

## InvoiceNow FAQs

### General Questions

**1. What is InvoiceNow?**

InvoiceNow allows direct transmission of invoices in structured digital format from one finance system to another using the Nationwide E-delivery network which is based on Peppol, allowing for the invoice to be flipped to E-payments such as Paynow directly.

**2. I am already using PDF E-Invoice, why is InvoiceNow different?**

In a common business scenario today, an PDF e-invoice is sent to the recipient organisation by email. This is a single-sided operation requiring your recipient to re-enter the details of the invoice into their own accounting system (e.g. accounts payable). A more complete solution should include the transmission of data from supplier system to buyer system without human intervention and potentially allow for the InvoiceNow invoice to be paid seamlessly.

**3. Is InvoiceNow a form of Electronic Data Interchange (EDI) e-invoice?**

Yes, InvoiceNow is a type of Electronic Data Interchange (EDI) based on the Peppol standards. Additionally, the Peppol network complements companies' existing EDI connections to allow e-invoicing to businesses connected to the Peppol network.

**4. What is Peppol?**

Peppol is an international E-Document delivery network and business document standard form of Electronic Data Interchange (EDI) allowing enterprises to digitally transact with other linked companies on the Network.

**5. Is InvoiceNow e-invoicing different from Peppol e-invoicing?**

No, InvoiceNow e-invoicing is based on the Peppol business document standard and operates over the Peppol network and allowing enterprises to digitally transact with other linked companies on the Network.

**6. How are the banks involved in InvoiceNow?**

InvoiceNow is supported by ABS which is the Association of banks in Singapore, as both InvoiceNow and PayNow are UEN based. Supporting banks are working on solutions that allow users to flip InvoiceNow invoices to payment (such as PayNow) directly cutting down on complexity and reducing business friction.

**7. What is IMDA's role in the network?**

IMDA is the Peppol Authority responsible for definition of domestic rules, the governance of network by ensuring conformance of standards, and approving providers serving the Singapore businesses.

**8. Are consumer invoices covered under InvoiceNow?**

No, InvoiceNow only covers business to business transactions. Business to consumer transactions are currently not covered.

**9. How can I get InvoiceNow and connect to the Nationwide E-delivery network?**

You can activate InvoiceNow on any Peppol Ready solution which has been certified by IMDA. You can check the list of solution at <https://www.imda.gov.sg/programme->

listing/nationwide-e-invoicing-framework/Peppol-Ready-Accounting-ERP-Solution-Providers

**10. How will InvoiceNow work with other Electronic Data Interchange (EDI) solutions?**

InvoiceNow on Nationwide E-delivery Network complements your existing EDI connections to allow e-invoicing to businesses connected to the Peppol network. This extends the reach of digital connections that you can access via your existing solutions to new segments.

**11. Should I replace my Electronic Data Interchange (EDI) solutions?**

You should not replace your EDI solution if it is providing you benefits. Peppol network complements your existing EDI connections to allow e-invoicing to businesses connected to the Peppol network.

InvoiceNow to Government

**12. Do I have to be on the Peppol network in order to issue InvoiceNow invoices to the Government through the Peppol network?**

Yes, you need to be on the Peppol network to issue InvoiceNow invoices the Government through this network. AGD has developed a guide that explains how you may do so, and the requirements to comply with. The guide can be found here:

[https://www.vendors.gov.sg/doc/Guide-E-invoice\\_Submission\\_via\\_PEPPOL\\_Network.pdf](https://www.vendors.gov.sg/doc/Guide-E-invoice_Submission_via_PEPPOL_Network.pdf)

**13. Does InvoiceNow e-invoice meet the legislated GST requirements on contents of tax invoice?**

Yes, e-invoices are valid as evidence. According to Clause 6 Electronic Transactions Act: "for the avoidance of doubt, it is declared that information shall not be denied effect, validity or enforceability solely on the ground that it is in the form of an electronic record."

According to section 3.3.2 of the IRAS Etaxguide: "physical copies of source documents need not be kept to substantiate your business transactions for tax purposes if the source documents are kept electronically ". In addition, "businesses should ensure that proper internal controls are put in place to ensure the integrity, completeness, accuracy, availability and reliability of the electronic records, including all transactions executed electronically, where applicable".

Do note that "businesses should ensure that proper internal controls are put in place to ensure the integrity, completeness, accuracy, availability and reliability of the electronic records, including all transactions executed electronically, where applicable".

Cost & Benefits to Organisations

**14. How can InvoiceNow e-invoicing help save cost?**

- a. Faster payment of Invoices due to simplification of Invoice to Payment processes. Several banks are working on solutions that allow users to directly flip an InvoiceNow invoice to an E-Payment.
- b. Reduction of tedious and time consuming manual processes (estimated \$8 per invoice according to a study commissioned by IMDA)
- c. Reduction of errors and rectification costs (estimated to affect 3% of paper invoices and costing as much as S\$72 to rectify, according to a study commissioned by IMDA).
- d. Reduction of storage, retrieval and delivery costs.

**15. How is the government helping end-user companies? How does this actually benefit them?**

IMDA has put in place the nationwide e-delivery network with open and international standards for companies to adopt. Companies that adopt the e-invoicing network stand to gain from business efficiency and improved payment cycles. IMDA has also certified Access Points (APs) who will assist the end-user companies in getting connected through a variety of methods to meet the different digitalisation status of each company. By providing choices and variety for end-user companies to adopt e-invoicing through the open standard, more can come on board the network and gain from it early.

**16. If my supplier and/or client is not on the network, will I still enjoy the benefits?**

To benefit from the network, users (i.e. senders and receivers of invoices) must be registered on the network. Just like emails, there's a need for each to be registered and have a Peppol-ID that partners can send InvoiceNow e-invoices to.

**17. Is there a monetary benefit for end-user companies coming on board? Or are there only non-monetary benefits such as faster payments?**

Though getting paid earlier and improvements to efficiency and are clear monetary benefits. Having a digital connection for B2B document exchange is also a good first step to further digitalisation.

**18. What benefits are there for InvoiceNow e-invoicing?**

**a. Faster payment cycles**

InvoiceNow Invoices are more efficiently being sent out in suppliers' systems and then received, captured and processed more quickly at buyers' systems, thus speeding up payment. Faster payment as a result of faster processing. Delay in payment is a major concern of SMEs (SPRING 2017 business survey). A US Federal Reserve Bank of Minneapolis in 2017 showed 45% of paper invoices were paid on time compared to ~92% of e-invoices.

**b. Cost reduction**

Research have indicated that senders of e-invoices can save about 59% and recipients can save 64% compared to using paper-based processes. Contributing cost factors could be storage and retrieval of hard copy invoices.

**c. Improve efficiency**

- i. Paper and PDF invoices require finance or accounting staff on both sides to key and rekey data into electronic systems. This process of data entry leads to human error. Error-prone manual process is avoided with e-invoicing.
- ii. Businesses can skip labour-intensive steps such as verifying information, rectifying errors and resolving conflicts.
- iii. Process are more streamlined

**d. Reduced Complexity**

Just as PayNow is a UEN-based e-payment, InvoiceNow is also a UEN-based e-invoicing, by using the same underlying UEN, Invoice to payment processing can be further simplified.

**e. Transact internationally**

When other businesses are in the network, sending e-invoices to overseas partner is seamless.

### **19. Is there a charge for InvoiceNow einvoices? Won't this add costs to a business?**

Most Access Points (AP's) and Solution Providers (SP's) will charge based on transaction fees (sending and receiving InvoiceNow e-invoices). With the wide variety of AP's and SP's in market with several offering free InvoiceNow e-invoicing feature, the market is expected to be competitive. Some will provide limited free InvoiceNow e-invoices sufficient for small businesses. Some will bundle the transactions in a bigger product package. While the rest will tier the transactions, where at high volume the price per transaction can be very low.

For businesses who require value-added services (e.g. translating the PDF invoice into the InvoiceNow Peppol format), APs and/o SP's may charge additional fees.

The overall savings by moving to e-invoicing is expected to exceed the costs, irrespective of size of businesses.

### Grants

#### **20. Is there any grant for SMEs for adopting e-invoicing?**

Easiest way for SMEs to adopt e-invoicing is to subscribe to solutions that are connected to Peppol. IMDA has ensured that majority of the pre-approved solutions that are funded by the Enterprise Singapore (ESG) have e-invoicing capability. SMEs can then reap the benefits of e-invoicing with minimal or no additional cost. From now till 31<sup>st</sup> December 2020 IMDA has announced a \$200 E-Invoicing Registration Grant for businesses which register on the nationwide e-delivery network. This is applicable for the first 50,000 businesses.

### How Do I Get Connected

#### **21. How long does the process of getting connected take?**

The process of connecting depends on the complexity of the systems and processes involved. Many local accounting and ERP solution providers have default capabilities to send InvoiceNow e-invoices which can be switched on with immediate effect, while for others there is a need to make changes to the systems and processes that may vary in duration.

#### **22. I am interested in InvoiceNow e-invoice and would like to know how do I get connected**

The steps that you as an end user business need to do are:

- a. If you are using a service provider's Accounting/ERP solution, check that they are certified as a [Peppol Ready solution](#) (meaning that they are already connected to Peppol). If so certified, find out from them how to sign up and use.
- b. Alternatively, you can check with your banking provider if they can assist with a solution offering.
- c. If you have your own financial system, engage with an approved Access Point (AP) operator who will be able to help you connect your system. The list of approved Access Point operators can be found from IMDA website [www.imda.gov.sg/einvoice](http://www.imda.gov.sg/einvoice) (see under 'Access Point and Solution Providers')
- d. Once you have your solution established, register and get your Peppol business identity (typically done by your AP)
- e. Learn how send and receive Peppol e-invoices using your solution.
- f. Update all Purchase Order documents with your Peppol business identity for invoicing
- g. Announce that you are E-invoicing ready to all your business partners and suppliers

**23. What are the available technical support for implementing e-invoicing?**

IMDA provides regular business briefing and technical workshops through the year. Please do look out for these events on the website ([www.imda.gov.sg/einvoice](http://www.imda.gov.sg/einvoice)).

**24. Will this be integrated to accounting systems?**

Yes, InvoiceNow e-invoicing can be integrated to accounting systems. Please check the Peppol Ready solution list found at [www.imda.gov.sg/einvoice](http://www.imda.gov.sg/einvoice) to see if your accounting system is connected. If not, you can help get your accounting system connected by working with an Access Point. If the accounting system is from a Service Provider, you can write to your provider to recommend that they get connected to Peppol network.

**25. Are there any other countries which has adopted E-Invoicing?**

Countries who have adopted Peppol as their standard are listed on OpenPeppol website: <https://peppol.eu/what-is-peppol/peppol-country-profiles/>

**26. Can I send and receive InvoiceNow invoices cross border? How will this impact my business with overseas customers?**

You can receive and send InvoiceNow e-invoices to businesses in other countries as long as they are on the Peppol network.

**27. Are my suppliers and partners on the network?**

You would be able to search for your Peppol Ready suppliers, partners and customers here. If you would like to specifically search for Peppol Ready Singapore-registered businesses, you can search by name or by UEN number do remember to add a "0195:SGUEN" to the UEN number in your search string (i.e. search for "0195:SGUEN"<<UEN Number>>).

**28. Are there any briefings on InvoiceNow?**

Briefing for businesses, are available on a monthly basis. Latest information can be found on IMDA's website ([www.imda.gov.sg/einvoice](http://www.imda.gov.sg/einvoice)).