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EXECUTIVE BRIEF

French government makes e-Invoicing and e-Reporting mandatory starting 2024

e-Invoicing is key to European governments shrinking VAT gap

(B2B), including cross-border B2B transactions.

This marks another major step towards electronic trading as European governmen by tackling the VAT gap, estimated to be over €164 billion in 2020[1]. Companies that trade in Europe, and globally, must prepare for a multi-standard, multi-format e-Invoicing environment.

The VAT gap is the difference between the total tax liability and the amount of VA collected. According the Billentis e-Invoicing report, the invoice is ideally suited to help address the VAT gap as it provides the most complete information for tax authorities[2]. e-Invoicing represents the best way for tax authorities to reduce VAT errors while decreasing the potential for fraud and other criminal activities.

There are significant trends emerging: First, more governments are now mandatin e-Invoicing for a wide range of sales transactions—whether B2G, B2B or B2C. Early mandates that address governments and their suppliers are being extended to all B2B transactions. In addition, France is following countries, such as Italy, in introducing e-Invoicing mandates for B2B. Italy's e-Invoicing program saw a €4bn increase in VAT revenues in the first year, double what they had predicted.

[1] Addressing the VAT gap in the EU, European Parliament Think Tank, 2020

[2] The e-invoicing journey 2019–2025, Billentis, September 2019

France announces new B2B e-Invoicing regulations

Other European countries strengthen e-Invoicing capabilities in 2021

Countries beginning to move beyond electronic invoicing

Meeting e-Invoicing obligations in a rapidly changing world

The increase in European mandates is just another example of the rapid uptake of e-Invoicing by many countries and regions around the world. Complying with global e-Invoicing regulations is an increasingly complex process.

When working with trading partners around the world, whether in Europe, Asia or Latin America, adopting e-Invoicing processes w[illegible] sep[illegible]BoooLa

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