



SAP Ariba 

Feature at a Glance


Hungary - supplier notifications and opt-out option for tax invoicing

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CONFIDENTIAL

Feature at a Glance

Ease of implementation

 Some complexity

Geographic relevance

 Country-specific

Introducing: Hungary - supplier notifications and opt-out option for tax invoicing

Customer challenge

After implementing support for the NAV-online reporting in July/August 2018, suppliers are able to create invoices through the Ariba Network and benefit from the required online reporting to NAV.

However as suppliers typically already integrated their backend- or other invoice issuing “software” to the NAV system, suppliers raised the requirement to only use their “own” system for tax invoicing and online reporting.

Suppliers using the Online reporting asked for better visibility of potential errors during online reporting.

Solution area

Operational Procurement / Ariba Network (commerce automation / electronic invoicing)

Meet that challenge with SAP Ariba

SAP Ariba provides the option to suppliers to opt-out of the tax invoicing creation on the Ariba Network for Hungary, as far as that is aligned with the Buyer using the Ariba Network.

Implementation information

This features are “on” by default. The required decision for opt-out can be done as part of the Invoice Routing options.

All suppliers using the Online Reporting functionality still must create their legal profile and enter the NAV technical user details. (part of separate KT)

Experience key benefits

SAP Ariba supports both options to have the tax invoice for Hungary created and reported through the Ariba Network or alternatively use the own backend (or other system) and only create a “pro-forma” invoice which does not have tax character and send to the Buyer.

For better visibility of potential issues during the online reporting suppliers now can receive e-mail notifications

Prerequisites and Limitations

Buyers and Supplier should align on the approach to mutually define if suppliers are “allowed” to opt-out.

Buyer consideration: Providing the supplier the option to “opt-out”

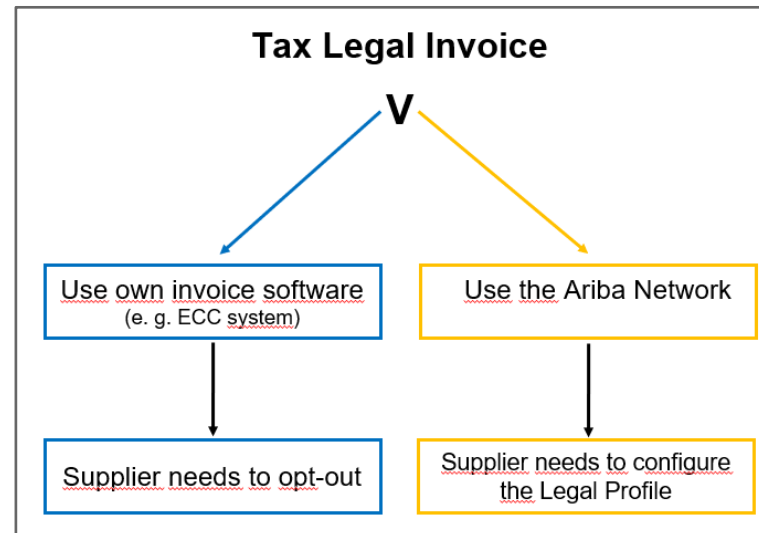
While being part of the European Union, Hungary introduced a couple of e-invoicing requirements which go beyond the “standard” e-invoicing practices regulated by the relevant EU Directives.

The National Hungarian Tax and Customs Administration (NAV) requires the usage of an „**invoicing software**“ which fulfills **additional requirements** in order to generate valid invoices according to the local regulations. One key requirement since July 2018 is, that suppliers must send an excerpt of each invoice to a online system operated by the NAV. Further the local tax regulation state, that the **NAV-online reporting** must be done (automatically) from the very same system which creates the tax invoice.

Typically Buyers want Suppliers to use the Ariba Network to get the tax invoice created (a signed cXML). This helps the Buyer to make sure the invoice which gets process by the backend system is the tax legal invoice which would be presented in an audit.

However with the introduction of the NAV Online reporting tax requirement, (some / many) **Hungarian suppliers want to use their own ERP system** (or own other invoice issuing system) which is already connected to the NAV online reporting system and they do not want to defer from standard processes only for their “Ariba” customers.

Ariba understands that request and (with the October AN release) provides flexibility for suppliers to use or not use the Ariba Network to get the tax legal invoice created .



Ariba recommends that Buyers and Suppliers agree to one concept to avoid different expectations on both sides

Opt-out of Tax Invoicing and Online Reporting for Hungary

→ Electronic Invoice Routing / Tax Invoicing and Archiving

Long-Term Document Archiving

Enabling Long-term archiving of invoices allows you to archive tax invoices for the time span required by the tax authorities in your country. Ariba Network collaborates with accredited archive providers to support country-specific archiving timeframes. You can view and download the archived invoices from the Document Archive > Archived Documents page for auditing purposes.

Enable long-term invoice archiving. See the [terms and policies](#) for the optional document archiving service. To view the list of countries supported for long-term archiving, click [view countries](#).

Tax Invoicing for Hungary

Select this box if you choose not to report your domestic invoices to the NAV using Ariba Network. If you select this box, invoices you report through Ariba Network will be considered 'proforma' invoices. Proforma invoices are only estimates, and contain only basic information for buyers. Therefore, such invoices are not considered legal tax invoices or as requests for payment according to Hungarian tax laws. Ensure that your buyers and you are aware of this information before you select this box. However, you may still report your invoices to the NAV using your ERP or other in-house systems.

Disable Tax Invoicing for Hungary

TAX INVOICING FOR HUNGARY

If you select 'Yes', your invoices will not be reported to the NAV, and will be considered 'proforma' invoices. Proforma invoices are only estimates, and contain only basic information for buyers. Therefore, such invoices are not considered legal tax invoices or as requests for payment according to Hungarian tax laws. Ensure that your buyers and you are aware of this information before you select this box. However, you may still report your invoices to the NAV using your ERP or other in-house systems.

Yes

No

E-Mail notification of a warning / error

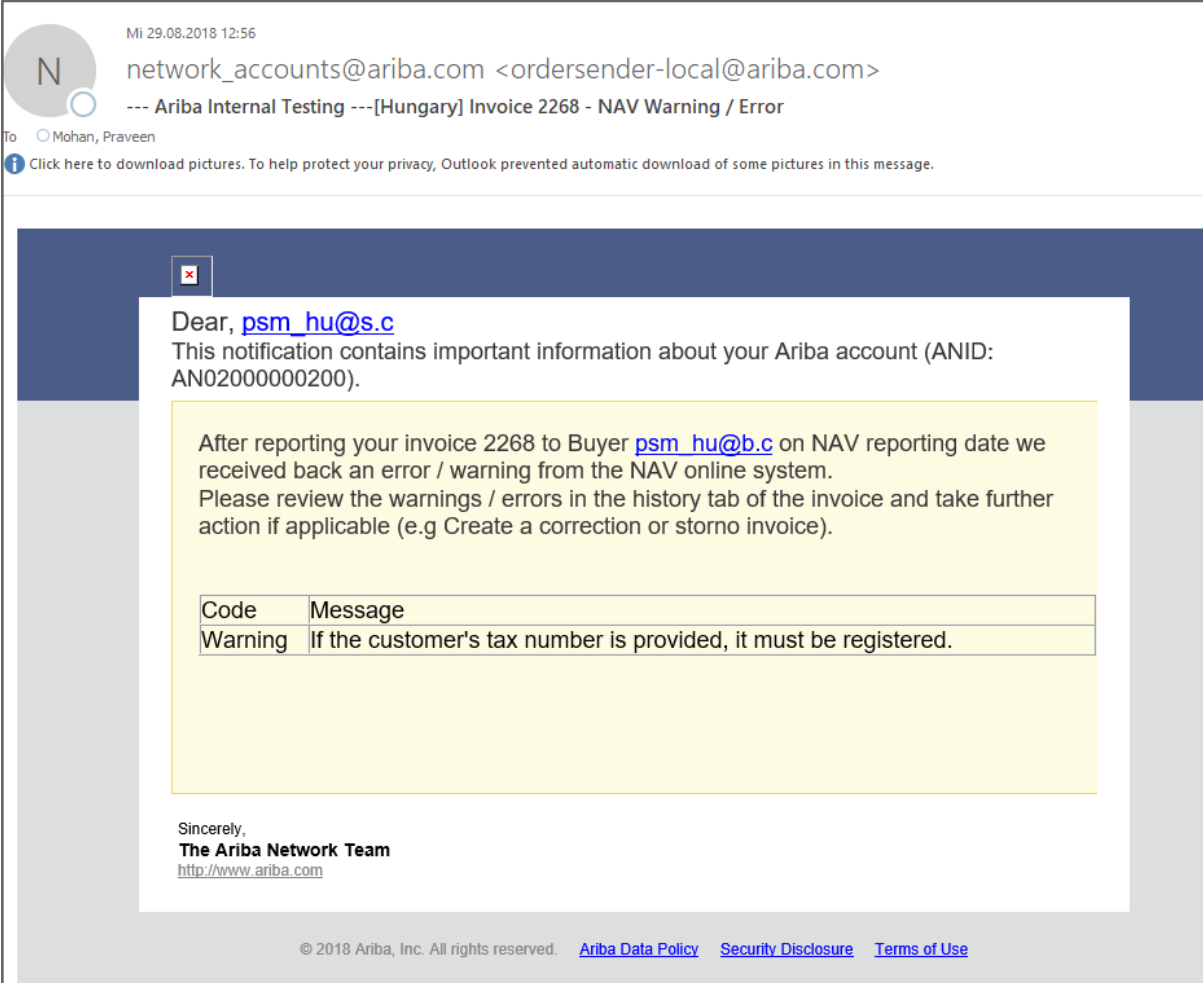
Suppliers will now receive e-mail notifications in case the NAV online system reported back a warning or error.

If applicable, based on the notification, suppliers then can take action to correct the invoice in the AribaNetwork

To setup the notifications:

- 1) Click *Company Settings*
- 2) Select *Notifications* under *Account Settings*
- 3) Click the *Network* Tab
- 4) Check the box that reads „Invoice Failure –
- 5) Send a notification when invoices are undeliverable or rejected

Enter the required e-mail address(es)



Mi 29.08.2018 12:56
network_accounts@ariba.com <ordersender-local@ariba.com>
--- Ariba Internal Testing ---[Hungary] Invoice 2268 - NAV Warning / Error

To: Mohan, Praveen
Click here to download pictures. To help protect your privacy, Outlook prevented automatic download of some pictures in this message.

Dear, psm_hu@s.c
This notification contains important information about your Ariba account (ANID: AN02000000200).

After reporting your invoice 2268 to Buyer psm_hu@b.c on NAV reporting date we received back an error / warning from the NAV online system. Please review the warnings / errors in the history tab of the invoice and take further action if applicable (e.g Create a correction or storno invoice).

Code	Message
Warning	If the customer's tax number is provided, it must be registered.

Sincerely,
The Ariba Network Team
<http://www.ariba.com>

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