

Seven tips for problem-free electronic invoicing with the federal administration

Electronic invoicing offers significant advantages, both for invoice issuers and for invoice recipients. For example, it speeds up processing and supports data entry in the system. When creating and submitting invoices, however, it is important to pay attention to certain rules. These include the technical requirements of the European norm for electronic invoicing (EN 16931) and the technical terms of use for the invoice submission portals as well as rules for specific invoice recipients.

The following information and tips will help you avoid errors before submitting your invoices. These tips are based on our experience with e-invoicing in recent years and are directed at people who need to issue invoices to the federal administration or participating federal states who are required to use electronic invoicing or are interested in the process.

Tip 1: Submit only the original invoice

The electronic invoice submitted via the invoice submission portal constitutes the original invoice which is used for further processing. In the first few months after e-invoicing became mandatory, some invoice issuers submitted their invoices in paper form or as a PDF document in addition to their electronic invoice. They hoped in this way to avoid an interruption in processing and ensure that no invoices went unpaid during the transition to the new format. However, submitting an additional copy (unless specifically requested) makes processing much more difficult and, in the worst case, can result in invoices being paid – and VAT being charged – twice. In order to avoid this problem, an invoice should only be submitted once.



In general, invoices for the federal administration must be issued using the current version of the XRechnung standard. Other standards may be used (such as ZUGFeRD version 2.2 or later in the XRECHNUNG profile) as long as they meet the requirements of the European standard EN 16931, the terms of use for the invoice submission portals, and the requirements of the federal E-Invoicing Ordinance.

The XRechnung standard is updated twice a year (on 1 February and 1 July) according to the current operating plan and is published in the [Federal Gazette](#) and on the [website of the Coordination Office for IT Standards \(KoSIT\)](#) (German only). The invoice submission portals do not provide an auditable archive for invoice issuers. Invoice issuers are required to archive e-invoices they have generated or submitted in XML format.

Tip 2: Check with the contracting authority about filling in optional data fields

If necessary information about a contract or an order is missing, the contracting authority may not be able to process the invoice properly without additional manual effort. Invoice issuers should therefore check whether optional data fields (such as purchase order reference or seller identifier) must be filled in along with the required data fields. If necessary, the contracting authority and contractor (= invoice issuer) should discuss these points with one another in advance. Ideally, the necessary information should be included in the order confirmation, order or contract, and the appropriate data fields should be clearly identified (BT numbers).



Invoices for federal contracting authorities are governed by the E-Invoicing Ordinance. Section 5 of the Ordinance specifies which information an e-invoice must contain: buyer reference, bank account details, terms of payment, and email address of the invoice issuer, as well as the information required by section 14 of the Value Added Tax Act (*Umsatzsteuergesetz, UStG*).

Tip 3: Use the correct invoice submission portal

If e-invoices are rejected, it is often due to using the wrong invoice submission portal, failing to register or failing to select a transmission method. Before submitting an e-invoice, you should make sure you are using the correct invoice submission portal. You must register with an invoice submission portal before using it. Registration is free of charge and is necessary no matter which method you choose for submitting invoices. When registering, you must decide which method you will use to submit invoices, for example email or Peppol, and must specifically select this transmission method.



There are two portals for submitting invoices to the direct federal administration, parts of the indirect federal administration, and participating federal states: these are the [Federal Central Invoice Submission Portal](#) (ZRE) and the Invoice Submission Portal which complies with the [Online Access Act](#) (OZG-RE). When awarding the contract, your contracting authority should inform you which invoice submission portal to use; if you are unsure about this, please ask your contracting authority. The overviews showing which authorities are connected to the [ZRE](#) and [OZG-RE](#) can serve as a guide.

Tip 4: Submitting an e-invoice to an invoice submission portal

If an e-invoice is rejected, it could be due to an error in submission. We have seen the following errors in practice:

- a) Content relevant for the invoice is placed in the subject line or the body of the email. Content from the subject line and body of an email is not forwarded to the invoice recipient. Instead, this content must be entered in the proper data fields.
- b) Multiple invoices are sent in a single email. According to the terms of use, only one invoice may be sent with a single email.
- c) The invoice is sent from an email address that is different from the one saved in the invoice submission portal.



If you have a large number of invoices to submit, we recommend using the Peppol transmission method. Invoices can be submitted via Peppol in compliance with the highest security standards. A uniform international standard simplifies the transfer of documents from different systems. Transmission via Peppol is also efficient and inexpensive.

Tip 5: Supporting documents

Supporting documents are now handled differently than before electronic invoicing. They must be correctly embedded in XML format in order to be processed properly. They must be embedded according to the European norm EN 16931 and the terms of use of the relevant invoice submission portal.



You can add up to 200 attachments to your electronic invoice by embedding them in the XML file. A technical solution for sending supporting attachments larger than 15 MB (large attachments) has been successfully rolled out for the OZG-RE and the ZRE.

The following types of attachments are possible:

- PDF files
- Image files (PNG, JPEG)
- Text files (CSV)
- Excel sheets (XLSX)
- OpenDocument tables (ODS)
- XML (since 1 January 2021, using the XRechnung extension)

If it is impractical to embed the documents, they may be sent to the invoice submission portal in a different way, such as in a separate email. It is important to check with the contracting authority before sending supporting documents in this way.

Tip 6: Means and terms of payment

If means and terms of payment are not entered correctly, this can make it much more difficult to process the invoice. You should therefore make sure that information about the means of payment is complete and as clear as possible. For example, you should make sure to include the correct code for the means of payment (for example, SEPA transfer = 58) in your e-invoice and to save information about discounts using the syntax required by the XRechnung standard. Data field BT-20 should only contain information relevant for terms of payment.



Your invoice should always include a payment due date in data field BT-9. Additional discount terms follow a defined syntax to support automated processing; they are entered in data field BT-20. Example of a 2% discount for payment within 14 days: `#SKONTO#TAGE=14#PROZENT=2.00#`). Data fields BT-20 and BT-9 can be used to provide payment information.

Tip 7: Avoid entering large amounts of text in data fields

Invoices often contain additional information. Problems frequently result when large amounts of text are entered in free text data fields in e-invoices. The ERP systems generally used to process the invoices often limit the number of characters that can be entered in these data fields, which means that any text in excess of these limits may be lost. When creating invoices, you should therefore make sure that free text data fields contain only information relevant for invoicing.



The data fields BT-22 (at document level) and BT-154 (at invoice line level) can be used to add notes or comments. You should make sure that the same information is not repeated in multiple places. In general, you should ensure that all data are correct, for example address data and contact information.