Electronic billing for cross-border transactions

Exchange System tool "ES"

BDO

The preparation and submission of XML invoices relating to foreign entities through the Exchange System (SdI) will allow simplification of some administrative processes.

STARTING JANUARY 1st, 2022

► The cross-border transactions report *"Esterometro"* is no longer mandatory.

► Manual integration of community invoices and the preparation of self-invoices for non-EU subjects no longer needed.

► Automation of bookkeeping.

► Automatic and electronical storage of foreign and intra-community invoices instead of storage of hard copies. In other words, it will allow the substitute conservation of the aforementioned invoices which can be managed with the same mean the taxpayer already applied for the e-invoices.

Art. 1, paragraph 1103, of Law 178/2020 (reformulating Article 1, paragraph 3-bis of Legislative Decree no. 127 of 5 August 2015) has introduced some important changes regarding the communication of cross-border transactions (here hereinafter *"Esterometro"*) which will apply to transactions carried out from January 1st, 2022.

The changes to the electronic invoicing path, mandatory from January 1st, 2022, allow the "management" of document flows also related to transaction with not resident counterparts trough issuing an e-document using specific *"Tipo Documento"* (Document Type) codes thus avoiding the filling and submission of the *Esterometro*.

In particular, the preparation and submission through the ES (SdI) of these new *"Tipo Documento"* allows not only to be exempted from including the data of these operations in the *"Esterometro"*, but also enabling the VAT subject to skip the ordinary procedure of integration of the invoice issued by the intra-EU supplier or the creation of the self-invoice in case of services provided by non-EU suppliers.
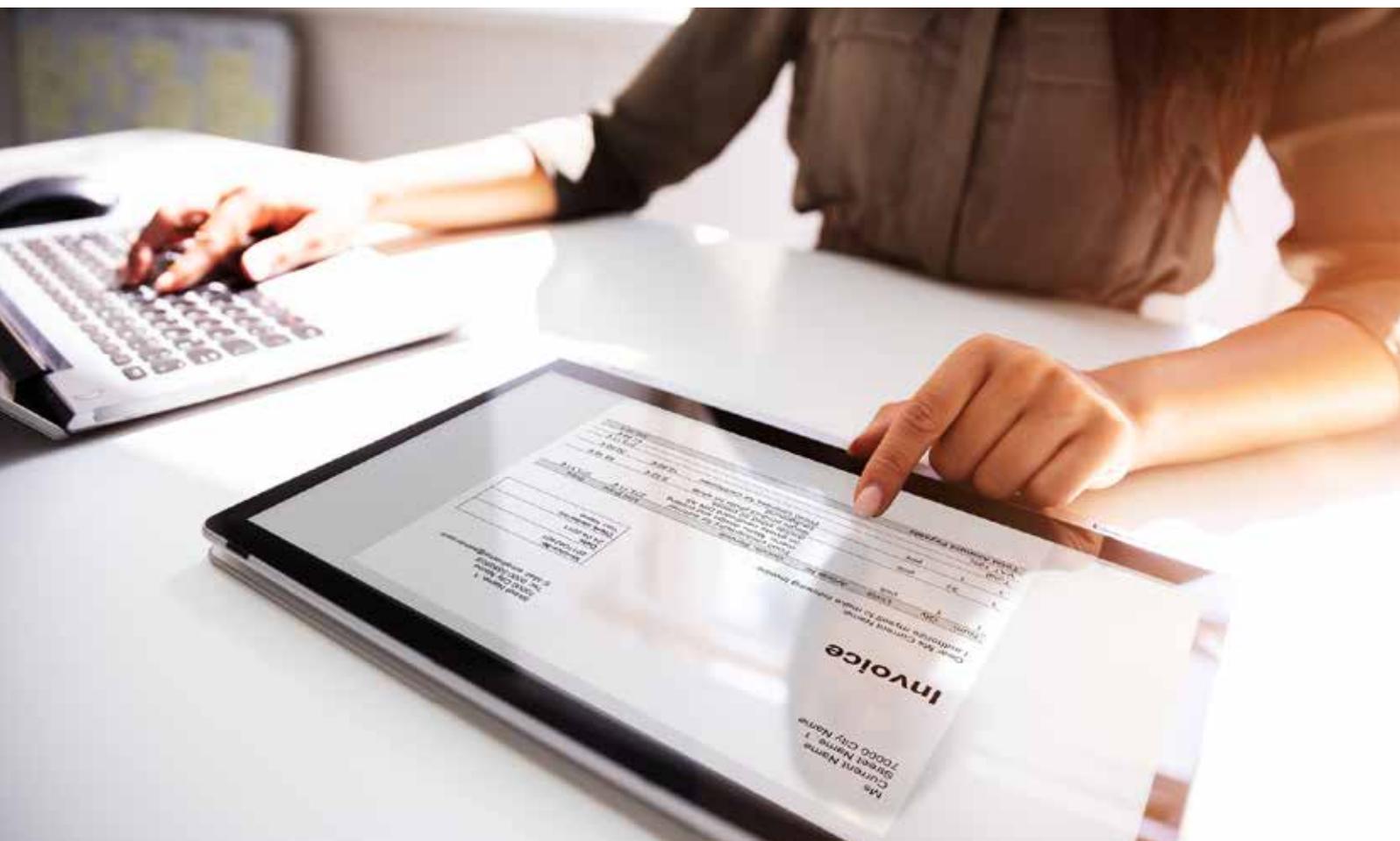
Benefit to outsource the Esterometro to BDO

BDO is the intermediary of reference for over 5,000 customers in the process of creating XML, filing, receiving and digitally storage of electronic invoices to the Public Administration and between individuals. We only work with accredited technology partners **AgID (Italian Agency for Digital Trasformation)**.

We can handle the entire workflow of the billing cycle of intra and extra-EU invoices (preparation, creation, filling and storage of electronic invoices) through the Exchange System tool "ES" (SDI). We can take care of producing the XML file for each individual invoice on behalf of our customers and, if required, apply the digital signature on the file sent to the SDI. Our tool also allows the Customer to view, consult and download the file produced and stored in accordance with the law, at any time and from any place.
The Customer can send us a copy of the individual foreign or intra-community invoices or a copy of the registers of the purchase/ sales invoices (once the accounting records have been completed), along with the supplier/customers data, and we will then proceed to send the individual documents.

Our outsourcing service for intra and extra-community invoice management is aimed at:

- companies that want to outsource secondary activities

- companies that want to put in place an automate process for the creation, preparation and filing of XML file at low cost

- companies that do not want to invest additional resources in upgrading current ERP system in addition to provide training to their internal staff.

FURTHER BENEFITS LINKED TO THIS SOLUTION

Focus more on the company's core business
By outsourcing to our professionals, the data entry activity of preparing, filing and monitoring the results of intra and extra-community invoices, your company resources can devote themselves to their core business. The invoices sent will be available on the Customer's SdI portal and ready to be integrated into its document management.

Complementary solution to national electronic invoicing management
Our solution of intra and extra-EU electronic invoice management service is complementary to the solution already in use of the company for the management of national electronic invoices.

Process automation
Our solution allows the transformation of data sources (Pdf, CSV, i-doc, Excel) into XML format files, ensuring the automation of the electronic invoice preparation process at low cost.

No changes for accounting records
The customer can keep the current accounting bookkeeping of intra and extra-community invoices as is without applying any change.

Conservation according to Italian law
The service can include the management of digital storage according to the XML files sent as required by current legislation and with all the security and reliability of an AgID Accredited Registrar. Transition from the paper storage to digital storage also for foreign and intra-community invoices.

Digital signature
BDO can apply a digitally signature to the file produced with the signature certificate on behalf of the Customer before submitting it to the Revenue Agency. Alternatively, the Customer can apply his own digital signature directly on the XML documents produced before sending.
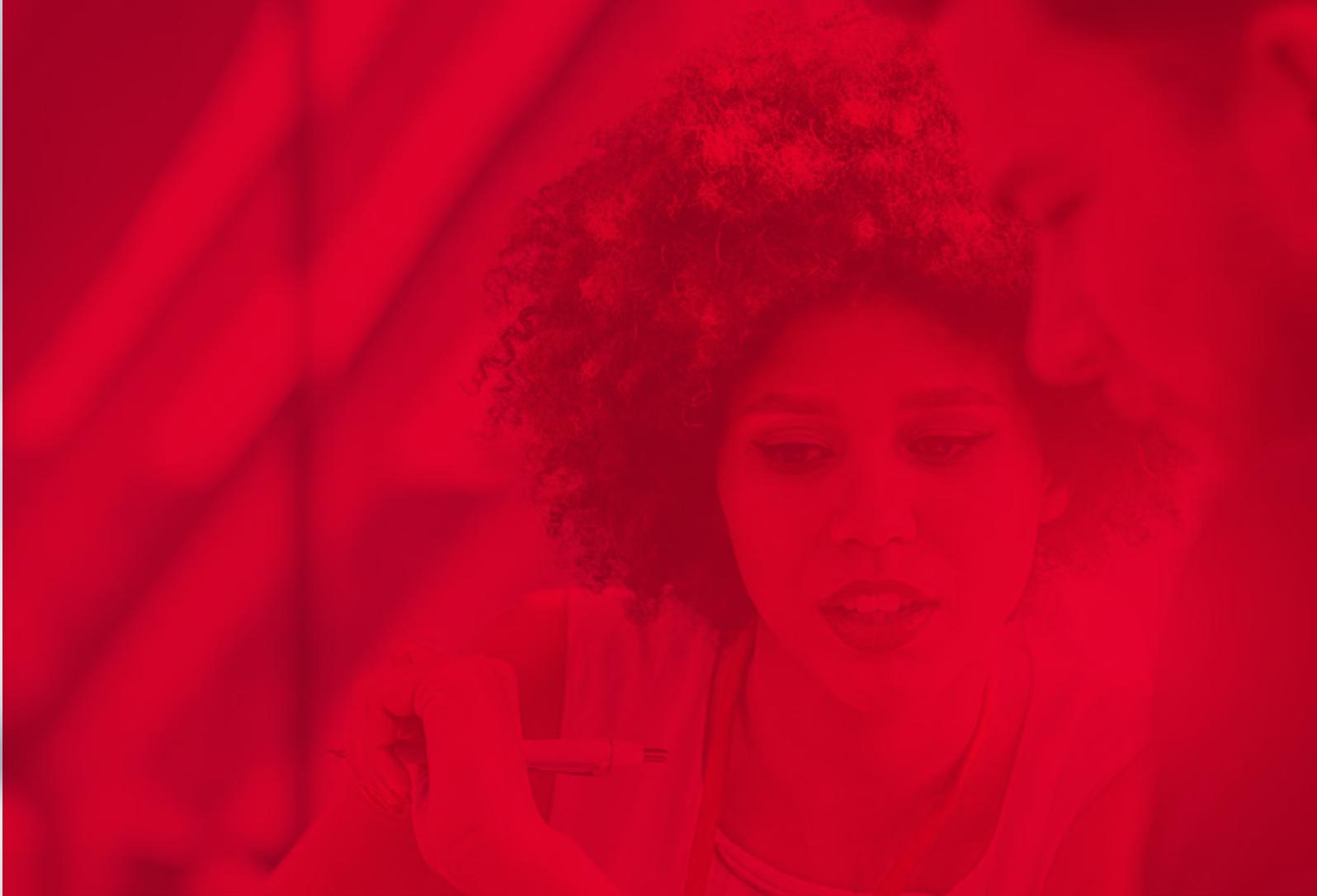
Contacts:

BDO Italia
Viale Abruzzi, 94
20131 Milano
Tel. +39 02 58 20 10

bso@bdo.it

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