



IMPLEMENTATION OF E-INVOICE IN MALAYSIA
FREQUENTLY ASKED QUESTIONS (FAQs) FOR FINANCIAL SERVICES,
STOCKBROKING AND UNIT TRUST
(UPDATED ON [28 JANUARY 2025](#))

A. Financial services

No	Question	Response
1.	<p>Financial institutions have a duty to observe secrecy for information relating to the affairs or account of their customers pursuant to the Financial Services Act 2013 (FSA) and Islamic Financial Services Act 2013 (IFSA).</p> <p>Upon the implementation of e-Invoice, are financial institutions required to obtain customers' consent for the issuance of individual e-Invoices to customers?</p>	<p>Financial institutions should obtain consent from their customers in order to issue e-Invoice, to comply with its obligations stipulated by the FSA and IFSA.</p>
2.	<p>As per Section 4.3.7 of the e-Invoice Specific Guideline, regulated industries (inclusive of financial institutions) are not required to disclose the statement / bill reference number under the "Description of Product or Service" field in the consolidated e-Invoice.</p> <p>In this regard, how should the field be input?</p>	<p>Financial institutions are required to input descriptions that are relevant and appropriate under the "Description of Product or Service" field in the consolidated e-Invoice.</p>

No	Question	Response
3.	Are financial institutions required to issue e-Invoice for income derived from overseas branches?	For a resident company carrying on the business of banking, e-Invoice must be issued for activities in and outside of Malaysia.
4.	Upon implementation of e-Invoice, are customers of financial institutions required to issue e-Invoice to financial institutions for income received (e.g., interest income from fixed deposit, etc.)?	Where customers request for e-Invoice to be issued, financial institutions are required to issue e-Invoice to its customers. The e-Invoice can be visually presented in the format of periodic statements / bills and will detail the amounts owed by the customer (e.g., transaction charges, etc.) as well as payments / credits to the customer (e.g., rebate, interest income from placement of deposit, etc.).
5.	Would the financial institutions be allowed to issue consolidated e-Invoice to record the income generated from the financial services provided to customers who do not require an e-Invoice (inclusive of walk-in customers)?	<p>Yes, financial institutions are allowed to issue consolidated e-Invoice for transactions where the customers do not require an e-Invoice, unless the activities / transactions fall under Section 3.7 of the e-Invoice Specific Guideline.</p> <p>Please refer to Section 3.6 of the e-Invoice Specific Guideline for more guidance.</p>
6.	<p>Financial institutions provide loans to individuals and businesses for financing purposes, with interest charged on the borrowed amount. Borrowers are then required to repay the principal on an instalment basis, including the interest.</p> <p>Upon implementation of e-Invoice, is the financial institution required to issue e-Invoice for both the principal and interest charges?</p>	<p>Financial institutions are required to issue e-Invoice for the interest charged.</p> <p>However, no e-Invoice is required to be issued for the repayment of loan principal.</p>
7.	What is the e-Invoice treatment for interest arising from interbank lending and borrowing?	Lending bank is required to issue an e-Invoice on the interest charged to the borrowing bank.

No	Question	Response
8.	<p>What is the e-Invoice treatment for premium or upfront fee received in relation to treasury products as well as Shariah-compliant product or services?</p>	<p>An e-Invoice is required to be issued for the premium or upfront fee, where the premium or fee is non-refundable in nature.</p>
9.	<p>What is the e-Invoice treatment for accounts that contain more than one (1) party as account holders, such as:</p> <ul style="list-style-type: none"> • Joint account • Omnibus account • Custodial account, including a minor account • Trust account • Estate account • Escrow account? 	<p>The current process can be maintained, i.e., issuance of one (1) e-Invoice for one (1) account jointly owned by more than one (1) party.</p> <p>In the situation of joint account holders, the principal account holder who would be receiving the statement from the financial institution should be indicated as the Buyer in the e-Invoice.</p> <p>However, in the event the other account holder(s) requests for an e-Invoice, financial institution is required to issue separate e-Invoice to the said account holder(s).</p>
10.	<p>What is the e-Invoice treatment for charges and fees (e.g., transaction fees, interchange fees, switching fees, assessment fees, monthly fees, etc.) paid to both foreign and local card network processors (e.g., Visa, Mastercard, etc.) and other operators (e.g., PayNet, UnionPay, PayPal, etc.)?</p>	<p>Financial institutions are required to issue self-billed e-Invoice for any charges and fees paid to foreign card network processors and foreign operators.</p> <p>On the other hand, the local card network processors and local operators would be responsible to issue e-Invoice for any charges / fees received from the financial institutions.</p> <p>Where the local card network processors and local operators are currently issuing statements / bills to the financial institutions, the local card network processors and local operators are allowed to issue e-Invoice in the format of XML or JSON format, which include the amount owing by financial institutions as well as payment / credit to financial institutions in the same e-Invoice, and convert the validated e-Invoice into visual presentation in the form of statements /</p>

No	Question	Response
		bills. Please refer to Section 4.2 of the e-Invoice Specific Guideline for more guidance.
11.	<p>Currently, in an inward remittance transaction where money is received from a sender via a correspondent agent outside of Malaysia (e.g., Nostro agent or an intermediary agent to the Nostro agent), the foreign agent would charge a processing / transfer fee to the financial institution, which the financial institution would subsequently recover from the local recipient.</p> <p>Upon the implementation of e-Invoice, how should an e-Invoice be issued for the processing / transfer fee?</p>	<p>Financial institution is required to issue self-billed e-Invoice to the foreign agent for the processing / transfer fee.</p> <p>Subsequently, the financial institution is required to issue e-Invoice, if the said processing / transfer fee is being charged to the local recipient.</p>
12.	<p>Upon the implementation of e-Invoice, are financial institutions required to issue e-Invoice for upfront payments collected from bidders in foreclosed property auctions / biddings?</p>	<p>Yes, an e-Invoice is required to be issued where the upfront payment is non-refundable in nature.</p> <p>Where the upfront payment is refundable in nature, no e-Invoice is required to be issued upon receipt of the upfront payment.</p>
13.	<p>Currently, financial institutions offer cashbacks to cardholders as part of its card rewards programme.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the cashbacks paid to cardholders?</p>	<p>Financial institutions are allowed to issue an e-Invoice, in the format of XML or JSON format, which includes the amount owing by cardholders as well as payment / credit to cardholders (e.g., cashback redemption / payout) in the same e-Invoice and convert the validated e-Invoice into visual presentation in the form of statements / bills.</p> <p>Please refer to Section 4.2 of the e-Invoice Specific Guideline for more guidance.</p>

No	Question	Response
14.	<p>In addition to cashbacks, financial institutions also provide reward points, which can be redeemed for goods, services or air miles.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the goods, services or air miles redeemed by cardholders?</p>	<p><u>Free reward points awarded by financial institutions to cardholders</u></p> <p>Where the reward points are awarded to cardholders for free, no e-Invoice or self-billed e-Invoice is required to be issued by the financial institutions.</p> <p><u>Redemption of goods or services</u></p> <p>No e-Invoice or self-billed e-Invoice is required to be issued by the financial institutions to the cardholders for the goods or services redeemed with reward points.</p> <p>However, if there are additional charges not covered by the redeemed amount (e.g., administrative fees, additional value for goods or services, etc.), financial institutions are required to issue e-Invoice to the cardholders.</p> <p>Where such additional charges are currently including the in statements / bills issued by the financial institutions, the financial institutions are allowed to issue e-Invoice in the format of XML or JSON format, which include the amount owing by cardholders (e.g., additional charges incurred for redemption above, etc.) as well as payment / credit to cardholders in the same e-Invoice, and convert the validated e-Invoice into visual presentation in the form of statements / bills. Please refer to Section 4.2 of the e-Invoice Specific Guideline for more guidance.</p>
15.	<p>Are financial institutions allowed to make adjustments to previously issued e-Invoice in the following month's e-Invoice, instead of issuing credit note / debit note / refund note e-Invoice (as the case may be)?</p>	<p>Yes, as financial institutions are currently issuing statements / bills, financial institutions are allowed to include the adjustments in the following month's e-Invoice, in the format of XML or JSON format, which include the amount owing by clients as well as payment / credit to clients in the same e-Invoice, and convert the validated e-Invoice into visual presentation in the form of statements / bills.</p>

No	Question	Response
		Please refer to Section 4.2 of the e-Invoice Specific Guideline for more guidance.
16.	<p>Is an e-Invoice required to be issued for income / gains from the following treasury products (mutatis mutandis to Shariah-compliant products or services), where invoices are not currently issued:</p> <ul style="list-style-type: none"> • Realised income or gains / loss on disposal of shares, equity options, warrants, etc. • Unrealised marked-to-market income / expense shares, equity options, warrants, etc. • Amortisation / Accretion of premium, fee or reserve • Foreign exchange (FX) gains and losses? 	<p>e-Invoices are not required to be issued for accounting or audit adjustments.</p> <p>Businesses are allowed to continue as per current business arrangement in relation to these adjustments, inclusive of (but non-exhaustive):</p> <ul style="list-style-type: none"> • Any gains or losses (whether realised or unrealised) • Amortisation / Accretion of premium, fee or reserve • FX gains or losses
17.	<p>What is the e-Invoice treatment for interest rate swap agreed between two (2) parties to exchange interest obligations?</p>	<p>The swap dealer or intermediary (which is the finance institution) is required to issue e-Invoice or self-billed e-Invoice, as the case may be, for the interest received or paid between the parties under the swap arrangement.</p>

B. Securities and derivatives broking

Note: The term “broker(s)” used in this section shall include the participants of Bursa Malaysia i.e., Participating Organisation, Trading Participant, Trading Clearing Participant, Clearing Participant, Authorised Depository Agent and Authorised Depository Member.

No	Question	Response												
1.	Is e-Invoice required to be issued for trading of securities and/or derivatives on local and/or foreign stock exchange or derivatives exchange?	<p>Buying and selling of securities and/or derivatives traded on a stock exchange or derivatives exchange in Malaysia or elsewhere is currently exempted from e-Invoice. Kindly refer to Section 1.6.8 of the e-Invoice Guideline for more details.</p> <p>Note that this exemption will be reviewed and updated from time to time.</p>												
2.	What is the e-Invoice treatment for issuance or transfer of unquoted securities or derivatives?	<p>Supplier is required to issue an e-Invoice on the unquoted securities or derivatives issued or transferred to the Buyer.</p> <table border="1"> <thead> <tr> <th>Supplier</th> <th>Buyer</th> <th>Timing of issuance</th> </tr> </thead> <tbody> <tr> <td colspan="2"><i>Issuance of unquoted securities or derivatives</i></td> <td rowspan="4"> <p>a. If there is a written agreement:</p> <ul style="list-style-type: none"> If no approval is required from the government or state government, the date of issuance will be the date of the agreement If approval is required from the government or state </td> </tr> <tr> <td>Issuer / Investee</td> <td>Investor</td> </tr> <tr> <td colspan="2"><i>Transfer of unquoted securities or derivatives</i></td> </tr> <tr> <td>Transferor</td> <td>Transferee</td> </tr> </tbody> </table>	Supplier	Buyer	Timing of issuance	<i>Issuance of unquoted securities or derivatives</i>		<p>a. If there is a written agreement:</p> <ul style="list-style-type: none"> If no approval is required from the government or state government, the date of issuance will be the date of the agreement If approval is required from the government or state 	Issuer / Investee	Investor	<i>Transfer of unquoted securities or derivatives</i>		Transferor	Transferee
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Transferor	Transferee													

No	Question	Response		
				<p>government, the date of issuance will be the date of such approval, or if the approval is conditional, the date of issuance will be the date in which the last condition is satisfied</p> <p>b. If there is no written agreement:</p> <ul style="list-style-type: none"> • The date of issuance will be the date of completion

No	Question	Response
3.	<p>Currently, brokers issue the following documents to their clients:</p> <p>(a) Contract note / statement; and</p> <p>(b) Monthly statement of account.</p> <p>Which document should be submitted for e-Invoice purposes?</p>	<p>As brokers are currently issuing statements / bills to their clients, brokers are allowed to issue e-Invoice in the format of XML or JSON format, which include the amount owing by clients as well as payment / credit to clients in the same e-Invoice, and convert the validated e-Invoice into visual presentation in the form of statements / bills (either contract note / statement or monthly statement of account). Please refer to Section 4.2 of the e-Invoice Specific Guideline for more guidance.</p>
4.	<p>As brokers are obligated to maintain secrecy of the transactions regulated under Capital Markets and Services Act 2007 and Securities Industries (Central Depositories) Act 1991, are brokers required to disclose the statement / bill reference number under the “Description of Product / Service” field in the consolidated e-Invoice?</p>	<p>Section 4.3.7 of the e-Invoice Specific Guideline is applicable to brokers. As such, brokers are not required to disclose the statement / bill reference number under the “Description of Product / Service” field in the consolidated e-Invoice.</p> <p>However, brokers required to input descriptions that are relevant and appropriate under the said field when issuing consolidated e-Invoice.</p>
5.	<p>What is the e-Invoice treatment for fees charged by brokers to its customers (e.g., brokerage fees, rollover fees, handling fee on investor’s trust, clearing fee, etc.)?</p>	<p>Where there are fees charged by brokers to their investors, the broker is responsible for issuance of:</p> <ol style="list-style-type: none"> i. e-Invoice (upon request); or ii. receipt (if no e-Invoice is requested) to the investors, and subsequently to issue consolidated e-Invoice. <p>Please refer to Section 3.5 and 3.6 of the e-Invoice Specific Guideline for more guidance on the general issuance of e-Invoice.</p>

No	Question	Response
6.	<p>Currently, the broker will include collection on behalf (e.g., stamp duty, third party fees, etc.) in the contract note / statement issued to their investors, together with other fees charged by the broker.</p> <p>Upon implementation of e-Invoice, will the same practice continue to apply, or would the broker be required to modify its current practice?</p>	<p>Where the third party issues e-Invoice / invoice for the collection on behalf (e.g., stamp duty, third party fees, etc.) to the broker, the collection on behalf is required to be included in the e-Invoice issued by the broker to the investors. Broker is required to input the appropriate classification code for the said collection on behalf.</p> <p>Where the third party issues e-Invoice / invoice for the collection on behalf (e.g., stamp duty, third party fees, etc.) directly to the investors, the collection on behalf is not required to be included in the e-Invoice issued by the broker to the investors.</p>
7.	<p>What is the e-Invoice treatment for fees associated with the Central Depository System (CDS) charged by Bursa Malaysia Depository Sdn Bhd (BMDep), as follows:</p> <p>(a) account opening fees (b) transfer fees (c) Transmission of Title (TOT) fee?</p>	<p>Upon implementation of e-Invoice, BMDep is required to issue an e-Invoice for the fees charged by BMDep.</p>
8.	<p>Are Authorised Depository Agents (ADAs) required to issue e-Invoice for rebate income-related to CDS fees?</p>	<p>Yes, ADAs are required to issue e-Invoice for the rebates earned.</p>
9.	<p>Currently, nominee company processes the corporate actions (e.g. dividend, right issues, etc.) on behalf of its clients and pays net dividend after charging admin / processing fees to its clients.</p> <p>What is the e-Invoice treatment for the foreign dividend received on behalf of the nominee company's clients, as well as the admin / processing fees?</p>	<p>The e-Invoice treatments are as follows :</p> <ul style="list-style-type: none"> • The respective client is required to issue e-Invoice (where applicable) for the foreign dividend income received from the foreign dividend distributor. • The nominee company is required to issue e-Invoice for the admin / processing fees charged to its clients.

No	Question	Response
10.	<p>What is the e-Invoice treatment for interest income received by a broker from placing clients' trust monies with financial institutions, which is then passed back to clients after deducting handling fees?</p>	<p>The e-Invoice treatments are follows:</p> <ul style="list-style-type: none"> • The local financial institution paying the interest is required to issue an e-Invoice to the account holder. <p>Where the interest is paid by a foreign financial institution, the account holder is required to issue an e-Invoice on the interest received.</p> <ul style="list-style-type: none"> • The broker is required to issue a self-billed e-Invoice for the full interest amount due to the clients (i.e., prior to deduction of handling fees) and a separate e-Invoice for the handling fees charged to its clients.
11.	<p>Currently, initial listing fees are being charged by Bursa Malaysia Securities Berhad (BMS) to the issuers of the structured warrants and exchange traded funds.</p> <p>The initial listing fees will be later refunded by BMS as rebate to the issuers, upon fulfilling the conditions set by BMS. Issuers are required to submit declaration to BMS to request for the rebate.</p> <p>In this regard, what is the e-Invoice treatment for the rebate?</p>	<p>BMS is required to issue refund note e-Invoice for the initial listing fees refunded to the issuers.</p>
12.	<p>What is the e-Invoice treatment for the commission paid by the brokers to the Commissioned Dealer's Representative (i.e., remisier)?</p>	<p>Brokers are required to issue self-billed e-Invoice to the Commissioned Dealer's Representative for the commission paid, in accordance with Section 9 of the e-Invoice Specific Guideline.</p>

No	Question	Response
13.	<p>Currently, BMDep charges the nominee company for CDS fees related to beneficiaries who open CDS accounts under the nominee company's name.</p> <p>What is the e-Invoice treatment for these CDS fees?</p>	<p>BMDep is required to issue e-Invoice to the nominee company for the CDS fees charged.</p> <p>Subsequently, nominee companies are required to issue e-Invoice to the beneficiaries for the CDS fees recharged to the beneficiaries.</p>
14.	<p>Under the Securities Commission (Levy on Securities Transactions) Order 1995, a 0.015% levy on the transaction value of purchases or sales is payable to the Securities Commission (SC Levy), where half of the SC Levy is payable by the brokers (as per BMS Rules).</p> <p>Currently, BMS issues invoice to the brokers and collects this portion of the SC Levy on behalf of the Securities Commission (SC).</p> <p>Upon the implementation of e-Invoice, will the same practice continue to apply, or would BMS be required to modify its current practice?</p>	<p>Upon implementation of e-Invoice, the flow for issuance of e-Invoice should be similar to the current invoicing arrangement.</p> <p>Where SC issues e-Invoice / invoice (or any other documentation) for the collection on behalf to BMS, the collection on behalf is required to be included in the e-Invoice issued by BMS to brokers. BMS is required to input the appropriate classification code for the said collection on behalf.</p>

C. Unit trust-related transactions

No	Question	Response
1.	<p>Institutional Unit Trust Advisor (IUTA) acts as the intermediary between end investors and Unit Trust Management Company (UTMC), assisting end investors in purchasing units of a particular unit trust fund (UTF) through the UTMC.</p> <p>UTMC imposes a sales charge on IUTA, which IUTA subsequently imposes a sales charge to the end investors.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the sales charge?</p>	<p>The e-Invoice treatment are as follows:</p> <ol style="list-style-type: none"> 1. <u>Transaction between UTMC and IUTA</u> UTMC is required to issue e-Invoice for the sales charge imposed to IUTA. 2. <u>Transaction between IUTA and end investors</u> IUTA is required to issue e-Invoice for the sales charge imposed to the end investors.
2.	<p>Following the above question, where dividends from UTF investments are distributed, UTMC will pay IUTA, which IUTA will subsequently pass the dividend income to the end investors.</p> <p>In this case, how should an e-Invoice be issued?</p>	<p>The e-Invoice treatment are as follows:</p> <ol style="list-style-type: none"> 1. <u>Transaction between UTMC and IUTA</u> UTMC is required to issue self-billed e-Invoice for the dividends distributed to IUTA. 2. <u>Transaction between IUTA and end investors</u> IUTA is required to issue self-billed e-Invoice for the dividends distributed to end investors.
3.	<p>UTMC charges management fee to the local UTF, which is indirectly borne by the end investors.</p> <p>Additionally, UTMC grants rebates on these management fees to certain eligible end investors, which could be both individuals and corporate entities.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the</p>	<p>The e-Invoice treatment are as follows:</p> <p><u>Charging of management fees</u></p> <ul style="list-style-type: none"> • UTMC is required to issue e-Invoice to UTF for the management fee charged. UTF is then required to issue e-Invoices to the end investors for their apportioned management fee charged. <p><u>Management fees rebates</u></p> <ul style="list-style-type: none"> • As the rebate is given directly to the eligible end investors, UTMC is required to issue a credit note / refund note e-Invoice (as the case may be) to the

No	Question	Response
	<p>management fees charged and rebates provided?</p>	<p>eligible end investors. For the purposes of issuing the credit note / refund note e-Invoice (as the case may be), UTMC is required to include the IRBM Unique Identifier Number of the original e-Invoice issued by UTMC to UTF on the management fee under the “Original e-Invoice Reference Number” field.</p>
4.	<p>Under a Fund of Fund (FoF) arrangement, a local UTF invests in a portfolio of foreign investment funds (e.g., foreign UTF).</p> <p>The foreign fund manager charges management fee to the foreign UTF, which is indirectly borne by its investors (including the local UTF and, ultimately, the end investors in the local UTF).</p> <p>To avoid double charge on management fee to local end investors, the foreign fund manager grants rebates on management fees to the local UTMC, which the local UTMC subsequently passes these rebates on to the local UTF.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the rebates provided?</p>	<p>The e-Invoice treatments are as follows:</p> <p><u>Management fees charged by foreign UTF</u></p> <ul style="list-style-type: none"> Local UTMC is required to issue self-billed e-Invoice for the management fee charged by foreign UTF. Local UTMC is required to issue e-Invoice to local UTF for the management fee charged by foreign UTF and subsequently local UTF is required to issue e-Invoices to the end investors for their apportioned management fee charged. <p><u>Management fee rebates</u></p> <ul style="list-style-type: none"> Local UTMC is required to issue self-billed credit note e-Invoice for the rebates. As the rebate is given directly to the eligible end investors of the local UTF, local UTMC is required to issue a credit note / refund note e-Invoice (as the case may be) to the eligible end investors of the local UTF. For the purposes of issuing the credit note / refund note e-Invoice (as the case may be), local UTMC is required to include the IRBM Unique Identifier Number of the original e-Invoice issued by local UTMC to local UTF on the management fee under the “Original e-Invoice Reference Number” field.

No	Question	Response
5.	<p>End investors may invest RM1,000 through UTMC where no commission / sales charge is imposed by UTMC to the end investors.</p> <p>Currently, UTMC issues a confirmation transactional slip upon successful completion of sales booking.</p> <p>In such case where UTMC does not earn any income, is an e-Invoice still required to be issued?</p>	<p>No e-Invoice is required to be issued when no commission or sales charges arise from the investment transaction.</p> <p>However, UTMC may issue an e-Invoice with 'Nil' amount, if preferred.</p>
6.	<p>For Private Retirement Scheme (PRS) fund, Private Pension Administrator (PPA) charges PPA fee to the end investors.</p> <p>Currently, PPA issues invoice to UTMC for the aggregated PPA fees and UTMC subsequently charges PPA fee to PRS end investors.</p> <p>Upon the implementation of e-Invoice, what is the e-Invoice treatment for the PPA fee charged to PRS end investors?</p>	<p>Upon implementation of e-Invoice, UTMC is required to issue e-Invoice to PRS end investors for the PPA fees charged by UTMC.</p>