



## e-INVOICING UPDATES

### Key Takeaway



- ❖ Phase 4 e-Invoicing: 12-Month Transition Period
- ❖ Special Concession for the Construction Materials Sector

### A. 12 - MONTH TRANSITIONAL PERIOD (1 JANUARY – 31 DECEMBER 2026)

As you are aware, businesses with annual turnover between RM1 million and RM5 million fall under Phase 4 of the e-Invoice programme and is required to fully implement e-invoicing effective from 1 January 2026.

With reference to the Media Release issued by Inland Revenue Board of Malaysia (“IRBM”) dated 5th January 2026, the Government has announced a 12-month interim relaxation period for businesses under Phase 4, extending the previously announced 6-month timeline.

With that, the interim relaxation period for such businesses has been extended to 1 January 2026 to 31 December 2026.

What is important to note is that this is not a postponement of the requirement for businesses under Phase 4 to be fully-compliant with the e-Invoice system – it is merely a deferment. During this period, businesses under Phase 4 will still be required to comply with the conditions spelt out in the IRBM’s e-Invoice Specific Guidelines, **for e-Invoice compliance during the interim relaxation period.**



During the interim relaxation period which spans 1 January 2026 to 31 December 2026, business under Phase 4 are permitted to do the following:

- a. Issue consolidated e-Invoices for all activities and transactions, including for industries or activities listed under Section 3.7 of the Specific Guidelines on e-Invoices. Issuance of consolidated e-Invoices is also permitted even if there is an e-Invoice request from the buyer;
- b. Issue consolidated self-billing e-Invoices for all self-billing situations as outlined under Section 8.3 of the Specific Guidelines on e-Invoices; and
- c. Allow any transaction description to be entered in the “Product or Service Description” field.

During the transition period, the IRBM has announced that they will not impose penalties for any non-compliance with the e-Invoice requirements, provided that the taxpayer complies with the rules stated above.

## **B. SPECIAL CONCESSION: CONSTRUCTION MATERIALS SECTOR**

Effective 1 January 2026, the government also agreed to allow taxpayers from the wholesale and retail of construction materials sector to issue consolidated e-Invoices. However, e-Invoices are still mandatory if they involve transactions exceeding RM10,000 or more or when there is a request from the buyer to obtain an e-Invoice.

**For more details please refer to the link below:-**  
[Media Release from IRBM dated 5 Jan 2026](#)

### **How We Can Help**

At ShineWing, we provide a wide spectrum of services to support your successful implementation of the e-Invoice system in Malaysia and compliance of its laws and guidelines, among which, include the following:

- **Regulatory Guidance**

Supporting businesses in interpreting and complying with IRBM’s e-invoicing requirements, including IRBM guidelines, statutory deadlines, and documentation standards to ensure full tax compliance.

- **Ongoing Support**

Providing continuous maintenance, governance, and updates to keep e-invoicing solutions aligned with evolving IRBM regulations, while offering training and advisory to sustain compliance and operational efficiency.

Should you have any questions or require any assistance on the above, please do not hesitate to drop us an email or call us.

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## WHY ShineWing TY TEOH 为什么选择信永中和迪威？

<b>20th</b> Global Largest Accounting Firm <small>IAB 2024</small>	<b>715</b> Global Revenue (USD' Million) <small>Year 2023</small>	<b>102</b> Offices across 21 Countries & Regions <small>Year 2023</small>	<b>12000</b> People including 640 Partners <small>Year 2023</small>	<b>15th</b> Malaysia Largest Accounting Firm <small>IAB 2024</small>	<b>7</b> Offices across Malaysia <small>Year 2024</small>
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✓ Registered Auditor of Public Company Accounting Oversight Board (PCAOB), USA
✓ Approved Auditor of Labuan Financial Services Authority (Labuan FSA), Malaysia
✓ Approved Training Employers
✓ Independent Member Firm of Praxity



### Team Leaders & Members Credentials

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