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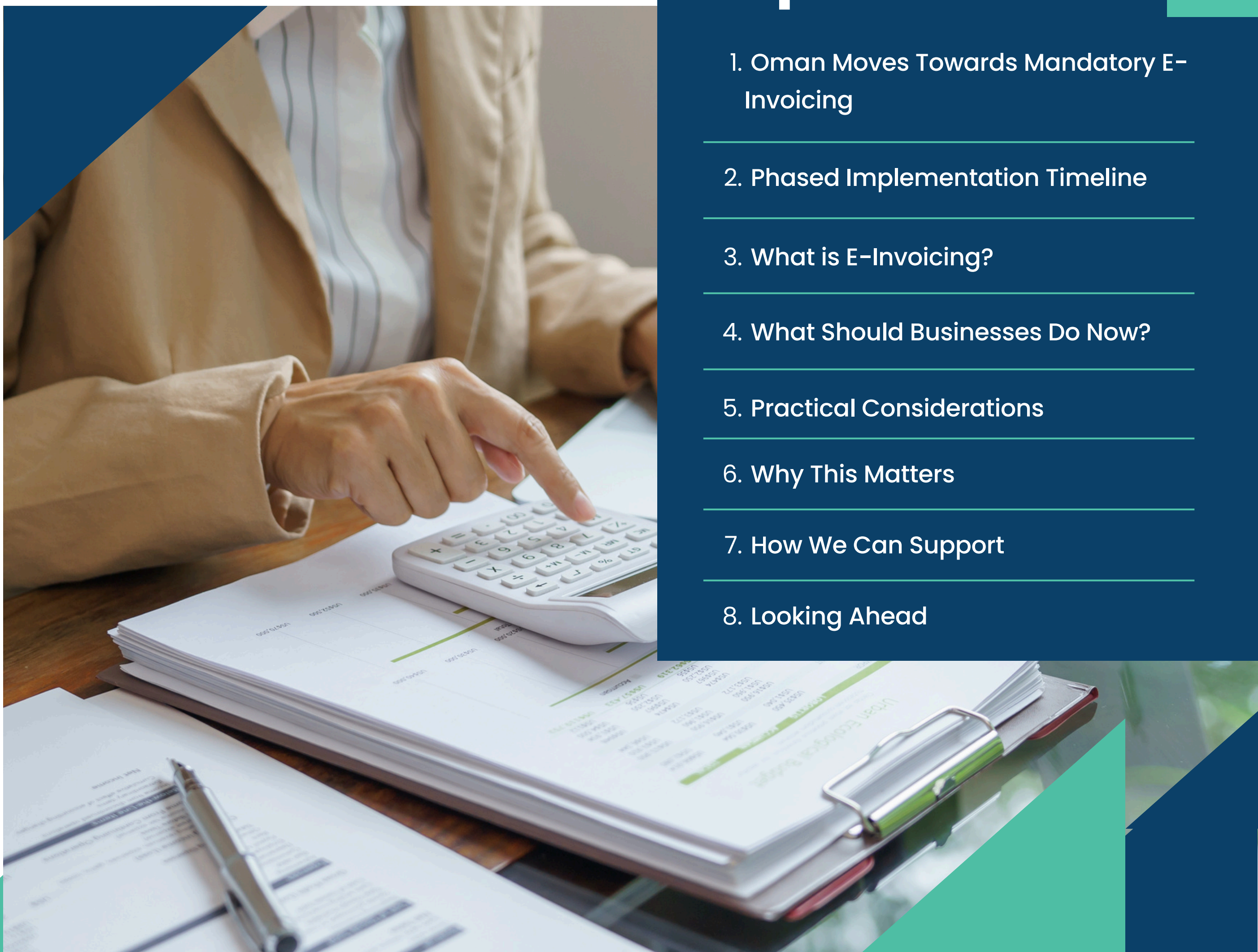

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Preparing for Oman E-Invoicing (Fawtara)

June 2026 | What Businesses Should Know

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1. OMAN MOVES TOWARDS MANDATORY E-INVOICING

As part of its continued digital transformation agenda, the Oman Tax Authority (OTA) is implementing a nationwide electronic invoicing (E-Invoicing) system under the **"Fawtara"** initiative.

The objective is to modernize tax administration, improve compliance, strengthen transparency, and facilitate the electronic exchange of invoice data between businesses and the Oman Tax Authority.

The implementation will be introduced gradually through a phased approach, allowing businesses sufficient time to prepare for compliance.

2. PHASED IMPLEMENTATION TIMELINE

The Oman Tax Authority has announced the following implementation roadmap:

PHASE	IMPLEMENTATION	BUSINESSES COVERED
Phase 1	August 2026	Selected large VAT-registered companies
Phase 2	February 2027	All large VAT-registered companies
Phase 3	August 2027	All remaining VAT-registered taxpayers
Phase 4	To be announced	Government institutions and entities

3. WHAT IS E-INVOICING?

Unlike conventional PDF or paper invoices, an electronic invoice is issued, exchanged, and processed in a structured digital format that enables secure electronic validation and reporting.

The new framework aims to:

- Improve VAT compliance
- Reduce manual invoicing processes
- Enhance accuracy and transparency
- Improve audit trails
- Support digital tax administration

4. WHAT SHOULD BUSINESSES DO NOW?

Although implementation is phased, businesses are encouraged to begin preparations by:

- Reviewing their current invoicing processes
- Assessing whether their ERP/accounting software can support e-invoicing
- Reviewing customer and supplier master data
- Identifying system integration requirements
- Reviewing invoice approval workflows
- Maintaining proper documentation and invoice archiving procedures
- Engaging with technology providers where system upgrades may be required

Early preparation can significantly reduce implementation challenges.

5. PRACTICAL CONSIDERATIONS

Businesses should also consider:

- Whether current accounting software supports structured electronic invoices
- Internal controls over invoice generation and approval
- Data quality and customer master records
- Integration with ERP and accounting systems
- Staff training and process updates
- Record retention and compliance monitoring

6. WHY THIS MATTERS

The introduction of mandatory e-invoicing represents another important step in Oman's ongoing tax and digital transformation initiatives.

Businesses that prepare early are likely to benefit from:

- Improved operational efficiency
- Better financial reporting
- Stronger internal controls
- Reduced compliance risk
- Greater readiness for future digital tax requirements

7. HOW WE CAN SUPPORT

Premier Brains Global Solutions can assist businesses with:

- E-Invoicing readiness assessments
- Gap analysis and implementation planning
- Review of accounting and ERP processes
- VAT and invoicing compliance advisory
- Internal control reviews
- Staff awareness sessions
- Practical implementation support

8. LOOKING AHEAD

With the phased implementation of the **Fawtara** e-invoicing framework approaching, businesses should begin evaluating their systems, processes, and internal controls to ensure a smooth transition.

Proactive planning today can help organizations minimize implementation challenges and strengthen their overall tax compliance framework.

Premier Brains Global Solutions – Oman Office
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