E-INVOICING LAW 2020 IN FINLAND

LAW ON ELECTRONIC INVOICING IN ACCORDANCE WITH THE EU E-INVOICING DIRECTIVE

As of spring 2020, the e-invoicing law in Finland obliges both the public sector and private companies to send and receive electronic invoices in compliancy with the EU Directive 2014/55. The recipient even has the right to reject invoices that do not meet the requirements for a legal e-invoice.

Even though this is mandatory, the purpose really is to encourage companies and the public administration to invoice in an electronic format - to benefit all the parties.

THE SEMANTIC DATA MODEL IN EN 16931

Adding to the EU Directive, the EU standard EN 16931 (or more specifically, EN 16931-1:2017), defines the semantic data model for e-invoices.

In Finland, legal compliancy for invoice content can be ensured by using the national descriptions TEappsXML 3.0 or Finvoice 3.0, or another format that is in accordance with the syntax specified in the EU standard, the guidelines contained in the ISO/IEC 19845 (UBL 2.1), and the UN/CEFACT XML Cross Industry Invoice D16B standard.

This means, you need to ensure with your service provider that your e-invoices use the required elements and codes.

Learn more:

opuscapita.com/compliancy

Options for EN compliant sales invoicing data:

✓ TEappsXML version 3.0

✓ Finvoice version 3.0

✓ Inhouse data in a software specific format, e.g. SAP IDOCXML or any native XML that meets the EN 16931 semantic data model requirements.

A STANDARD WITH BENEFITS

ENABLING DATA FLOWS & AUTOMATION

Standardized data elements are easier to process with a higher automation level.

Standardization across countries and sectors enables wide use without need for company-specific configurations. It also enables seamless data conversions from one data format to another.

Further, automatic data validation finds errors without manual work. For example, you don't only ensure your invoices contain the obligatory VAT information, but also ensure that the data in those fields is accurate, keeping your flow uninterrupted.

In practice, standardization won't just make you compliant to the law, but also brings efficiency to your AP & AR.

EXAMPLES OF MANDATORY FIELDS IN EN 16931

Specification identifier (EN16931 for public sector)
Invoice number
Invoice date
Seller's name, VAT number, address and country code
Buyer's name, address and country code
UN Invoice type code (e.g. invoice, credit note, goods receipt)
VAT summary and breakdown: amounts & VAT code
Invoice currency
Payment method

Mind the calculation rules for row amounts and rows in total!

PER INVOICE ROW:

Article name
Invoice row number
Invoiced quantity and UN quantity unit code
Unit price, tax excluded
Unit price net amount (after discount), tax excluded
Row amount, tax excluded
Row VAT code

Mind the VAT calculation rules for summary and breakdown!

EXAMPLES OF NATIONAL FIELDS

Origin code (original vs. copy)
Invoice row (at least one row is mandatory)
Seller's bank account number (IBAN or national)
Invoice due date
One of the following
- Order number or reference for order-based invoices
- Contract number for contract-based invoices
- Account reference, if provided by buyer
- Buyer reference
Site identifier, if provided by buyer
Payment reference given by the seller
Original invoice number for credit notes)

CLASSIFIED DATA

Classifying is a national addition to the v3.0 messages. Classification, or secrecy class, can be agreed between the buyer and seller for the invoice, attachment, or both. Both the sending and receiving system must match the logic based on the classification, for example, regarding access rights.

SOUNDS LIKE A LOT?

Worry not - we can take care of all this for you.

BUSINESS NETWORK

OPERATOR & SERVICE PROVIDER IN ONE

OpusCapita Business Network provides you with both the network operator and sending & receiving services that integrate with other systems, such as your ERP.

FOR SELLERS

Invoice Sending & O2C messaging. Send e-invoices, paper and PDF invoices. Exchange purchase orders, despatch advices and goods receipts.

FOR BUYERS

Invoice Receiving & P2P messaging. Receive e-invoices, paper and PDF invoices. Exchange purchase orders, despatch advices and goods receipts.
Invoice Process Automation. Go 100% digital with invoice automation, boosted by artificial intelligence.

Learn more:

opuscapita.com/solutions/business-network

INVOICE SYSTEMS

WHAT'S A COMPLIANT SYSTEM?

To send or receive e-invoices, you need a network operator and a sending / receiving system or service that is compatible with the compliant invoice formats.

Further, you'll want full visibility, preferably as a real-time view using all available data, and professional support for exceptions and error handling.

OpusCapita

Invoicing that e-transitions you