



# The Ministry of Finance issued an Opinion clarifying the issuance of electronic invoices

## Tax Alert

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On 12 January 2021, the Ministry of Finance (**MoF**) issued an opinion no. 011-00-00986/2020-04 (**Opinion**), clarifying implementation of amendments to Article 42 of the VAT Law (**Law**) which entered into force on 1 January 2021, and which relates to issuance of invoices in electronic form (**e-invoice**).

Namely, the respective amendments to the Law prescribe that a VAT invoice may be issued in paper, or electronic form if there is consent of the recipient (except in the case of mandatory issuance of invoice in electronic form in accordance with the law, when consent is not required).

In addition, it is prescribed that the invoice in electronic form should be issued as an electronic document in accordance with relevant law.

Bearing in mind the fact that the Law does not specify the method of giving consent to accept the e-invoice by the recipient, it remained unclear how this provision should be implemented in practice.

In addition, the amendments raised the issue of further application of the Explanation of the MoF and the Ministry of Trade, Tourism and Telecommunication No. 401-00-4169/2017-16 from 12 December 2017 (**Explanation**) which was used in practice.

In line with the Explanation, VAT invoices could be issued in paper or electronic form and such invoices or subsequently digitized (scanned) invoices do not have to be signed (by e-signature) as identification mark which indicates the responsible person (i.e. person authorized to issue invoice) is sufficient for this purpose.

The Opinion clarified respective dilemmas:

- Consent to issue an e-invoice can be given using any of the usual methods of business communication, including inferred consent by paying the liability from such invoice.
- The amendments to the Law do not jeopardize further application of the Explanation.

For your reference, the Opinion is [attached to this Tax Alert](#), and additional details on the amendments to the Law can be found on our [Tax Alert webpage](#).

If you have any questions or need the support of our experts, feel free to contact us at [tax@kpmg.rs](mailto:tax@kpmg.rs).

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