Requirement and the expenses related to integrating their existing system infrastructure with InvoiceNow. A list of InvoiceNow-ready Solution Providers offering FOC solution packages for transmitting invoices to IRAS for GST administration purposes will be made available at a later date.

- (b) Comment: To provide dedicated resources (e.g. seminars and briefings) for businesses to seek clarification on GST InvoiceNow requirement.

IRAS' response: **[Accepted]** IRAS has noted the requests and will publish more details on IRAS' website.

8. **Others**

• **GST Group Registration**

- (a) **Comment:** To confirm whether entities under GST group registration are still reporting GST return on a consolidated basis even though the invoice data is transmitted to IRAS at entity level.

IRAS' response: **[Clarifications]** Yes, entities under GST group registration will continue to report their GST returns on a consolidated basis. When sending invoice data to IRAS, such entities can either transmit invoice data to IRAS as separate entities or on a consolidated basis (by the representative of the GST group). We will update the e-Tax Guide to provide more clarity.

- (b) **Comment:** To clarify how the GST InvoiceNow Requirement affects the GST application entities under GST group registration (e.g. new voluntary GST-registered entity to be included into existing GST group, overseas entity part of a GST group).

IRAS' response: **[Clarifications]** There are no changes to the GST registration application process. The new voluntary GST registrant or overseas entity may apply to be included into an existing GST group. If the new voluntary GST-registered entity is included into an existing GST group, the entire GST group will be subjected to the requirement at a later phase, to be announced in future. If any of the entities in the GST group are Excluded Businesses, the Excluded Businesses need not transmit their invoice data to IRAS. We will be inserting this clarification in the e-Tax Guide and on IRAS' website.

- (c) **Comment:** To clarify how the GST InvoiceNow requirement affects the GST reporting format for entities under GST group registration.

IRAS' response: **[Clarifications]** There is no change to the GST reporting format for entities under GST group registration.

• **Handling of Advance Payments**

- (d) **Comment:** To clarify whether invoice data needs to be submitted for advance payments received from customers, and how such scenarios will be handled under the GST InvoiceNow Requirement. There is typically a time lag before the tax invoices are issued, which may result in businesses issuing the invoices and submit invoice data for the advance payments after the GST filing deadline. To clarify if penalties will be imposed for late submission of invoice data in such situations.

IRAS' response: **[Accepted]** We will be providing more details in the e-Tax Guide.

• **Submission of Invoice Data and GST Return for Backdated Periods**

- (e) **Comment:** To confirm whether businesses that have their GST-registration backdated would need to submit invoice data for accounting periods that have elapsed, together with the back-dated GST returns.

IRAS' response: **[Accepted]** We recognise that it could be challenging for businesses to submit the invoice data that they may have processed. To ease the administrative hassle, businesses will not be required to submit invoice data for back-dated periods. Nonetheless, they will need to continue to fulfil existing GST obligations, which include the filing of GST returns for back-dated periods, maintaining the documents to support the GST returns filed and furnishing the information to IRAS upon IRAS' request.

- **Differences between an InvoiceNow-ready Solution Provider and an Access Point Provider**

(f) Comment: To provide more guidance on the differences between an InvoiceNow-ready Solution Provider and an Access Point Provider.

IRAS' response: **[Accepted]** We tabulate the key differences below, which will also be added into the e-Tax Guide:

	InvoiceNow-ready Solution Provider (“IRSP”)	IMDA Accredited Access Point Provider (“AP”)
Who are they?	<ul style="list-style-type: none"> • IRSPs are providers offering solutions such as accounting or enterprise resource planning systems which are connected to InvoiceNow network via IMDA accredited Access Points. • IRSPs are previously known as Solution Providers (“SPs”). We will be making edits to our publications to reflect this change. 	<ul style="list-style-type: none"> • APs are responsible for creating and maintaining the connectivity gateways that function as access nodes on the e-invoicing network, compliance to the Peppol standards, routing of invoices to the correct destination Access Points, as well as for registering and updating the businesses’ details in the SG Peppol directory.
What services do they provide?	<ul style="list-style-type: none"> • Build the software features to support the GST InvoiceNow Requirement and connectivity to Access Points • Different IRSPs provide solutions with different capabilities, ranging from simple (and free) invoicing functions to a full suite of finance and accounting functions 	<ul style="list-style-type: none"> • Connectivity to Access Points only • Businesses will have to rely on separate finance and accounting solutions to perform the necessary finance and accounting functions
What kinds of businesses should approach which provider?	<ul style="list-style-type: none"> • Small businesses without any existing solutions • Businesses with existing solutions that fall in the list of IMDA’s pre-approved IRSP list 	<ul style="list-style-type: none"> • Large businesses using in-house solutions that do not fall in the list of IMDA’s pre-approved IRSP list

- **Investments Already Made in Existing Systems**

- (g) Comment: To address the issue whereby multinational companies have already invested in procurement systems like Coupa and may face additional cost and work effort to onboard InvoiceNow.

IRAS' response: **[Not Accepted]** InvoiceNow goes beyond procurement management and connects all businesses and facilitates the transmission of invoices within the InvoiceNow network in a standardised manner. Businesses benefit from adopting InvoiceNow as it helps businesses improve productivity in invoice processing, achieve faster payment cycles, and go green by reducing the usage of paper.

In general, IRAS will give businesses at least 1 year of advance notice to adopt the GST InvoiceNow Requirement. For businesses that require more time, we are prepared to consider the request on a case-by-case basis.

IRAS and IMDA are also working closely with InvoiceNow-ready Solution Providers to ensure that there are low cost / Free-of-Charge ("FOC") solution packages available for businesses to adopt. These FOC solution packages aim to reduce businesses' costs associated with complying to the GST InvoiceNow Requirement and the expenses related to integrating their existing system infrastructure with InvoiceNow. A list of InvoiceNow-ready Solution Providers offering FOC solution packages for transmitting invoices to IRAS for GST administration purposes will be made available at a later date.

- **Compatibility of Current Software/ System with InvoiceNow**

- (h) Comment: To clarify how businesses can use their current accounting system or ERP system to issue invoice to IRAS and ensure that the connection is seamless.

IRAS' response: **[Clarifications]** Businesses are advised to speak to IMDA accredited Access Point Providers or InvoiceNow-ready Solution Providers or system integrators (for those with ERP system) to get their system connected to IRAS.

You can view the list of IMDA accredited InvoiceNow-ready Solution Providers [here](#).

A list of InvoiceNow-ready Solution Providers offering Free-of-Charge ("FOC") solution packages for transmitting invoices to IRAS for GST administration purposes will be made available at a later date.

In the event that you are using an in-house or ERP solution, you will have to approach an Access Point Provider to get connected from this [list](#).

- **Pilot Experience**

- (i) Comment: To provide more details about the pilot program such as the learning points and the types of transactions covered.

IRAS' response: **[Accepted]** IRAS accepts the suggestion and will provide more details in our e-Tax Guide.

The pilot run proceeded smoothly and enabled IRAS to validate the technical feasibility and viability of the project. It also confirmed the ease for businesses to onboard the initiative as well as to send invoice data to IRAS seamlessly. Pilot participants also agreed that, by providing the invoice information upfront to IRAS, it could improve data accuracy, shorten GST audits and achieve faster processing of GST refunds.

The issues include how to ensure good data quality in the submissions that IRAS receives, as we noted some data cleanliness issues in the data elements submitted by certain businesses due to gaps in the validation process, as well as the sending of duplicate invoices or the non-submission of certain invoices due to system design.

- **Maintaining Two Sets of Invoice Data**

- (j) Comment: To clarify whether businesses have to maintain two different sets of data, namely, one set from its financial system and another set for transmission to IRAS, and whether businesses can discard the second set after transmission.

IRAS' response: **[Clarifications]** Businesses need to continue to adhere to the prevailing record keeping requirements, including maintain records on their business transactions. Such records include data in the financial system. In general, the data to be transmitted to IRAS should be aligned with the data in the financial system, which is the single source of truth.

- (k) Comment: To correct typographical errors and amend the way the mandatory data elements are shown in the Annexes.

IRAS' response: **[Accepted]** IRAS will make the amendments in the e-Tax Guide.