



Center for Analysis of  
Economic Reforms  
and Communication

April 2017

# AZERBAIJAN ECONOMIC REFORMS REVIEW



Editor-in-chief : Dr. Vusal Musayev  
PhD in Economics  
London University

# APPLICATION OF ELECTRONIC INVOICE



Providing the entrepreneurs, who are individuals or legal entities, with electronic invoice for the supply of goods (works, services) has been determined as one of the obligations imposed on taxpayers.



In accordance with the legislation, when the goods (works, services) are supplied for the entrepreneurial purposes, taxpayers registered for the VAT purposes, whose taxable turnover is more than 200.000 manats for any consecutive 12 months' period, engaged in trade or public catering services, shall provide electronic invoice from 1 April 2017 , while this will be the case for all other taxpayers from 01 January 2018.

The Rules on application, registration and use of electronic invoice are set forth under the Resolution of the Cabinet of Ministers of the Republic of Azerbaijan dated 14.03.2017 numbered 89.

So that, electronic invoice is either developed electronically through fortified electronic signature (including ASAN signature) "Online" at Internet Tax Department of the Ministry of Taxes or developed "Offline" through "Relevant Software" and is sent to the buyer after being executed signed by electronic signature (including ASAN signature).

In case the taxpayer, who owns the goods, does not have any of the invoice, electronic invoice or electronic tax invoice, such taxpayer shall be fined for the amount of 10 percent of the purchased goods if such breach happens for the first time during the calendar year, 20 percent for the second time and 40 percent if three or more times.

Therefore, electronic invoice shall be applied starting from the date indicated in the legislation. It is also recommended that the requirements of the current legislation should be observed in order to avoid entrepreneurial risks and financial losses.



[www.iqtisadiislahat.org](http://www.iqtisadiislahat.org)

[www.ereforms.org](http://www.ereforms.org)

[www.ecoreform.az](http://www.ecoreform.az)



Baku, Yasamal district,  
Landau street 16, AZ 1073



[info@ereforms.org](mailto:info@ereforms.org)



(+994)12 5213318



/ iqtisadiislahat