



Understanding[!] e-Invoicing for Malaysia:

**A guide to
getting started**



What is e-Invoicing for Malaysia

E-Invoicing is the electronic exchange of invoices between businesses.

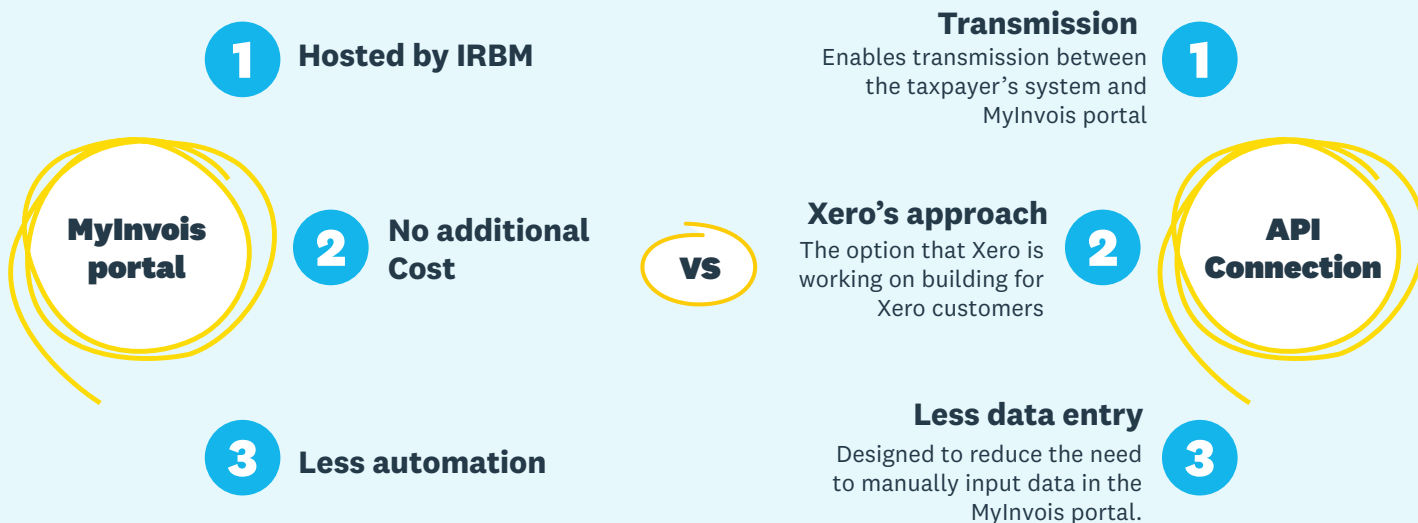
In Malaysia, e-Invoicing includes an additional tax reporting component to the Malaysian tax authority (IRBM) which sits in-between the two trading partners. This provides IRBM the ability to review, approve and validate, sign and even distribute the invoice to the customer.

Under new e-Invoicing requirements, taxpayers in Malaysia are required to report on all transactions and activities monthly to IRBM.



Submitting e-Invoices in Malaysia

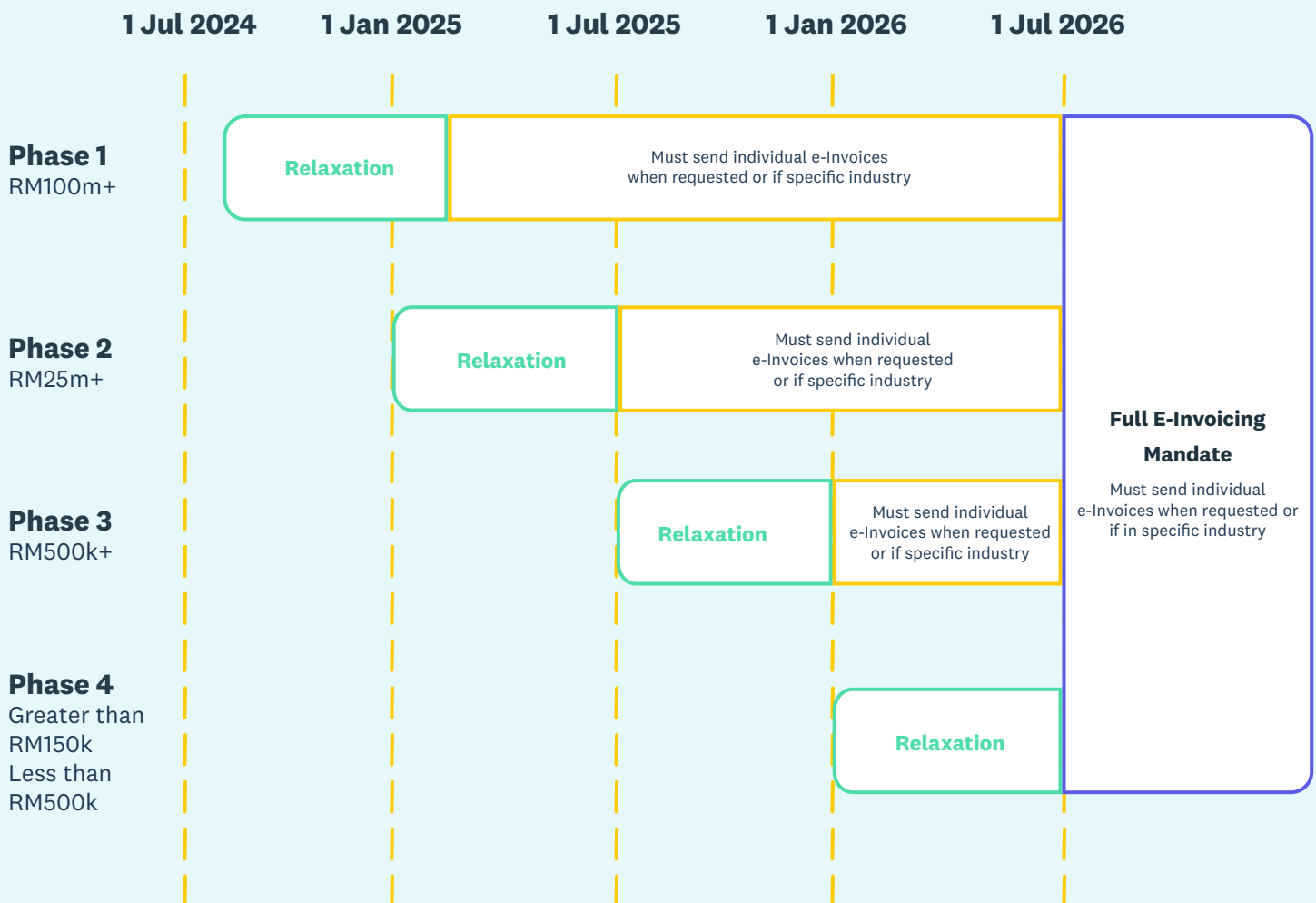
E-Invoice reporting data can be submitted to IRBM in 2 ways.



e-Invoicing Implementation Timeline

As of February 2025

The mandate will be rolled out in phases based on business turnover, with a simplified (relaxation) compliance requirement in the first 6 months of each phase.



How does this mandate effect you and when?



Income or annual turnover of busines	Exceeding RM100 million	Between RM25 million to RM100 million	Between RM150K to RM25 million	Less than RM150K
Implementation Phase	Phase 1	Phase 2	Phase 3	Exempt
Date of mandate	1st August 2024	1st January 2025	1st July 2025	No
Mandate applies	Yes	Yes	Yes	
Relaxation period	1 August 2024 - 31 January 2025	1 January 2025 - 30 June 2025	1 July 2025 - 31 December 2025	Indefinitely
Full mandate begins	1 February 2025	1 July 2025	1 January 2026	Full mandate does not apply
Requirements during the relaxation period	Monthly delivery to IRBM of a consolidated e-Invoice/s and self-billed consolidated e-Invoice/s including all transactions for a calendar month within seven (7) days after the month end.			Full mandate does not apply
How will Xero support?	Not supported	<p><i>During the relaxation period, Xero e-Invoicing will support submitting consolidated e-invoice and self-billed e-invoice.</i></p> <p>After the relaxation period, Xero e-Invoicing will support sending individual e-invoices to IRBM.</p>		

Getting started - Setup e-Invoicing for your Xero org

Before accessing the IRBM MyInvois Portal, please ensure that the [following steps](#) are completed.

If you are a first time user, you can login to IRBM [here](#) and complete the required steps.

Steps to get started with e-Invoicing in Xero

1 Go to the MyInvois Portal and add an intermediary

Login to the IRBM MyInvois Portal, select taxpayer profile and add an intermediary.

Add Intermediary

TIN * BRN * Name *

p T 5 A O R C

Captcha Is Valid

Is Foreign Company No

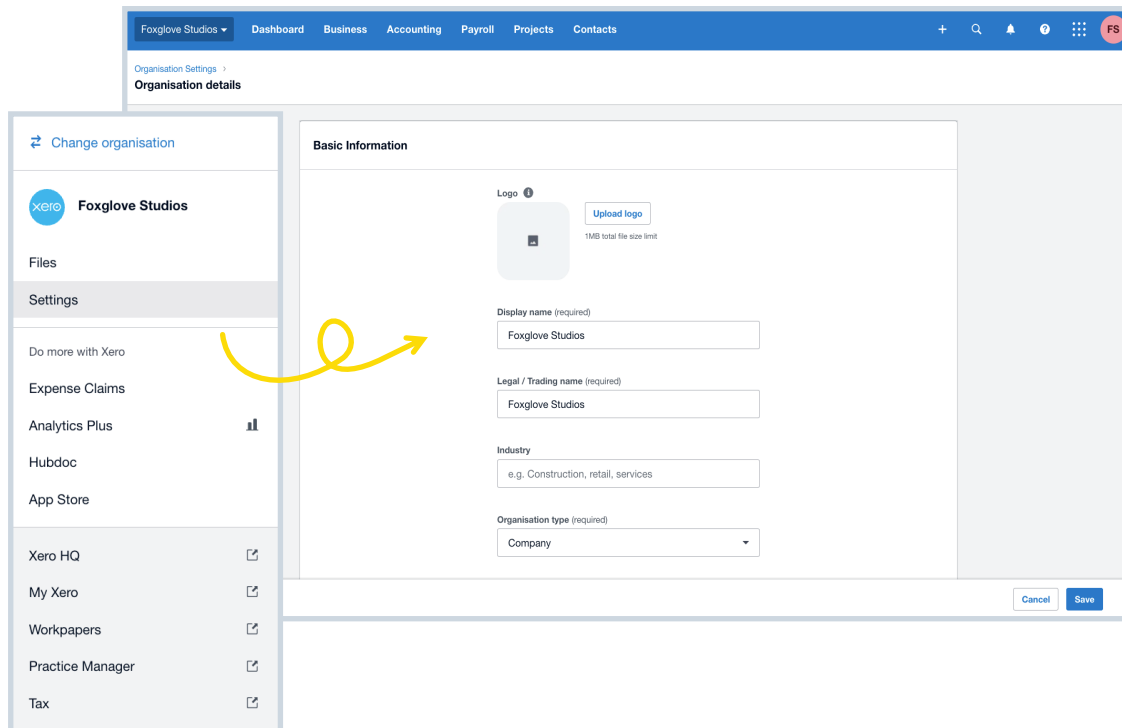
Is Peppol Supported Yes

Status Active

[Register ERP](#) [Add Intermediary](#)

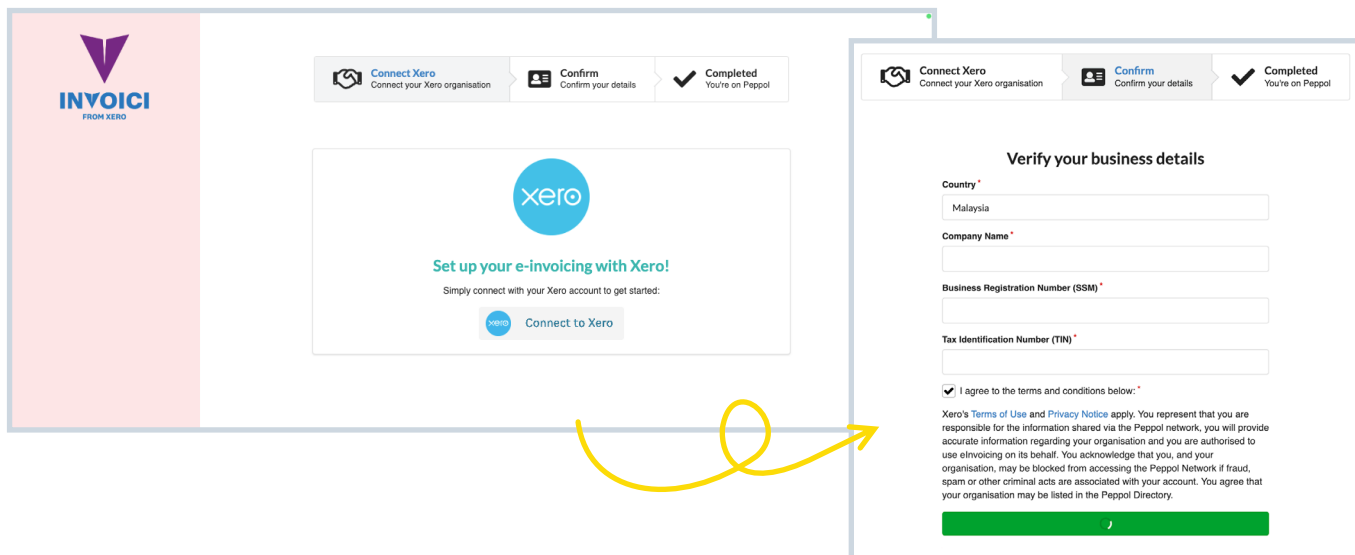
2 Go to Xero, and ensure the organisation details are correct

Ensure all necessary company details are entered correctly in Xero organisation Settings.



3 Register for e-Invoicing

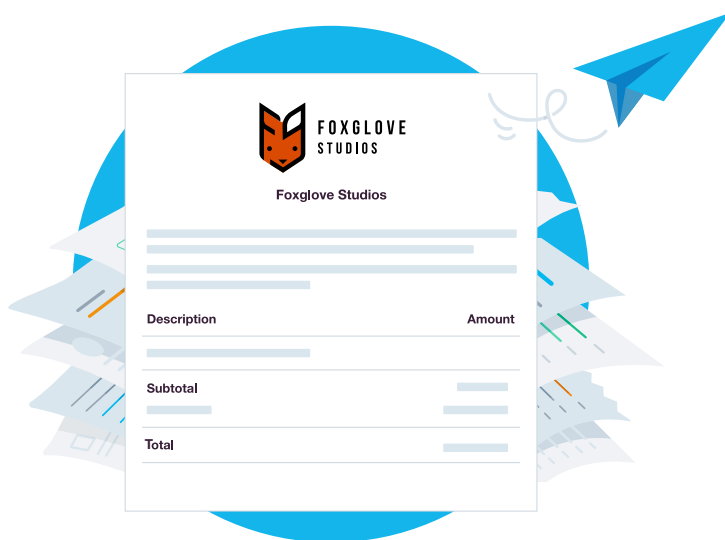
Login to *Invoici from Xero* and follow the steps to complete registration.



4

Submitting income and expenditure summary

(During initial 6 month 'relaxation' period), submit Income and Expenditure summary as a 'consolidated e-Invoice', within 7 calendar days of the end of each calendar month. More detail on how to do this in Xero is coming soon.



5

Update customer and supplier details in Xero

Make sure to update the customer and supplier contact details in Xero to prepare for the period after 'relaxation'.

A screenshot of the Xero 'Edit contact' form. The form is titled 'Edit contact' and is for 'ABC Furniture'. It has a sidebar on the left with tabs for 'Contact details', 'Addresses', 'Financial details', 'Default settings', 'Sales defaults', and 'Purchase defaults'. The main content area is divided into sections: 'Contact details' with fields for 'Contact name (required)' (ABC Furniture) and 'Account number'; 'Primary person' with fields for 'First name' (Trish) and 'Last name' (Rawlings); and 'Email' (info@abfi.com). There is also an 'Additional people' section with a '+ Add another person' link. At the bottom right, there are 'Cancel' and 'Save & close' buttons.

Commonly Asked Questions



What is a self-billed e-Invoice?

A self-billed e-Invoice is used to record an expense transaction for 8 specific circumstances covered by Section 8.3 of IRBM's e-Invoice Specific Guideline, including payment to an agent, dealer or distributor, or for goods sold or services rendered by foreign suppliers and others.

How do I enter a self-billed e-Invoice into Xero?

A self-billed e-invoice will be entered into Xero as a Bill.

Do I need to record all expenses as a self-billed e-Invoice?

No. Self-billed e-Invoices are only permitted for the specific circumstances listed in Section 8.3 of IRBM's e-Invoice Specific Guideline

What is a consolidated e-Invoice?

A consolidated e-Invoice contains the details of multiple transactions in a single e-Invoice and is used for sales transactions where no request for an individual e-Invoice has been made by the buyer.

Consolidated e-Invoices must be submitted to IRBM within 7 days after the end of each month, except for some transactions and activities which must have an individual e-Invoice issued. These are listed in Section 3.7 of IRBM's e-Invoice Specific Guideline.

What is a consolidated self-billed e-Invoice?

A consolidated self-billed e-Invoice works in the same manner as a consolidated e-Invoice, but is only permitted for some of specific circumstances covered by Section 8.3 of IRBM's e-Invoice Specific Guideline.

Commonly Asked Questions



Are consolidated e-Invoices treated differently during the “relaxation” period?

Yes! To make e-Invoicing under the requirements easier, IRBM has made an allowance for taxpayers to “bulk” report monthly, rather than individually on each transaction (during the relaxation only). This is done using consolidated e-Invoices, with aggregated data of sales transaction data for the month.

IRBM are also permitting consolidated self-billed e-Invoices, with aggregated data for all of the some specific circumstances in Section 8.3 of IRBM’s e-Invoice Specific Guideline.

What do I need to do to comply with regulatory requirements on 1st Jan 2025?

Under the relaxation, Phase 2 customers may choose to submit a monthly consolidated E-invoice for all sales transactions and monthly self-billed consolidated e-Invoice for all specified scenarios. There are no requirements for Phase 3 until 1st July 2025.

What if my buyer asks me for an individual e-Invoice? What should I do?

As outlined in section 16.2 (d) of IRBM’s e-Invoice Specific Guideline during the relaxation, provided that you issue a monthly consolidated e-Invoice for all sales transactions and a monthly consolidated self-billed e-Invoice for all specified scenarios, you are not required to issue an individual e-Invoice when requested by a buyer.



Get in touch with your accountant or IRBM to learn more about e-Invoicing regulation.

If you are new to Xero, you can sign up for a free [trial for Xero here.](#)

