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## **The Electronic Invoicing System**

### **Ministerial Decision No. 243 of 2025 – Issued 12 Sep 2025**

#### **Minister of State for Financial Affairs has decided:**

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- having reviewed the Constitution,
- Federal Law No. 1 of 1972 on the Competencies of Ministries and Powers of the Ministers, and its amendments,
- Federal Decree-Law No. 13 of 2016 on the Establishment of the Federal Tax Authority, and its amendments,
- Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments,
- Federal Decree-Law No. 28 of 2022 on Tax Procedures, and its amendments,
- Cabinet Decision No. 52 of 2017 on the Executive Regulation of the Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments, and
- Ministerial Decision No. 64 of 2025 on the eligibility criteria and Accreditation procedure for Service Providers under the Electronic Invoicing System.

#### **Article 1 – Definitions**

The following words and expressions shall have the meanings assigned against each, unless the context requires otherwise:

State	:	United Arab Emirates.
Ministry	:	Ministry of Finance.
Minister	:	Minister of Finance.
Authority	:	Federal Tax Authority.
Government Entity	:	Ministries, government departments and agencies, authorities and public institutions and bodies in the State, whether Federal or local, or any other entities treated as Government Entities, in accordance with the decisions issued by the Cabinet for the purposes of implementing the provisions of the VAT Law.

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Business Day	:	Any day of the week, except weekends and official holidays of the Federal Government.
Tax Procedures Law	:	Federal Decree-Law No. 28 of 2022 on Tax Procedures, and its amendments, and any other Federal law replacing it.
VAT Law	:	Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments, and any other Federal law replacing it.
VAT Executive Regulation	:	Cabinet Decision No. 52 of 2017 on the Executive Regulation of the Federal Decree-Law No. 8 of 2017 on Value Added Tax, and its amendments, and any other Cabinet Decision replacing it.
VAT	:	Value Added Tax imposed under the VAT Law.
Person	:	Any natural person or juridical person.
Business	:	Any activity conducted regularly, on an ongoing and independent basis by any Person, such as industrial, commercial, agricultural, professional, vocational, service or excavation activities or anything related to the use of tangible or intangible properties.
Date of Business Transaction	:	The earlier of the date on which the Business Transaction occurred or the date of receipt of payment for the Business Transaction.
Registrant	:	Any Person who is registered for VAT and has been issued a Tax Registration Number under the VAT Law.
Electronic Invoicing System	:	An electronic system designated for the issuance, transmission, exchange and sharing of invoice and credit note data in accordance with this Decision.
Electronic Invoice	:	An invoice issued, transmitted, and received in a structured electronic format that enables automatic and electronic processing, in accordance with this Decision.
Electronic Credit Note	:	A credit note issued, transmitted and received in a structured electronic format that enables automatic and electronic processing, in accordance with this Decision.
Issuer	:	Any Person who is obligated to issue, transmit, share and exchange Electronic Invoices and Electronic Credit Notes through the Electronic Invoicing System, in accordance with this Decision.

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Recipient	:	Any Person who shall receive Electronic Invoices and Electronic Credit Notes through the Electronic Invoicing System, in accordance with this Decision.
Excluded Person	:	A Person who is not required to comply with this Decision.
Excluded Transaction	:	A Business Transaction for which there is no exchange and reporting requirement, in accordance with this Decision.
Business Transaction	:	Any transaction conducted in full or in part by a Person in the course of its Business.
Airline	:	An enterprise which is certified by the civil aviation authority of the State or any other state to operate Aircrafts for commercial purposes and perform scheduled or non-scheduled air transport services, or both, and which are available to the public for carriage of passengers, mail and/or cargo.
Aircraft	:	A transport vehicle which is certified as airworthy by a competent aeronautical authority.
Electronic Ticket	:	An electronic document issued by an Airline which contains information and conditions of a contract related to the carriage of passengers.
Electronic Miscellaneous Document	:	An electronic document issued by an Airline in accordance with the International Air Transportation Association standards to facilitate the fulfillment of optional or ancillary services related to the carriage of passengers.
Airway Bill	:	An electronic document issued by an Airline to confirm the receipt of goods and to prove the contract of carriage.
Accredited Service Provider	:	A Service Provider that is granted Accreditation to provide Electronic Invoicing Services in the State, in accordance with Ministerial Decision No. 64 of 2025.
Electronic Invoicing Services	:	The service of sending, receiving and exchanging Electronic Invoices and Electronic Credit Notes in accordance with the standards specified by the Ministry.
System Failure	:	Any technical malfunction, disruption, or unavailability of the Electronic Invoicing System that prevents the Issuer or Recipient from complying with their obligations under this Decision.

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## **Article 2 – Objective**

The purpose of this Decision is to establish the scope of application of the Electronic Invoicing System in the State and prescribe the obligations of the Persons subject to the Electronic Invoicing System.

## **Article 3 – Scope of Application**

This Decision shall apply to:

- a) Any Person conducting Business in the State in respect of every Business Transaction, except where the Person or the Business Transaction is excluded under Article 4 of this Decision.
- b) Any other Person or Business Transaction as may be determined by the Minister.

## **Article 4 – Exclusions**

1. The following Business Transactions shall be considered as Excluded Transactions:
  - a) Any Business Transactions conducted by Government Entities in a sovereign capacity, and which are not in competition with the private sector, in accordance with the VAT Law.
  - b) International passenger transportation services provided by an Airline via an Aircraft, where an Electronic Ticket is issued to the passengers.
  - c) Any services provided directly to the passengers by an Airline, that are ancillary to the services mentioned in clause (b) of this Article, where an Electronic Miscellaneous Document is issued for such services.
  - d) International transportation services in respect of goods, provided by an Airline, where an Airway Bill is issued for such services, provided that this exclusion shall apply only for a period of twenty-four (24) months from the date on which the Electronic Invoicing System becomes effective.
  - e) Financial services that are exempt from VAT or subject to VAT at the zero rate, in accordance with Article 42 of the VAT Executive Regulation.
  - f) Any other Business Transaction as may be determined by the Minister.

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2. The category of Excluded Persons shall be determined by a decision issued by the Minister.
3. Notwithstanding the exclusions under Clauses 1 and 2 of this Article, a Person may voluntarily issue, transmit, share, exchange and report Electronic Invoices and Electronic Credit Notes for Business Transactions. In such cases, the provisions of this Decision and all related decisions regarding the Electronic Invoicing System shall apply to them mandatorily, except the decisions related to the violations and administrative penalties.

#### **Article 5 – Appointment of Accredited Service Provider**

1. Without prejudice to the Issuer's and Recipient's obligations under this Decision, the Issuer and the Recipient, as applicable, shall appoint an Accredited Service Provider in accordance with Article 6 of this Decision.
2. The list of the Accredited Service Providers shall be published by the Ministry.
3. The Issuer and the Recipient shall notify the appointed Accredited Service Provider in writing of any change to the data registered with the Authority pursuant to Clause 4 of Article 6 of the Cabinet Decision No. 74 of 2023 on the Executive Regulation of the Tax Procedures Law, within five (5) Business Days from receiving confirmation of the amendment by the Authority.

#### **Article 6 – Exchange and Reporting Obligation**

1. Subject to Article 8, 9 and 10 of this Decision, the Issuer shall issue and transmit an Electronic Invoice to the Recipient in respect of any Business Transaction.
2. The Issuer shall issue and transmit an Electronic Credit Note to the Recipient in the following cases:
  - (a) Where the Business Transaction is cancelled.
  - (b) Where the agreed consideration for the Business Transaction is reduced for any reason.
  - (c) Where the consideration for the Business Transaction is returned in full or in part.

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- (d) Where an administrative or numerical error has occurred in relation to the Business Transaction.
3. The Recipient shall process Electronic Invoices and Electronic Credit Notes through the Electronic Invoicing System.
  4. Where the Issuer is a Registrant, the Issuer shall issue and transmit the Electronic Invoice, and the Electronic Credit Note to the Recipient within the timeline prescribed by the VAT Law.
  5. Subject to Clause 4 of this Article, the Electronic Invoice or Electronic Credit Note referred to under Clauses 1 and 2 of this Article, must be issued and transmitted by the Issuer through the Electronic Invoicing System within 14 days from the Date of Business Transaction.
  6. The Issuer and the Recipient must report Electronic Invoices and Electronic Credit Notes issued under Clauses 1, 2 and 3 of this Article to the Authority within the timeline prescribed by the Minister.
  7. The Issuer and the Recipient shall fulfil their obligations under this Article through the appointment of an Accredited Service Provider.

#### **Article 7 – Data fields of the Electronic Invoice and Electronic Credit Note**

The Electronic Invoice and Electronic Credit Note shall contain all the data fields and particulars, as prescribed by the Ministry.

#### **Article 8 – Agent**

Where an agent acts on behalf of a principal, the agent may issue and transmit the Electronic Invoice or Electronic Credit Note through the Electronic Invoicing System, on behalf of the principal.

#### **Article 9 – Self-Billing**

The Recipient may issue an Electronic Invoice or an Electronic Credit Note on behalf of the Issuer in respect of a supply of goods or services provided both the Recipient and

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Issuer are Registrants, in accordance with the conditions prescribed in the VAT Executive Regulation or as otherwise determined by the Minister.

#### **Article 10 – Access Records**

1. The Authority shall have the power to access and use any data processed, received and stored under the Electronic Invoicing System.
2. Subject to the terms and conditions stipulated in the Tax Procedures Law and its executive regulations, the Authority shall have the power to share any data processed, received and stored under the Electronic Invoicing System with other Government Entities or foreign government bodies pursuant to the implementation of the obligations of the State under any international agreement, treaty or arrangement to which the State is a party.

#### **Article 11 – Storage of Electronic Invoice and Electronic Credit Note Data**

Any Person subject to the Electronic Invoicing System shall store all Electronic Invoices, Electronic Credit Notes, and any associated data within the State in accordance with the timeline prescribed under the Tax Procedures Law.

#### **Article 12 – System Failure**

Every Issuer and Recipient shall notify the Authority of a System Failure within 2 Business Days from the date of occurrence of the System Failure, in the mechanism and procedures determined by the Authority.

#### **Article 13 – Implementation**

The Electronic Invoicing System shall be implemented in phases to be determined by the Minister.

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#### **Article 14 – Cancellation of Conflicting Provisions**

All provisions contrary to or inconsistent with the provisions of this Decision shall be repealed.

#### **Article 15 – Publication and Enforcement**

This Decision shall be published in the Official Gazette and shall come into force on the date of its publication.