xero

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.

MyInvois portal

1. **Hosted by IRBM**
2. **No additional Cost**
3. **Less automation**

VS

API Connection

1. **Transmission**
   Enables transmission between the taxpayer's system and MyInvois portal
2. **Xero's approach**
   The option that Xero is working on building for Xero customers
3. **Less data entry**
   Designed to reduce the need to manually input data in the MyInvois portal.

e-Invoicing Implementation Timelinee

As of September 2026

	Targeted Taxpayers	Interim Relaxation Period
1.	Taxpayers with an annual turnover or revenue of more than RM100 million	1 August 2024 to 31 January 2025
2.	Taxpayers with an annual turnover or revenue of more than RM25 million and up to RM100 million	1 January 2025 to 30 June 2025
3.	Taxpayers with an annual turnover or revenue of more than RM5 million and up to RM25 million	1 July 2025 to 31 December 2025
4.	Taxpayers with an annual turnover or revenue of up to RM5 million i) 1 January 2026 implementation date ii) 1 July 2026 implementation date	Until 31 December 2027

Taxpayers with an annual turnover or revenue of less than RM3,000,000 are exempted from issuing e-Invoice (including issuance of self-billed e-Invoice).

Getting started -
Setup e-Invoicing for your Xero org

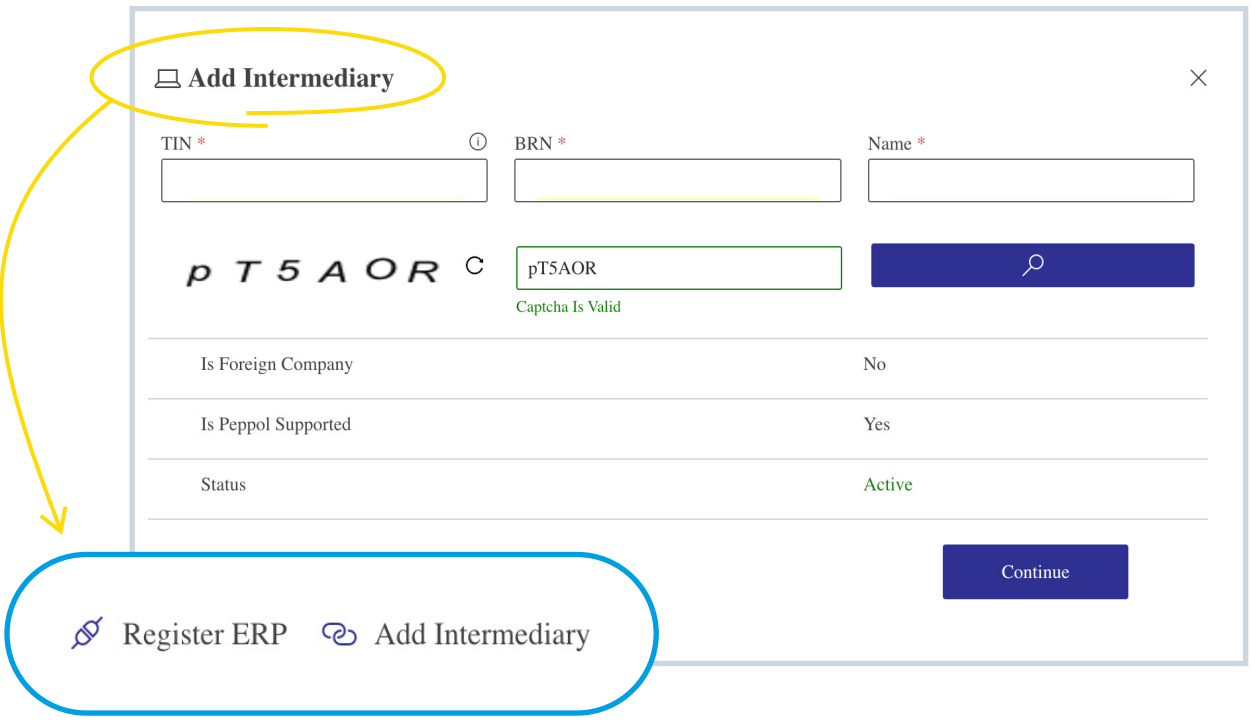
Before accessing the IRBM MyInvois Portal, please ensure that the **following steps** are completed.

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

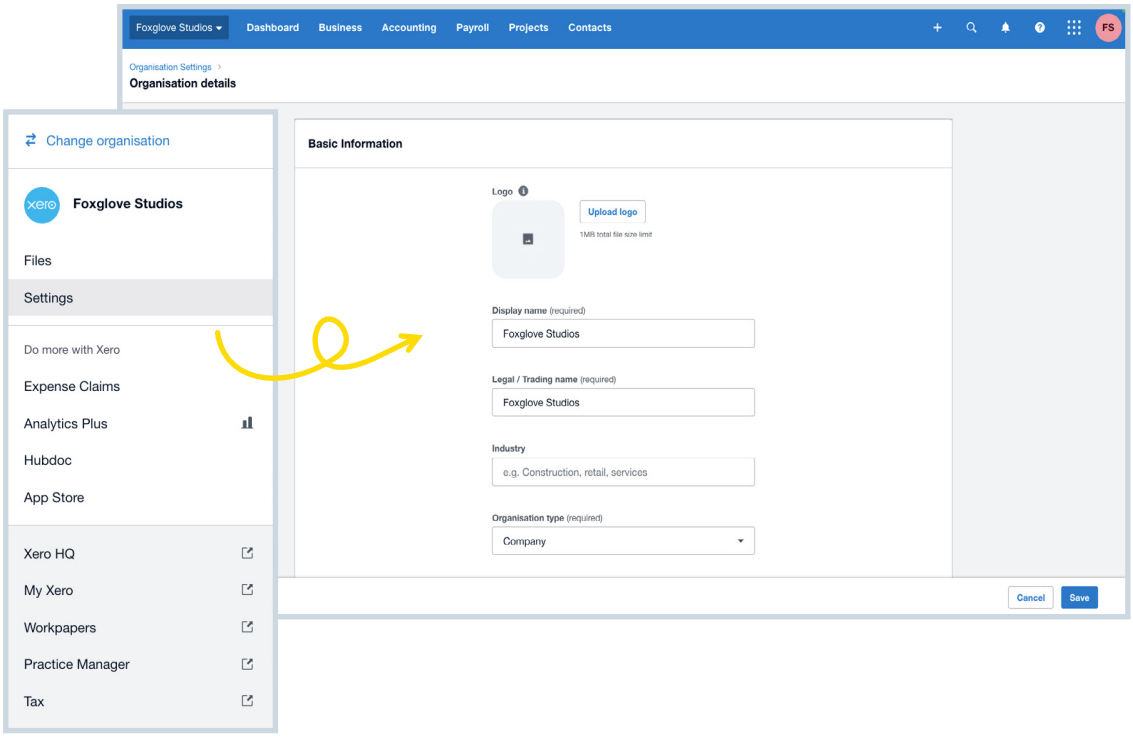
1 Go to the MyInvois Portal and add an intermediary

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



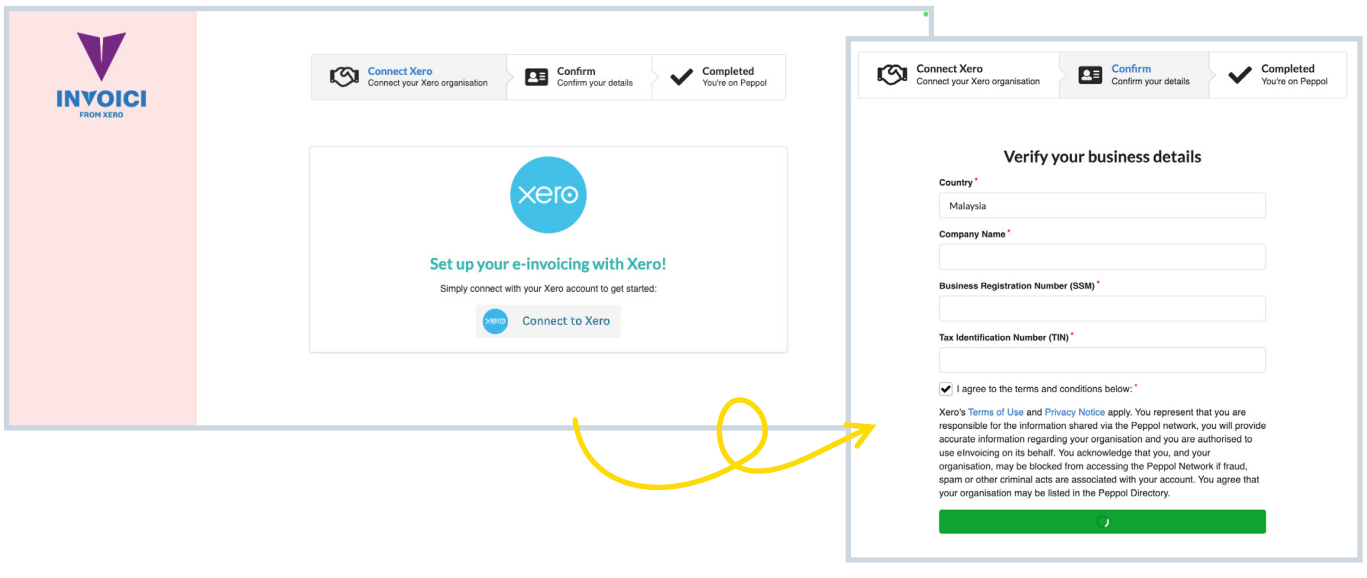
2 Go to Xero, and ensure the organisation details are correct

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.

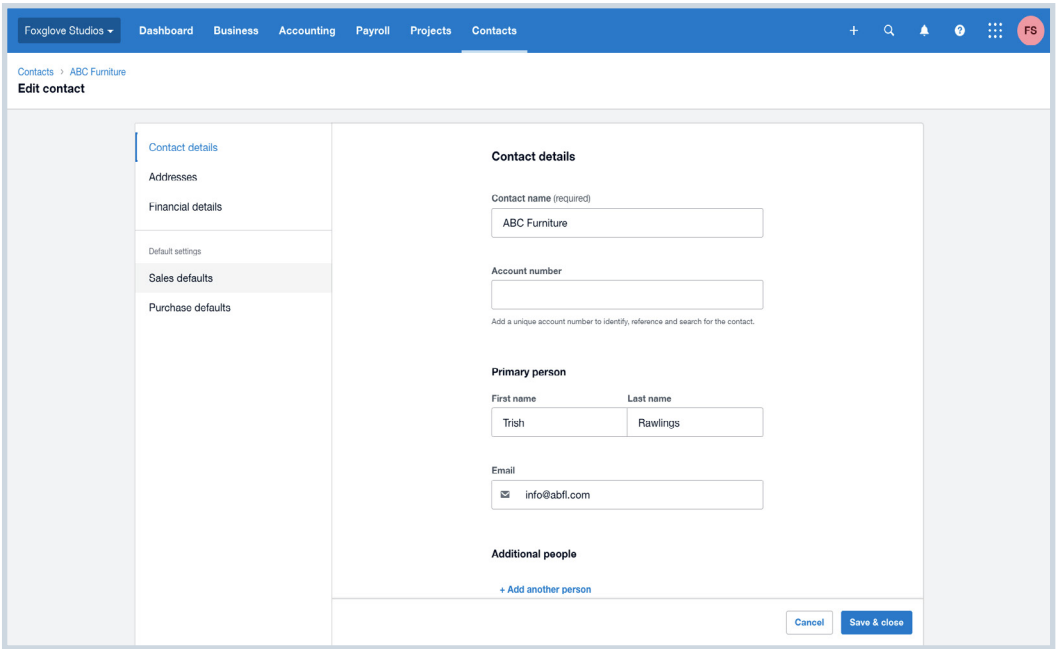


4 Submitting income and expenditure summary

(During initial ‘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’.



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 2026?

Under the relaxation, Phase 4 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.

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*.