

Why your small business should consider eInvoicing



Small Business Commissioner

eInvoicing is a cost effective and safe new way for businesses to manage their invoicing needs.

A move to eInvoicing enables direct and secure electronic transmission of invoices between a buyer and supplier. eInvoicing allows you to send and receive invoices digitally from your suppliers rather than them needing to be printed, posted or emailed.

"According to the Australian Competition and Consumer Commission, there was a 77 per cent increase in payment redirection scams in 2021, with Australian businesses losing \$277 million."

The benefits of eInvoicing



Getting paid faster and improving your cash flow: eInvoicing requires less processing which can result in your customers paying your invoices faster.



Better information: eInvoicing can assist in effectively managing cash flow as it allows for greater and faster visibility over spend management compared to traditional invoicing methods.



Time and cost savings by reducing manual data entry: eInvoicing saves time by reducing the time needed to fix errors, chase lost invoices or missing information, and manually entering invoices.



Reducing the risk of scams and fraud: eInvoicing is secure, minimises the risk of fake or compromised invoices, and reduces the chance of paper or PDF invoices being intercepted.



How to implement eInvoicing in your small business

To use eInvoicing, both you and your customer need to connect to the Peppol network (an international eProcurement framework) via eInvoicing-ready software or a service provider. Some of the major Australian accounting software providers now include eInvoicing capability for free in their packages.

- Review your current invoicing system – consider the current time spent on invoicing and how much time and money eInvoicing could save you
- Check across your customers and whether they are eInvoicing ready – consider government buyers that are already onboard with eInvoicing. Even if your customers are not yet eInvoicing ready, they may be onboarded soon
- Explore options for access to eInvoicing – check your current accounting software provider as they may be eInvoicing ready
- To access eInvoicing, register via your accounting software provider – If you do not have an accounting software provider, learn more about eInvoicing providers via the ATO link below.

Learn more about eInvoicing from a software provider:

- To learn more about eInvoicing from Xero visit: xero.com/au/initiative/eInvoicing/
- To learn more about eInvoicing from MYOB visit: <https://www.myob.com/au/blog/eInvoicing/>

The ATO provides in-depth advice on eInvoicing for business, including information on getting connected, planning for a smooth transition to eInvoicing and onboarding your trading partners. Learn more here: ato.gov.au/Business/eInvoicing/eInvoicing-for-businesses/



“According to the Australian Taxation Office (ATO), it is estimated to cost less than \$10 to process an eInvoice due to time saved by reduced manual handling, compared to between \$27-\$30 for a standard eInvoice.”

Are you a NSW Government supplier?

Most NSW Government agencies are already enabled for eInvoicing. The list of these agencies can be found here: suppliers.buy.nsw.gov.au/help/eInvoicing#agencies

NSW Government Faster Payment Terms

The Faster Payments Policy commits the NSW Government to paying eligible small business suppliers within five business days. Registered small business suppliers that provide a correctly rendered invoice for goods or services up the value of \$1 million through a department’s central payment email address will be paid within five business days. Payments up to \$10,000 may also be paid instantly via government credit card. Learn more here: smallbusiness.nsw.gov.au/what-we-do/our-work/faster-payment-terms

You can register your business for Faster Payments Terms through its supplier profile on the buy.nsw Supplier Hub portal. Learn more here: suppliers.buy.nsw.gov.au/login/signup

Suppliers to the NSW Government can use eInvoicing functionality on the Supplier Hub

All suppliers registered on the NSW Government’s Supplier Hub can access eInvoicing functionality from their account dashboard. This allows suppliers to send and track invoices from their NSW Government Supplier Hub account. Access the Supplier Hub dashboard here: suppliers.buy.nsw.gov.au/login

Suppliers can also send their eInvoices directly from their existing accounting software provider that provides eInvoicing capability.