



Navigating Global e-Invoicing Requirements

Charting a prudent compliance course via awareness, collaboration, training and Vertex e-Invoicing

Sprechen Sie E-Invoicing? Parli la fatturazione elettronica? Beszélj e-számlázásról? Parlez-vous la facturation électronique?

These are the German, Italian, Hungarian and French variants of an increasingly important question, “Do you speak e-invoicing?”

e-Invoicing compliance mandates in the European Union (EU) and other countries throughout the world are written in dozens of different official languages – and most of these requirements contain unique data and reporting requirements. If a company is subject to any of these game-changing requirements, or will be soon, it is important for its tax, finance, accounting and IT groups to enhance their e-invoicing compliance fluency.

This knowledge consists of:

- Knowing which e-invoicing rules and related regulatory activities – most notably, the VAT in the Digital Age (ViDA) overhaul – require monitoring and compliance responses, including awareness of phased implementation timelines often based on company size or revenue
- Identifying how e-invoicing requirements complicate indirect tax compliance, through varying technical standards (like Peppol in the EU) and country-specific formats
- Assessing the benefits of e-invoicing compliance automation solutions to address increased data requirements, real-time reporting needs, and system integration challenges
- Developing a compliance strategy underpinned by cross-functional collaboration, data accuracy and supporting automation that can adapt to an increasingly digital tax landscape.





e-Invoicing Defined and Differentiated

Tax authorities gain real-time visibility of transactions, tax determinations and tax calculations

An e-invoice is “a digital document that is created as a set of structured data in a specific format or schema specified by the tax authorities,” according to KPMG. This process involves the electronic transmission of e-invoices “to and from taxing authorities pursuant to government mandates as a precondition to issuing a government-approved e-invoice to a customer.”¹

A structured e-invoice contains data from the supplier in a machine-readable format that can be automatically imported to the buyer’s AP system without manual intervention. e-Invoicing typically requires both machine-readable data (that often follows XML-based standards with the country-specific schemas) and a human-readable visualization.

Unlike traditional paper invoices or digital formats that require manual handling (e.g., PDFs), e-invoicing enables the automated exchange of structured invoice data directly among supplier, buyer, and tax authority financial systems. The primary objective of e-invoicing mandates center on reducing tax gaps, combating fraud, and enabling real-time tax monitoring and collection.

Tax jurisdictions in Latin American countries pioneered e-invoicing requirements more than a decade ago. Since then, more than 50 countries have enacted e-invoicing requirements with others planning to follow suit. Mexico’s Comprobante Fiscal Digital por Internet and Brazil’s Nota Fiscal Eletrônica systems have become global reference models.

e-Invoicing requirements are also a foundational element of the EU’s sweeping ViDA effort.² While ViDA calls for a standard approach to B2B e-invoicing across all EU Member States, that uniformity does not yet exist. As a result, what is considered a valid invoice in one country may not be compliant in another country.

Germany’s Growth Opportunities Act established e-invoicing as the default method for issuing invoices starting on Jan. 1, whereas France is currently targeting September 2026 as the date by which all businesses must be able to accept e-invoices (though that deadlines can be extended if certain requirements are met). As an early adopter of e-invoicing, Romania has developed detailed reporting requirements.³

Each new jurisdiction with e-invoicing requirements that a company enters adds another layer of compliance complexity, from technical specifications and digital signature requirements to archiving periods and audit trail standards. Companies often need to simultaneously manage multiple e-invoicing formats and platforms while maintaining their legacy systems, creating significant operational and technical challenges.

“e-Invoicing and e-reporting are linked, and both activities are part of the holistic VAT compliance journey.”

Gunjan Tripathi
EMEA Solutions Director Lead
Vertex

Real-Time Compliance Creates Real Complications

e-Invoicing and real-time reporting requirements eliminate the tax-compliance margin of error

Many tax compliance complications arise from the fact that e-invoicing and related reporting requirements give global tax authorities an immediate view of company transactions, invoices, tax determinations and tax calculations. This visibility essentially eliminates the compliance margin of error that indirect tax groups were afforded when submitting periodic returns weeks after a quarter close; any errors or omissions in those returns could be identified and corrected prior to submission.

e-Invoicing poses other challenges to indirect tax compliance beyond real-time transparency. While ViDA calls for (eventual) uniformity among all EU Member State e-invoicing requirements, that standardization may not exist for years. Each country is still implementing its own requirements during this transition - Italy with its Sistema di Interscambio (SDI), Spain with its TicketBAI system, and Poland with its Krajowy System e-Faktur (KSeF). Plus, countries in other global regions continue to enact their own, unique e-invoicing rules. This variability requires indirect tax groups to monitor and examine multiple sets of rules while addressing language barriers.

Complying with country-specific e-invoicing rules creates a significant data-management challenge given that different requirements call for different data points to be included in real-time submissions to tax authorities. For example, some jurisdictions require detailed product classification codes, while others demand specific customer identifiers or VAT registration validation. Satisfying multiple sets of data requirements (submitted files need to be structured in accordance with the mandates) will companies subject to more than one or two sets of e-invoicing requirements to invest in supporting automation. And this supporting-technology need gives rise to related training and system integration needs.

Keep in mind that e-invoicing rules are not static; they continue to undergo changes. These updates require monitoring, as do new and emerging e-invoicing rules that arise in countries where an organization operates or may operate in the near future.

Despite the compliance risks they pose, e-invoicing mandates can also benefit organizations. e-invoicing processes increase processing efficiency across procure-to-pay and order-to-cash cycles. Plus, e-invoicing automation solutions can help minimize tax compliance errors, improve auditability and enable tax and accounting groups to reassign team members to higher-value work, while reducing DSO (Days Sales Outstanding) and improving cash flow forecasting.

“The global e-invoicing regulatory landscape is ever-changing. Organizations need to constantly look out for new requirements while monitoring previously enacted rules because countries frequently update their mandates.”

Paula Pignatti Smith
Managing Director, Indirect
Tax Technology (iTaxTech)
KPMG



e-Invoicing Automation Options

Global coverage, automatic updates, integration, visibility and control are must-have features

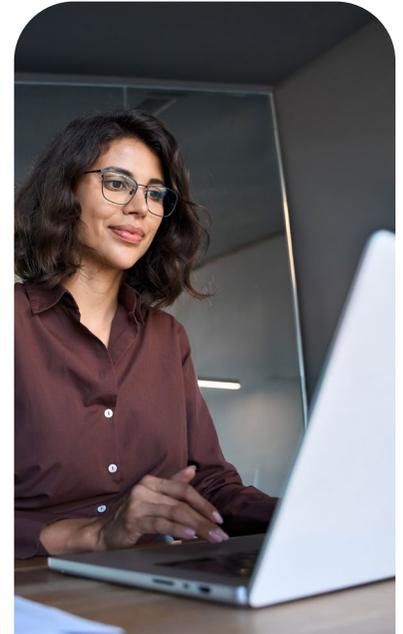
The variability among country-specific e-invoicing compliance rules provide a strong incentive for an automated compliance solution that combines VAT compliance and e-invoicing compliance via a single user experience.

Most ERP systems are unable to directly transmit e-invoices directly to local tax authorities in the format required by each jurisdiction. Home-grown and point solutions also have limits given the frequency with which new e-invoicing rules come online, and existing rules are updated. Maintaining and updating a custom e-invoicing solution quickly becomes costly and burdensome when a company is subject to e-invoicing requirements in more than one or two tax jurisdictions.

A full, global compliance suite that includes VAT compliance automation with an integrated e-invoicing solution, like Vertex e-Invoicing, helps organizations keep pace with evolving requirements, while reducing the risk of penalties and business disruption.² Some of the most noteworthy features of an effective e-invoicing compliance solution include:

- Global coverage:** The solution should support e-invoicing and e-reporting requirements across numerous countries and jurisdictions with the ability to quickly adapt to new markets as a business expands
- Robust integration:** The solution should offer a single, standardized application programming interface (API) for all countries with pre-built ERP connectors that support the automated extraction of required invoice data (while transforming data to conform to each jurisdiction's defined format) and seamlessly work with existing financial systems
- Visibility and control:** A consolidated dashboard can track invoices and reports across all tax jurisdictions. The solution also should perform automatic reconciliations between e-invoicing and VAT reporting while fulfilling real-time and near real-time submission requirements and providing audit-ready documentation
- Stout compliance:** These features include real-time validation, automated file format transformation (to satisfy tax authority requirements) and proactive monitoring of rules changes (along with frequent updates to ensure rules-related content remains current) to minimize both compliance risk and internal burden on tax teams

Vertex e-Invoicing is a scalable platform for automating business transactions and managing indirect tax reporting and e-invoicing. The solution equips users with access to both VAT compliance and e-invoicing through a single portal that connects directly to ERP systems to automate the transmission of standardized documents across the supply chain in a global, scalable manner.⁴ This integrated approach reduces compliance costs while improving accuracy and freeing tax professionals to focus on more strategic activities.



“Our solution combines e-invoicing and reporting together into a single platform. And our consolidated dashboard provides visibility into invoices and report-tracking.”

Prashant Gupta
Product Manager Principal
Vertex

Creating an Implementation Strategy

Stakeholder engagement is crucial given that e-invoicing requirements affect multiple business groups

As organizations develop an e-invoicing compliance capability, the following challenges require attention:

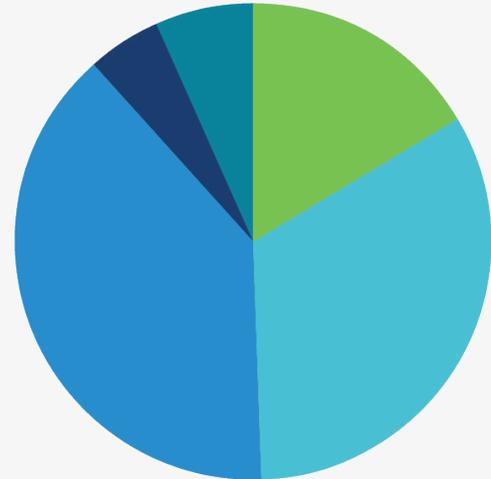
- Coordination among tax, finance and accounting, procurement and IT teams
- Keeping pace with changing rules and data requirements while addressing language barriers
- Master data management and related data quality issues
- System integrations

An e-invoicing compliance strategy should address those challenges as well as the following activities:

- Evaluating all of the e-invoicing mandates within countries where the organization transacts, including phased implementation timelines that may apply based on company size or revenue thresholds
- Documenting rules, compliance deadlines and ongoing updates within all relevant countries and jurisdictions
- Engaging all stakeholders affected by e-invoicing mandates, including tax, finance, accounts receivable, accounts payable, procurement, IT, legal and compliance groups
- Conducting a data-quality assessment to ensure invoicing accuracy across all ERP, accounting and tax systems, with particular focus on tax codes, customer and vendor master data, and product classifications
- Selecting an e-invoicing automation solution that addresses the company's current and future needs

E-Invoicing Compliance Readiness

How prepared is your business to adopt e-invoicing?



- Fully prepared: 16.5%
- Somewhat prepared: 33.1%
- Just starting to look into: 38.8%
- Haven't yet considered: 5%
- Unsure: 6.6%

Respondents to a recent KPMG-Vertex e-invoicing survey.

“It’s a business project, not an IT project, in the beginning. The most successful e-invoicing projects I’ve seen are those where all of the business stakeholders are heavily involved in identifying the requirements that the automation solution needs to address.”

Paul Wandl
 Head of Solution Design
 ecosio, a Vertex company

Conclusion: States of Readiness

Start building a compliance capability today

Less than half of the tax, finance and IT respondents who participated in a recent KPMG-Vertex webinar indicated that their organizations are prepared to comply with the e-invoicing requirements. And fewer than one in five of these respondents report that their companies are “fully prepared” ([see E-Invoicing Compliance Readiness side bar](#)).

These findings suggest that most companies subject to e-invoicing mandates have substantial ground to cover in developing an e-invoicing capability. The cost of non-compliance—including potential business disruption, penalties, and reputational damage—makes this a high-priority initiative for affected organizations. Tax, finance and accounting and IT teams can advance their compliance capability by:

- Assessing current and future compliance exposures across all operating jurisdictions
- Assembling a cross-functional project team with clear roles and responsibilities
- Developing an implementation strategy with realistic timelines and resource allocation
- Selecting e-invoicing automation solution that can scale with changing requirements
- Monitoring new rules and updates through reliable regulatory sources
- Building internal expertise through training and knowledge sharing

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

End Notes

¹ <https://kpmg.com/kpmg-us/content/dam/kpmg/pdf/2024/uscbtn-2024-e-invoicing.pdf>.

² <https://www.vertexinc.com/en-gb/resources/resources-library/vat-digital-age-part-1-eu-e-invoicing-compliance-requirements-when-not>.

³ <https://ec.europa.eu/digital-building-blocks/sites/display/DIGITAL/eInvoicing+Country+Factsheets+for+each+Member+State+and+other+countries>.

⁴ <https://www.vertexinc.com/solutions/products/vertex-e-invoicing>.

For more information, visit VertexInc.com or follow on [X](#) and [LinkedIn](#).



North America | Latin America | Europe | Asia Pacific



Copyright © 2025 Vertex, Inc. All rights reserved. The information contained herein is intended for information purposes only, may change at any time in the future, and is not legal or tax advice. Any product direction and potential roadmap information is not a guarantee, may not be incorporated into any contract, and is not a commitment to deliver any material, code, or functionality. This information should not be relied upon in making purchasing, legal, or tax decisions. The development, release, and timing of any features or functionality described for Vertex's products remains at the sole discretion of Vertex, Inc. Any statements in this release that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. All forward-looking statements are subject to various risks and uncertainties described in Vertex's filings with the US Securities and Exchange Commission (SEC) that could cause actual results to differ materially from expectations. Vertex cautions readers not to place undue reliance on these forward-looking statements which Vertex has no obligation to update and which speak only as of their dates. 3.25

VertexInc.com