

Further details on the types of e-Invoices to be issued are outlined in the Glossary section.

Example 1

Mr. Jamal (Supplier) made a sale of 200 office chairs to Greenz Sdn. Bhd. (Buyer) and had issued an e-Invoice for the transaction. Greenz Sdn. Bhd. paid RM2,000 for the 200 chairs (at RM10 per chair). However, 8 units of the office chairs received by Greenz Sdn. Bhd. were faulty and had been returned. Mr. Jamal issued a refund note e-Invoice of RM80 (i.e., RM10 X 8 faulty chairs) to document the refunded amount.

1.5 e-Invoice Implementation Timeline

e-Invoice will be implemented in phases to ensure smooth transition. The roll-out of e-Invoice has been planned with careful consideration, taking into account the turnover or revenue thresholds, to provide businesses with sufficient time to adapt.

Below is the mandatory e-Invoice implementation timeline:

No.	Targeted Taxpayers	Implementation Date
1.	Taxpayers with an annual turnover or revenue of more than RM100 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.	Taxpayers with an annual turnover or revenue of more than RM5 million and up to RM25 million	1 July 2025
4.	Taxpayers with an annual turnover or revenue of up to RM5 million	1 January 2026

Table 1.1 – Targeted taxpayers for each implementation target date

1.6 Exemptions from implementing e-Invoice

1.6.1 For the purposes of e-Invoice, the following persons are currently exempted from issuing e-Invoice (including issuance of self-billed e-Invoice):

- (a) Foreign diplomatic office
- (b) Individual who is not conducting business
- (c) Statutory body, statutory authority and local authority, in relation to the following:
 - (i) collection of payment, fee, charge, statutory levy, summon, compound and penalty by it in carrying out functions assigned to it under any written law; and
 - (ii) transaction of goods sold and services performed before 1 July 2025
- (d) International organisation for transaction of any goods sold or service performed before 1 July 2025 (refer to Appendix 3 for the list of international organisations)
- (e) Taxpayers with an annual turnover or revenue of less than RM1,000,000.

1.6.2 Hence, the above-mentioned persons are not required to issue an e-Invoice (including self-billed e-Invoice). For tax purposes, the receipts / any existing documents issued by the above-mentioned persons would be used as proof of expense.

1.6.3 For clarity, Suppliers who provide goods or services to the persons listed in Section 1.6.1 above are required to issue e-Invoice, in accordance with the implementation timeline in Section 1.5.

1.6.4 However, in relation to transactions with persons in Section 1.6.1 (a) above, Suppliers are allowed to replace the Buyer's details with the information stated in Table 3.5 of the e-Invoice Specific Guideline.