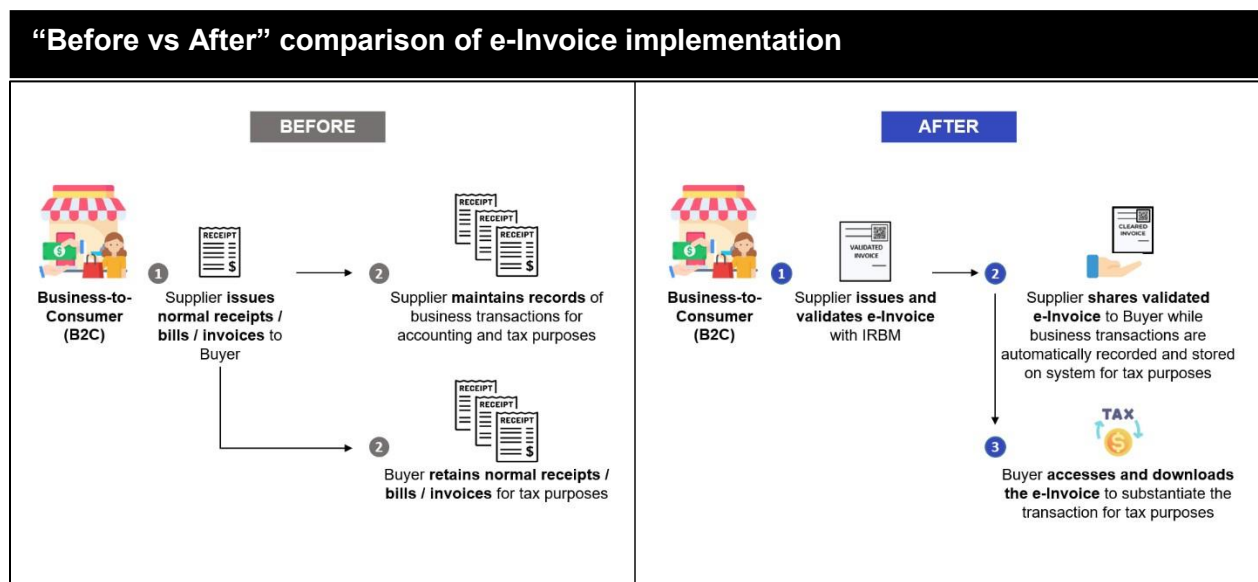


TRANSACTION BECOMES EASIER WITH E-INVOICE

Under Budget 2024, the Inland Revenue Board of Malaysia (IRBM) is set to implement an e-Invoice system nationwide on a mandatory basis to taxpayers with an annual income or sales exceeding RM100 million from 1 August 2024, while taxpayers in other income categories will be enforced in phases with comprehensive implementation from 1 July 2025.

This shift reflects the government's commitment to adopting digital advancements and reducing dependence on manual procedures, propelling Malaysia towards a digital economy. The implementation of e-Invoice not only provides a seamless experience to taxpayers, but it also improves business efficiency through invoicing process automation and reduced administrative tasks, as well as increases tax compliance across businesses of all sizes.

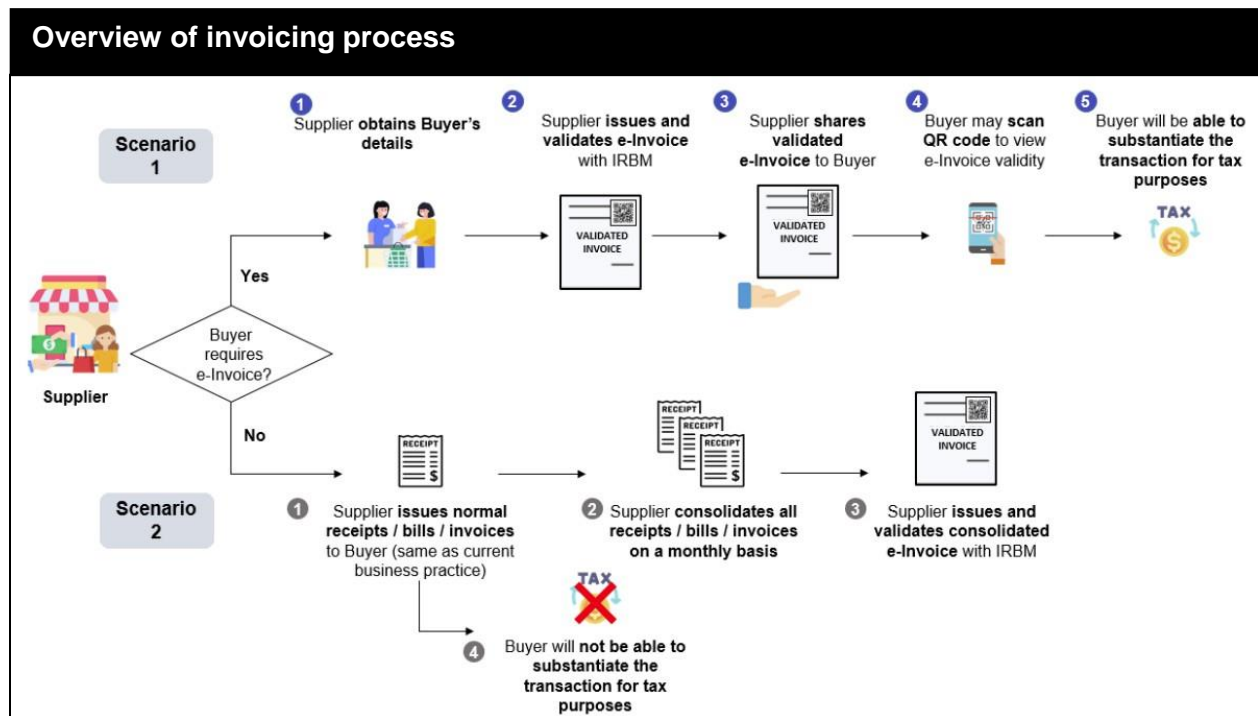
BEFORE VS AFTER E-INVOICE IMPLEMENTATION



Traditionally, businesses issue hardcopy or softcopy receipts, bills or invoices to record transactions, such as the sale of products or services. For tax purposes, both the business (supplier) and consumer (buyer) must retain proper transaction records either in paper or digital form as proof of expense or revenue.

With the upcoming e-Invoice implementation, businesses will be mandated to issue e-Invoices for all transactions. There are two key scenarios for business-to-consumer (B2C) transactions upon the e-Invoice implementation:

- **Scenario 1:** When the consumer requires an e-Invoice from the business
- **Scenario 2:** When the consumer does not require an e-Invoice



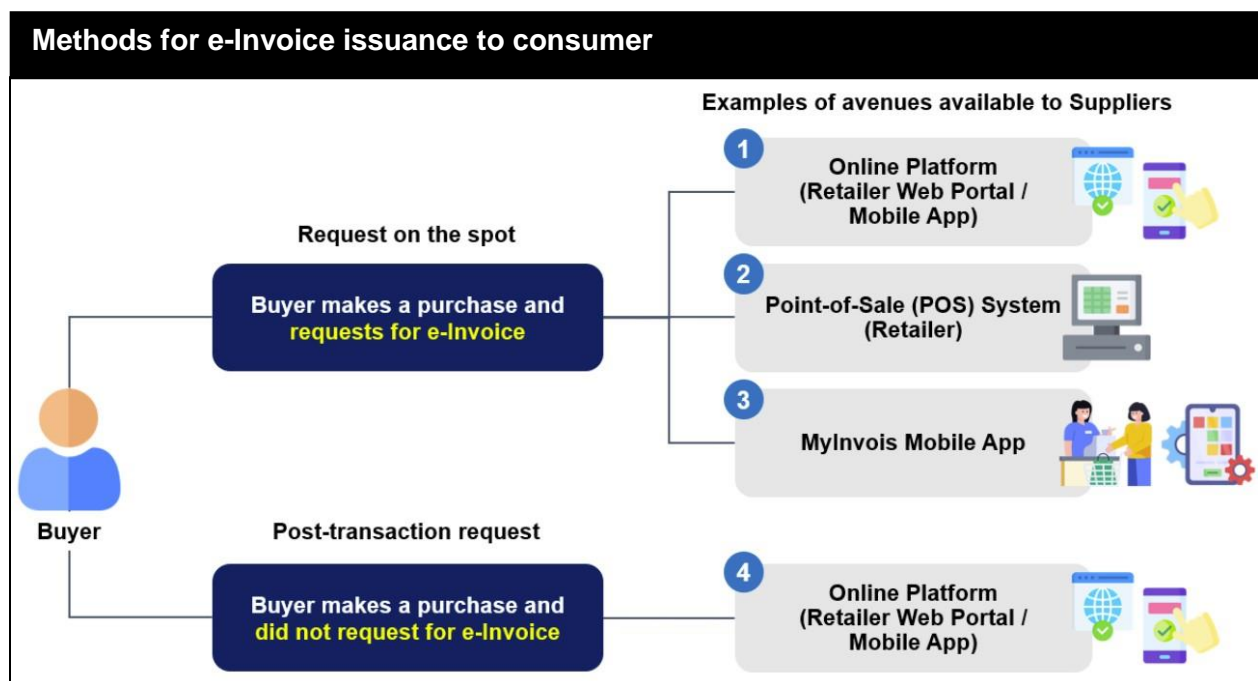
WHEN CONSUMER REQUIRES E-INVOICE

In summary, should a consumer request for an e-Invoice, the business must obtain the required information from the consumer to facilitate the issuance of an e-Invoice. An e-Invoice that has been validated by IRBM in near real-time can be used as the consumer's proof of expense to substantiate a particular transaction for tax purposes.

To facilitate compliance with e-Invoice requirements and ease the burden on both businesses and consumers, the IRBM allows businesses to aggregate transactions with consumers who do not need an e-Invoice into a monthly consolidated e-Invoice for IRBM's validation, within seven (7) calendar days after the month end.

WHEN CONSUMER DOES NOT REQUIRE E-INVOICE

Where the consumer does not require an e-Invoice, the business will issue a regular receipt or invoice to the consumer and will not be required to be submitted for IRBM's validation. In the event the consumer requires an e-Invoice after receiving a regular receipt or invoice from the business, the consumer can request for an e-Invoice from the business within the same month of the transaction.



For more information on e-Invoice, taxpayers can access and download the e-Invoice General and Specific Guidelines through IRBM's official portal. Any questions or feedback may be channeled to HASiL via:

- a) HASiL Care Line via +603-8911 1000 / +603-8911 1100 (International);
- b) HASiL Live Chat; and
- c) Feedback Form on HASiL's official portal via this link <https://maklumbalaspelanggan.hasil.gov.my/MaklumBalas/ms-my/public>