

The background of the slide is a photograph of a person's hands using a white handheld calculator on a wooden desk. The person's left hand is holding the calculator, and their right hand is pressing one of the buttons. The calculator has a small LCD screen and a numeric keypad. The scene is softly lit, with a warm, golden-brown tone. In the bottom right corner, there is a dark grey diagonal overlay containing the title and subtitle text.

SMART INVOICE ALERT

Implementation of Smart Invoicing

March 2024

THE SMART INVOICE - ALERT!

Smart invoicing and what you need to know

Following the pronouncement of the 2024 National budget address by the Minister of Finance and National Planning regarding the implementation of electronic invoicing, taxpayers will need to utilize the smart invoice system for recording all transactions. This invoicing approach is set to replace the current use of Electronic Fiscal Devices (EFDs).

The introduction of the Smart Invoice commenced with a pilot phase in December 2023 & is currently ongoing. Effective 1st July 2024, all Value Added Tax (VAT) registered taxpayers will be required to issue electronic invoices.

Here is all you need to know about the Smart Invoice;

- The Smart Invoice system is an electronic invoicing system adopted by the Zambia Revenue Authority (ZRA) to manage all invoices and the stock data which will be transmitted to the ZRA.
- Electronic invoicing is an invoicing method that assigns a unique mark of authenticity, known as a fiscal signature, to each transaction and promptly transmits the invoice to the ZRA in real-time.
- The Smart Invoice will encompass a broader spectrum of taxes and levies, including VAT, Turnover Tax, Rental Income, Insurance Premium Levy (IPL), Tourism Levy, and Local Excise Duty on electric energy.
- Some of the objectives of the Smart Invoice are to curb revenue leakages in identified tax types, to enhance data analytics for compliance enforcement, to expand the scope of fiscalisation to include other tax types and to eliminate the need to accredit device suppliers.
- To meet the mandate of employing Smart Invoice, taxpayers are obligated to utilize any of the accepted invoicing solutions sanctioned by ZRA which are, the mobile app, online invoicing, desktop application and approved invoicing systems (which is designed for taxpayers utilizing accounting packages and pertains to systems that undergo certification and integration with Smart Invoice).
- The Commissioner General may allow certain categories of taxpayers to use other types of invoicing systems for specific reasons. We do not have clarity yet on the categories of taxpayers that may be exempted.
- BDO Zambia Limited will assist in engaging the ZRA for smart invoice trainings on dates to be advised.



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