

Zakat, Tax and Customs Authority (ZATCA) Announces Wave 14 E-invoicing Criteria.

July 2024



On Friday, 26th July 2024, ZATCA announced, through Umm Al Qura issue No. 5040, the 14th wave of taxpayers required to implement Phase 2 of e-invoicing integration. This phase now encompasses taxpayers whose taxable revenues exceeded SAR 5.00 million in 2022 or 2023.

Starting February 1, 2025, these businesses must integrate their e-invoicing systems with the FATOORA platform. This integration is part of ZATCA's ongoing efforts to enhance the efficiency and transparency of the tax system, ensuring real-time processing and validation of electronic invoices.

Businesses within this revenue bracket must prepare to align their invoicing processes with the technical and procedural requirements outlined by ZATCA. This includes ensuring their systems can generate, store, and exchange electronic invoices that comply with the specified standards.

Integrating the FATOORA platform is expected to streamline tax compliance, reduce the administrative burden, and minimise errors associated with manual invoicing. ZATCA encourages all affected businesses to begin their preparation well before the deadline to ensure a smooth transition and avoid any potential penalties for non-compliance.

This announcement underscores ZATCA's continued commitment to modernising tax administration in Saudi Arabia, fostering a more robust and transparent economic environment for businesses.

We share a concise overview of the sequence of target groups and significant timelines.

Target group	Taxable turnover in 2021	Go-live date	Full integration deadline	Likely penalty dates for non-compliance
1st Wave	>SAR 3 Bn.	1 Jan 2023	30 Jun 2023	1 Jul 2023
2nd Wave	>SAR 500 Mn.	1 Jul 2023	31 Dec 2023	1 Jan 2024
3rd Wave	>SAR 250 Mn.	1 Oct 2023	1 Feb 2024	Post 1 Feb 2024
4th Wave	>SAR 150 Mn.	1 Nov 2023	29 Feb 2024	Post 1 Mar 2024
5th Wave	>SAR 100 Mn.	1 Dec 2023	31 Mar 2024	Post 1 Apr 2024
6th Wave	>SAR 70 Mn.	1 Jan 2024	30 Apr 2024	Post 1 May 2024
7th Wave	>SAR 50 Mn.	1 Feb 2024	31 May 2024	Post 1 Jun 2024
8th Wave	>SAR 40 Mn.	1 Mar 2024	30 Jun 2024	Post 1 Jul 2024
9th Wave	>SAR 30 Mn.	1 Jun 2024	30 Sept 2024	Post 1 Oct 2024
10th Wave	>SAR 25 Mn.	1 Oct 2024	31 Dec 2024	Post 1 Jan 2025
11th Wave	>SAR 15 Mn.	1 Nov 2024	31 Jan 2025	Post 1 Feb 2025
12th Wave	>SAR 10 Mn.	1 Dec 2024	28 Feb 2025	Post 1 Mar 2025
13th Wave	>SAR 15 Mn.	1 Jan 2025	31 Mar 2025	Post 1 Apr 2025
14th Wave	>SAR 10 Mn.	1 Feb 2025	30 Apr 2025	Post 1 May 2025

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