



E-Invoice Accounting and its Implementation Mechanism

HRD Corp Claimable (SBL-Khas)

The application of E-invoice in billings of commercial activities and the capturing of cost in Accounting and for tax purpose as announced by LHDN implemented in phases from Aug., 2024 onwards, is not solely a tax matter of about how much tax to pay or when to do your tax filing. The major part of it is all about your Accounting for the Revenue and Cost of the organization and the Business Operation at large, such as Sales, Purchasing, HRM, IT and all other operating staffs. When to account for the cost and revenue and when to issue e-invoice are all separate matters.

The 6 months grace period given from the mandatory implementation date for the 1st phase is going to be over end January 2025 and unless extended, full implementation is to be complied. Fine between RM200 to RM20,000, or imprisonment for 6 months or both may commence after the grace period. It has also been reported that despite the grace period given, the 1st month of implementation, Aug., 2024, saw more than 20 million e-invoice submitted to the IRBM for validation.

Then the 2nd phase group comes in w.e.f. 1/1/2025. The number of companies in this 2nd phase group could be at least 100 times bigger than the 1st group. While they may be also enjoying the 6 months period ending 30/6/2025, it will be better to start implementing and get the learning curve up than to cramp everything at the last minute.

Hence this program is to provide the necessary content of e-invoice mechanism and to equip all Accounting and Other Operational Staffs on the organization's requirement to implement e-invoice as per LHDN's requirement for their various business transactions.

The need to know when to issue an E-Invoice to customers to capture the revenue, when to issue self-bill invoice to capture the cost, when suppliers are not required to issue E-invoice but require to issue consolidated e-invoice, etc. are all essential knowledge and skills that all staffs in the organization's accounting and other departments will need to know and possess.

Objective

By the end of this program, participants will be able to:

- Understand what actually is E-Invoice and what does it entail
- Gain awareness of what are the updates via Budget 2025
- Understand the mechanism of E-Invoice
- Application of E-Invoice for different types of Business & Accounting Transactions
- Prepare and get ready for E-Invoice implementation
- Gain guidance on actions to be taken to capture revenue and cost for your business operation and for tax purposes

Pre-Requisites

- Stable Internet Connection
- Webcam and Earphones

Course Content

Module 1: Fundamentals

- What is e-Invoice and what does it entail in comparison with current invoicing practice?
- Worldwide development of e-invoice and its implication on tax
- Malaysian implementation threshold and phases and its partial and full mandatory implementation dates
- What to do during the first 6 months grace period
- When to issue e-invoice for the transactions
- E-Invoice processes and steps
- Compulsory and optional information to be disclosed for e-invoice
- Additional compulsory and optional information to be disclosed for: Cross Border Transactions and Drop Shipment
- Scope of Coverage: - (i) Parties, (ii) Documents and (iii) Transactions
- Parties and activities exempted
- When to apply General TIN number and on who

- Impact of e-invoice on business operation after full implementation by IRB
- Scenarios of one party implemented e-invoice and dealing with other parties have not
- Scenario where one party is exempted whereas the other party is not
- Penalties for non-compliance

Module 2: E-Invoice Mechanism

Two transmission mechanism Processes and Steps

- IRB's MyInvois model (cloud based)
- Application Program Integration (API) model

Salient Points of E-Invoice including:

- E-Invoice creation and submission to IRB for validation
- Application of UTC time (Coordinate Universal Time)
- Error in Validation, Rejections and Cancellation
- Notification of validation, rejections and cancellation by IRBM
- Sharing of e-invoice to customer
- Window time for rejection/cancellation of invoice by buyer
- Storing of e-invoice in IRB's portal and its dash-board services.

Steps towards Directors role as employer and appointment of representatives of companies to do e-invoice

Module 3: Application of E-invoice for Accounting of Business Transactions

Issuance of e-invoice:

- Individual transaction e-invoice
- Consolidated transactions e-invoice
- Industries where consolidated e-invoice is not allowed
- Self-billed e-invoice for specific situations such as payment of commission, payment of interest, e-commerce, imports, etc.
- Situation where consolidated self-billed is allowed
- Business transactions under periodic basis

E-invoice treatment for:

- Reimbursement and Disbursements with e-invoice and without e-invoice.
- Billing of penalties charges
- Employment perquisite and benefits, etc.
- Employees Claims
- Salary in lieu of notice matters
- Import and export transactions
- Commission payment to agents, dealers and distributors
- Loyalty and Volume Rebates / discounts given to customers

- Interest received from Banks
- Interest charge to employees loan/advances
- Interest payment to Banks, HP companies.
- Sales with trade-ins like car, goldsmith, etc.
- Profit distribution
- Foreign income remit back to Malaysia
- Rental or expenditure incurred from parties exempted from e-invoice
- E-Commerce treatment
- Utility Bills under Landlord's name
- Consignment Sales – Domestic and Overseas.
- Sending of goods to be kept in overseas warehouses
- Sales of cash vouchers
- Issuance of cash vouchers on target purchase
- Payment to Foreigners who are non-employees
- Sponsorship for company events, like annual dinner for goods and cash.
- Pay for training and allowance for customers' staffs
- Inter-branch sales
- Advance payment to suppliers
- Received Insurance compensation
- Disposal of total damaged goods after insurance compensation
- Recoup of insurance claims from the fault party's insurance
- Developer pays legal fees, stamp duties, etc. on behalf of buyers
- Developer pays guarantee rental to property buyers
- Money Lending

Module 4: Readiness for Implementation

- Avenue/Guide for Taxpayers familiarization
- Steps to take – what should you do now: Employees handbook update or development; Gap arising and resolution on the current invoice, D/N and C/N issuance process Vs. the e-invoice requirement processes; Policies and procedures for different basis of e-invoice issuance
- Grants and Tax incentives available for e-invoice implementation for MSME
- Change Management

When & Where

18 Feb 2025
(Tuesday)
9.00 am to 5.00 pm

Who Should Attend

Entrepreneurs, Business
Owners, Directors,
Accountants,
Operational Accounting

Training Investment

RM 700 per participant
(inclusive of Service Tax,
Online Course Materials, E-
Certificate of Attendance)

**Remote Online Learning -
Zoom**

Staff, Company Secretaries, Other Functional Managers and Executives, all other persons who are involved in and/or interested to learn about E-Invoice mechanism

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Trainer's Profile

Tan Kok Tee

Kok Tee has over 40 years of experience in financial, strategic and general management. He has held a variety of leadership and senior management roles in various organizations, the last being Group Chief Executive Officer. More than half of this time are spent in the Manufacturing, Marketing & Distribution and Services organization, including those with the then Inchcape Timuran Berhad, Metroplex Berhad, Perdana Industries Berhad.

He is a Fellow member of the Association of International Accountants, UK; Member of the Institute of Public Accountants, Aust.; Certified Commercial Accountant, (M); Member of the Chartered Tax Institute of Malaysia; Member of the Malaysia Associations of Company Secretaries; holds a MBA in Finance from Charles Sturt University, Australia and a Gold Mastery Holder in Reinventing Strategic Planning and Management from the Haines Centre for Strategic Management, sponsored by University of San Diego, USA.

He is also a Certified Trainer with PMSB's Train The Trainer Certificate since 2009, a GST Agent registered with MOF and a life member with the Malaysian Institute of Directors.

Kok Tee has also been involved in training and facilitation on a part-time basis from 2009-2013, and full time from 2014 to now. To date, he has conducted about 300 training workshops, of which more than half are for GST related covering including GST Accounting for both in-house as well as public, including Government Authorities, Chamber of Commerce, Government Link Companies, Banks, Malaysian Institute of Accountants, Chartered Institute of Management Accountants, Selangor state Human Resource Development Centre, Negeri Sembilan state Skills Development Centre, NGOs, political party as well as for various other training providers.

He also developed and delivered an Entrepreneurship program (training) specially for MBA students from GC University, Pakistan in collaboration with Sunway Education Group for

period 2010 to 2014. He was also an assessor for the UTAR's NGO strategic planning program and an invited speaker for the Asian Financial Controller's Congress in 2009, 2010 and 2011.

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Other Programmes [HERE](#)



Contact Us

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