



# FISCALIZATION SERVICE

## FUNCTIONAL SPECIFICATION



## Revisions of the document

Version	Description of Change
<b>v01</b>	Final version

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## 1 Terms and abbreviations

Abbreviation	Explanation	Terminology used in the Draft Law (if it is different)
CIS	<b>Central Information System</b> - A system for receiving data on issued invoices and business premises from taxpayers	Central invoice platform
UUID	<b>Universally Unique Identifier</b> - Unique identifier	-
IIC	<b>Issuer's Invoice Code</b> - the security code of the issuer of the invoice (NSLF)	ISC - Invoice Issuer's Security Code
FIC	<b>Fiscal Identification Code</b> – unique invoice code (NIVF)	UII – Unique invoice identifier
NIPT/NUIS	Unique taxpayer identification number	-
CA	<b>Certificate Authority</b> – Entity responsible for issuing and managing digital certificates	-
EBD	<b>Electronic Billing Device</b> – Electronic device for creating cash or non-cash invoices	Electronic cash device
TCR	<b>Taxpayer Cash Register</b> - Electronic point of sale device(cash machine) that is sometimes called a fiscal device. This device connects to a central fiscal service in GDT.	Taxpayer's electronic cash device
TCRN	<b>Taxpayer Cash Register Number</b> – unique code for Tax Payer Cash Register	Tapayer's electronic cash device code
WTNIC	<b>Warehouse Transfer Note Identification Code</b>	-
FWTNC	<b>Fiscal Warehouse Transfer Note Code</b>	-

Table 1 – Terms and abbreviations

## 2 ABOUT THIS DOCUMENT

This document describes the way of information exchange between the Central Information System of the Tax Administration and taxpayers Fiscalization systems. The document is intended for all interested parties that will participate in the implementation of the solution on the side of the taxpayer. The document describes all messages that systems exchange, message exchange processes, defined data sets and rules that are strictly respected in communication. Data exchange will take place via the Web service using XML messages. This kind of data exchange is not dependent on the technology used by taxpayers or the technology used by the Tax Administration and allows uniform communication between any taxpayer and the Tax Administration.

### 3 GENERAL TERMS

#### 3.1 ISSUER INVOICE CODE (IIC)

The taxpayer IIC is an alphanumeric record confirming the link between the taxpayer that has obligation to issue invoices and the issued invoice.

The Issuer Invoice Code is created by the taxpayers cash register, printed on the invoice and submitted to the Tax Administration as an obligatory element of the invoice.

The purposes of IIC are:

- a) that the taxpayer of fiscalization protects against possible attempts by a third party to cause damage. Only the taxpayer can re-create the same IIC based on the input parameters for the code construction (procedure how code is being generated is being described in the technical specification of the fiscalization service).
- b) invoice verification via the Web and mobile solution in cases where the invoice was issued without FIC. In this case, the IIC can be used as an invoice identifier.

In order to ensure the abovementioned purposes, IIC must be determined with several parameters that ensure, as stated below (details how this is being done can be found at technical specification of the fiscalization service):

- I. Uniqueness of invoice, with following verifications:
  - NIPT/NUIS of the taxpayer,
  - date and time of invoice issuance,
  - invoice number,
  - business premise code,
  - TCR code for cash payment,
  - the code of the software used
  - the total amount of the invoice
- II. Authenticity of the user, with following verifications:
  - electronic signature of the taxpayer.

Electronic signature is done using a valid NAIS digital certificate for fiscalization issued to the taxpayer.

The IIC algorithm can be summarized as follows: MD5 hash (private key signature (NUIS + date and time of issuance + invoice number + business space code + TCR code + software code + total amount on the invoice)).

If an invoice is issued through a web application (within electronic service of Tax Administration), then the IIC does not have a TCR code or software code, and it is generated by the Tax Administration Web Service and signed by the taxpayer, after creation of the invoice and before the fiscalization of that invoice.

#### 3.2 PROTECTION CODE OF ISSUER OF WAREHOUSE TRANSFER NOTE

The WTNIC code of the taxpayer is an alphanumeric record confirming the connection between the taxpayer that must issue warehouse transfer note and issued warehouse transfer note. The WTNIC code is generated by the taxpayer, it is printed on the warehouse transfer note and it has to be sent to the Tax Administration as a mandatory element of warehouse transfer note.

Purposes of WTNIC are the same as in the preceding section for the IIC.

In order to ensure the above-mentioned purposes, WTNIC must be defined with several parameters that ensure:

I. uniqueness of warehouse transfer note. The following validations must be carried out:

- NIPT/NUIS of the taxpayer,
- the date and time of issuing the warehouse transfer note
- the number of the warehouse transfer note,
- business premise code,
- the software code

II. authenticity of the user. Validations to be carried out:

- electronic signature of the taxpayer.

The electronic signature is done using a valid NAIS certificate for fiscalization that is assigned to the taxpayer.

The WTNIC calculation algorithm can be summarized as follows: MD5 hash (private key signature (NUIS + date and time of issuance +number of the warehouse transfer note+ business premise code + software code)).

### 3.3 FISCAL IDENTIFICATIONCODE (FIC)

As an abbreviation for fiscal identification code“FIC” is used. It is calculated using UUID method (universally unique identifier).

The taxpayer, when issuing eachinvoice, electronically signs the elements of the invoice and submits them to the system for fiscalization through the established electronic connection.

The fiscal system verifies whether all required elements of the invoice have been submitted and whether they are signed with the correct electronic signature using valid digital certificate.

If all the conditions are met, the fiscalization system generates unique FIC and returns it to the taxpayer through the established electronic connection. The fiscalization system delivers FIC as a confirmation of the fully received invoice elements. The FIC must be unique for each invoice.

If the Fiscal System cannot determine the FIC, because there is failure in the validation process, it returns to the taxpayer a message about rejection of FIC generation, through established electronic connection.

The FIC and IIC, are printed on the cash invoice and they are mandatory elements of each invoice in non-cash transactions.

### 3.4 UNIQUE IDENTIFIER OF WAREHOUSE TRANSFER NOTE (FWTNC)

As the abbreviation for the Unique Identifier for warehouse transfer note the tag FWTNC is used and is calculated using the UUID method.

The taxpayer, when issuing each warehouse transfer note, electronically signs the elements of the warehouse transfer note and submits them to the system for fiscalization through the established electronic connection. The fiscalization system checks whether all prescribed elements of the warehouse transfer note have been submitted and whether they are signed by the correct electronic signature using a valid digital certificate. If all of the above conditions are met, the fiscalization system generates FWTNC and sends it to the taxpayer by means of the established electronic connection. The fiscalization system sends FWTNC as a confirmation on correctness of received elements of the warehouse transfer note.

FWTNC must be unique for each warehouse transfer note.

If the fiscalization system cannot generate FWTNC, because all controls are not satisfied or for some other reason, it returns to the taxpayer a message on the refusal of FWTNC generation via the established electronic connection.



QR code is printed on the warehouse transfer note issued when transporting goods from one warehouse to another, or to taxpayer's sales premise, without changing the ownership of the goods.

### 3.5 FISCALIZATION

Fiscalization is designed to avoid retailer fraud. Fiscal Law about cash registers has been introduced in countries to control the grey economy by enforcing all mandatory transaction reporting to the authorities. According to fiscal Draft Law, an appropriate fiscal invoice has to be printed and given to the customer (more details about it can be found in the "ON INVOICES AND THE SYSTEM FOR MONITORING TRANSACTIONS" Draft Law).

### 3.6 INVOICE

The fiscalization system handles two types of invoices:

- a. Invoices in cash payment transactions
- b. Invoices in non-cash payment transactions

In relation to the mandatory invoice content, we differentiate the following invoices according to the Draft Law on invoice and the system for monitoring transactions and VAT Law:

- a. invoice without VAT
- b. invoice with VAT
- c. simplified invoice
- d. electronic invoice
- e. warehouse transfer note

The taxpayer submits the invoice information individually for each invoice issued for cash and non-cash transactions at the time of issuing.

Exceptionally, invoice data may be submitted afterwards but only in exceptional situations provided by the Draft Law.

In both cases (cash and non-cash payment transactions), the process of data delivery is identical with regard to communication with the CIS, the only difference is in message content.

The process of data exchange begins when the operator on the fiscal device (the TCR (cashier) or on an electronic device) needs to issue an invoice to the customer:

- a. A TCR or any electronic devices of a taxpayer, after the operator has filled in all the invoice elements, prepares data for the invoice and based on it calculates the issuer's invoice code (IIC) in accordance with the algorithm described in [ISSUER INVOICE CODE \(IIC\)](#) chapter.
- b. Thereafter, it prepares the XML message request and electronically signs it with the private key of the application certificate issued to the taxpayer for fiscalization purposes. Then communication is initiated, and the Tax Administration Server is identified with the server certificate
- c. After a successful SSL communication, the call is made. The CIS receives and processes the request message. If the application is successfully processed by the Fiscal Service, it prepares the XML response message that contains the FIC, electronically signs it with the private key of the application certificate and sends it to the taxpayers TCR or electronic device, which receives a response message and checks the electronic signature with the public key of the application certificate. Thereafter, the operator prints or sends electronically an invoice to the buyer with the printed, i.e. stated FIC.

If during the processing of the invoice message an error occurred (message incorrect by XML schema, faulty electronic signature etc.), the Fiscal Service returns the XML response message containing the description of the error. In this case, the response does not include the FIC and the taxpayer, i.e. the operator, is obliged to correct the error and resend the invoice for fiscalization, or in the case that the error cannot be corrected instantly, he is obliged to issue the invoice without FIC and correct the error in time described in the Draft Law, and fiscalize the invoice afterwards. The business process of issuing an invoice must not be stopped due to the error but the taxpayer is required to correct the irregularities perceived and the invoice message must be submitted subsequently.

In all cases where a taxpayer for some reason did not receive the FIC for the issued invoice (Internet connection disconnection, the TCR is not working, error in the reply message, temporary unavailability of the CIS), he must send the message again later. Only when a taxpayer receives a correct reply message from the fiscal service that contains the FIC, it can be considered that the invoice was reported to the Tax Administration.

In cases where a taxpayer cannot obtain a FIC, e.g. termination of the Internet connection, and the connection is re-established, with cash based invoices priority is given to messages reporting new invoices (invoices issued after an established Internet connection) so that they can receive the FIC and can be issued immediately, without delay to the customer. Messages that have not received the FIC should be submitted later in the period of less traffic of TCR.

## 4 PARTICIPANTS

Participants (Actors) in the process of fiscalization are:

**Taxpayers** – all taxpayers that must issue invoices and warehouse transfer notes - they are obliged to issue invoices and warehouse transfer notes in compliance with the Draft Law.

**Operator** – a person authorized by the taxpayer to issue invoices and warehouse transfer notes (in most cases is a taxpayers employee) and who works on a TCR during the process of fiscalization of a cash invoice, or a person who creates an invoice for non-cash transactions or that creates warehouse transfer note. With vending machines the operator is the taxpayer himself.

**Software Manufacturer / Maintainer**- Responsible for compliance of the IT Solution (HW and SW) with fiscalization process. This software company is service provider to the taxpayer.

**NAIS** - responsible for managing the CIS for fiscalization, the Tax Administration Service Provider

**Tax Administration** - responsible for the implementation of the fiscalization process and the supervision of fiscalization.

**Citizens** - users of the system for checking the correctness of the invoice, are required to request an invoice for the goods or service bought and have the possibility to report the detected irregularities to the Tax Administration.

## 5 BUSINESS PROCESSES

This chapter describes key business processes related to fiscal service, all scenarios that must be supported in the fiscalization system for cash and non-cash transactions (except for e-Invoice) and for fiscalization of the warehouse transfer note.

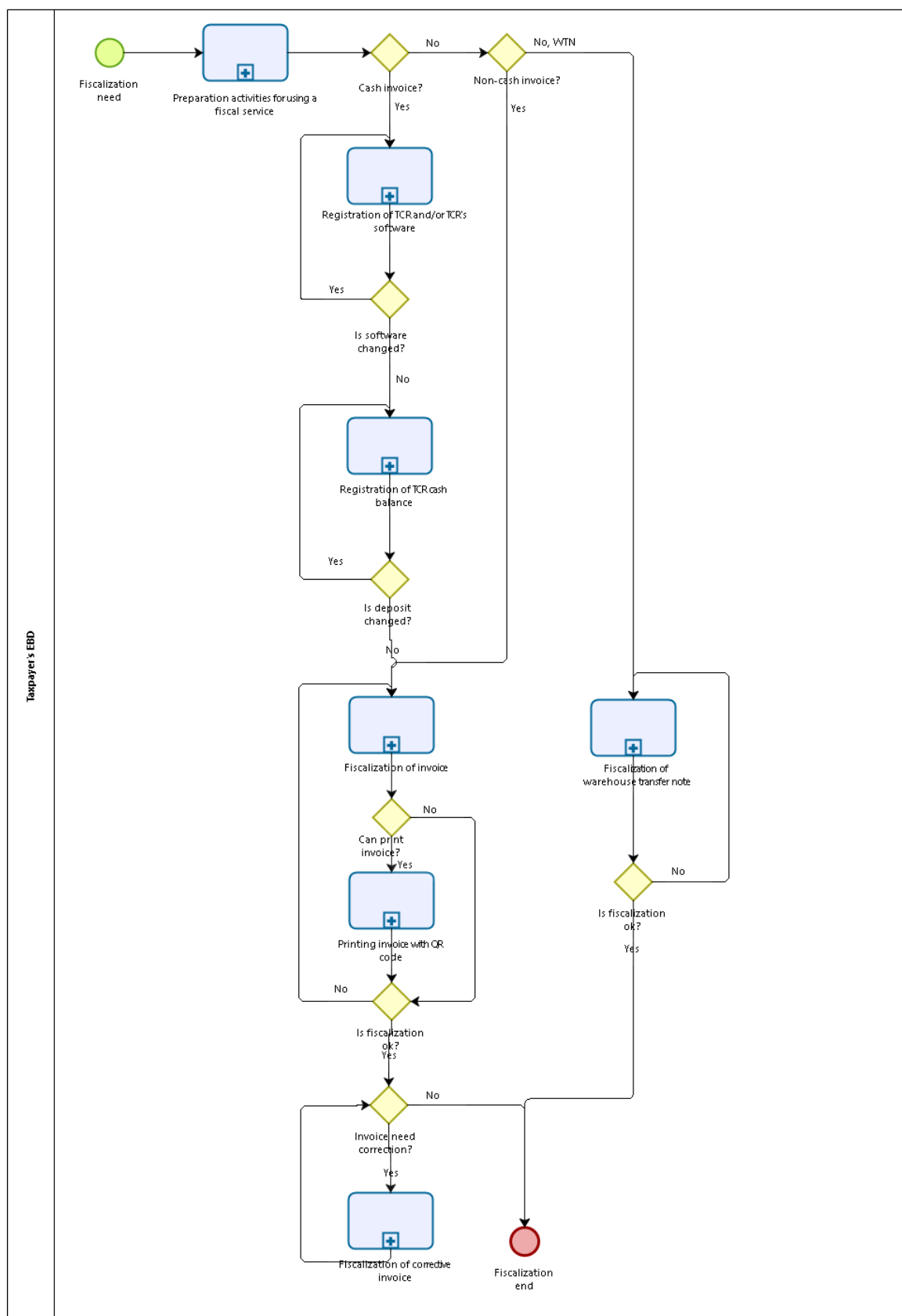


Diagram 1–Fiscalization process - overall

Business sub-processes related to fiscal services are:

1. Preparation activities for using a fiscal service
2. Registration of TCR and software
3. Registration of TCR cash balance
4. Fiscalization of invoices
5. Fiscalization of corrective invoices
6. Fiscalization of the warehouse transfer note
7. Printing and checking QR code on invoice
8. Verification of IIC on TCR

## 5.1 PREPARATION ACTIVITIES FOR USING A FISCAL SERVICE

The prerequisites for the implementation of the invoice and warehouse transfer note fiscalization are as follows:

1. Possessing a digital certificate (more details can be found in the technical specification of the fiscalization service document)
2. Possessing an Internet connection (except in special cases as described in the Draft Law).

All preparation activities in this chapter take place at the location of the taxpayer and the responsibility for these preparatory actions is on the taxpayer.

A digital certificate for fiscalization purposes is issued by the competent authority for issuing digital certificates (CAs). In the case of the Republic of Albania it is NAIS. A detailed description of the submission of a request for issuing a digital certificate and obtaining a certificate is (or will have to be) defined in the instructions of NAIS and is not the subject of this documentation.

Before installing a digital certificate, the taxpayer is obliged to:

**Step 1** - In the case of invoice and warehouse transfer note fiscalization, the taxpayer is obliged to:

- a. Have a hardware infrastructure with software that supports fiscalization service (more details can be found in the technical specification of the fiscalization service)
- b. Have a permanent Internet connection

**Step 2a.** - In the case of cash invoice fiscalization, the taxpayer shall:

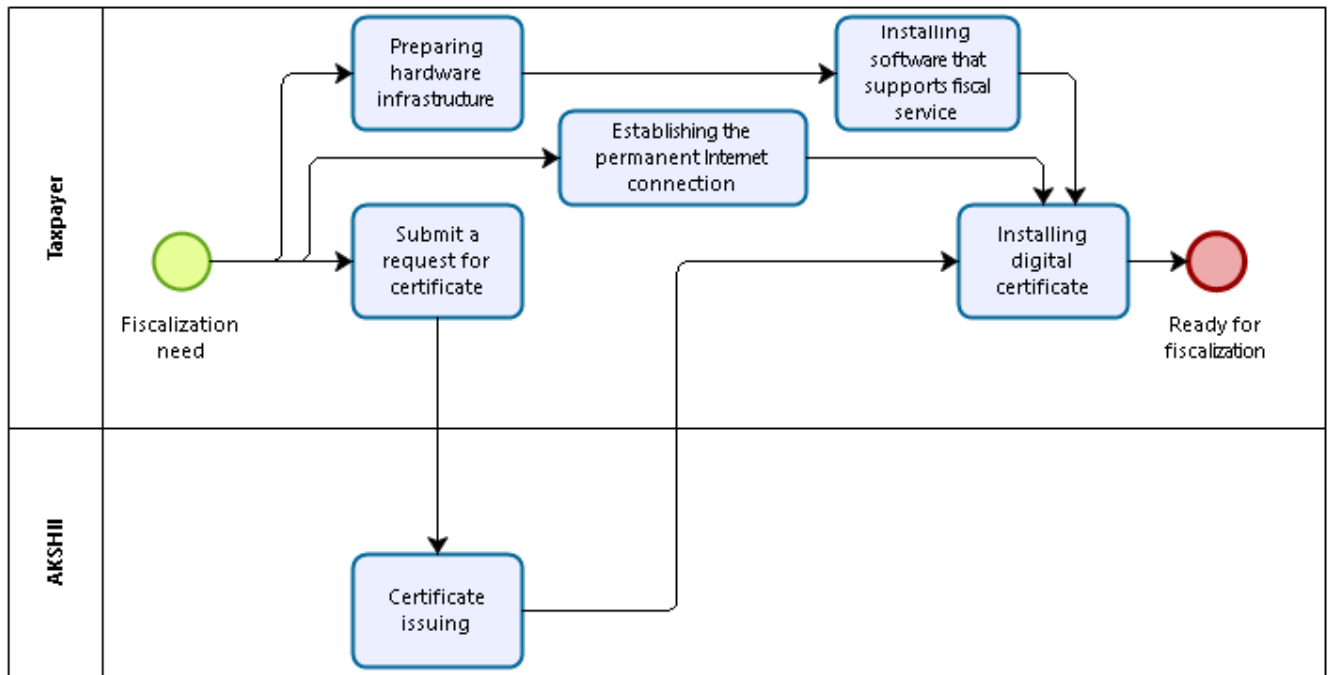
- a. Install software that supports fiscalization service on the TCR for issuing an invoice
- b. Install a downloadable digital certificate on each TCR that will perform the fiscalization of the invoices

**Step 2b.** - In the case of fiscalization of non-cash invoices the taxpayer shall:

- a. Implement / Upgrade existing software for issuing non-cash invoices in such a way that the software supports the fiscalization process or use web (cloud) application with appropriate software solution for issuing and fiscalizing invoices (more details can be found in the technical specification of the fiscalization service).
- b. Install a downloadable digital certificate and link it to a non-cash invoice issuing software

**Step 2c.** - In case of fiscalization of warehouse transfer note, taxpayer is obliged to:

- a. Install software in electronic device that is used for issuing warehouse transfer notes and that supports operations of fiscal service of CIS, in the business premises where the goods are stored, and shipment starts.
- b. Install previously downloaded digital certificate into electronic device that will perform fiscalization process and that contains software for issuing warehouse transfer note.



*Diagram 2 - Preparation activities for using a fiscal service*

## 5.2 REGISTRATION OF TCR AND SOFTWARE

A taxpayer is required to carry out a Point of sale/Cash machine (TCR) registration prior to the start of issuing and fiscalization of invoices, for all TCR's that will issue and fiscalize cash invoices.

By registering TCR in the CIS, he will also register the software manufacturer and software solution used in TCR to perform fiscalization process.

In the case of non-cash invoice fiscalization, the electronic device used to create and issue an invoice has not to be registered. The same applies with software for issuance of the warehouse transfer note.

After taxpayer has made preparatory actions, he is required to prepare an initial message for the registration of each TCR. During the preparation of the initial XML message for registration of TCR, the taxpayer must submit the following data:

1. Taxpayer unique identification number (NIPT/NUIS)
2. Business premise's code (for details see document technical specification of the fiscalization service)
3. TCR's sequential number (defined by the taxpayer itself, starting from 1)
4. The software code used in the TCR (for details see document technical specification of the fiscalization service)
5. The software maintainer code used in the TCR (for details see document technical specification of the fiscalization service)

After the taxpayer enters the above specified information the TCR software generates an initial registration XML message that contains also the following information:

- a. Date and time of creation of an XML message
- b. Date and time of sending XML message to the Tax Administration

After generating an XML message, the message is signed with the digital signature and sent to the Tax Administration using the fiscal service.

In special cases, if taxpayer operates in an area where there is no internet connection on TCR, taxpayer can register TCR on the self-care portal or filling out a form in paper and bring it to the local Tax office.

After the Tax Administration receives the initial registration message, the received message is verified by the following rules (details can be found in the technical specification of the fiscalization service):

1. whether the taxpayer's certificate is issued by NAIS
2. the validity of the digital certificate
3. validation of the message scheme
4. whether all mandatory elements of the scheme are filled in
5. compares the NIPT/NUIS of the person from the XML message with the NIPT/NUIS of the person from the certificate
6. compares the taxpayers NIPT/NUIS from the XML message with the NIPT/NUIS of the taxpayer
7. compares the business premise code from the XML message with the business premise code from the business premise register in the Tax Administration
8. compares the software code from the XML message with the software code from the database of registered software in the Tax Administration
9. compares the software maintainers code from the XML message with the code of the software maintainers from the database of registered software maintainers in the Tax Administration System.

If the verification of the initial registration XML message has not passed the verification, the Tax Administration generates an XML message with a description of the error, signs it with certificate and sends it through the TCR fiscal service with the indication that TCR registration failed.

If the verification of the initial registration XML message has been verified by the fiscalization service, steps are:



1. Generates a record for TCR in the database for the taxpayer's business premises,
2. Generates a unique alphanumeric code for TCR
3. Enter other data related to TCR into the database

After generating the records in the database, the fiscalization service stores an XML message with the following elements:

1. Date and time of receipt of initial registration XML message
2. Unique Identification Number (NIPT/NUIS)
3. Business premise code
4. The sequential number of TCR in that business premise
5. The software code used in the TCR
6. The software manufacturer code used in the TCR
7. Unique Alphanumeric code for TCR
8. Date and time of sending an XML message to the taxpayer.

The unique alphanumeric code for TCR is an unrepeatable and unique TCR code that is automatically generated by the system and is written in the TCR memory and Tax Administration database.

After the XML message has been generated, the fiscalization service signs the XML message with a digital signature and sends it to the taxpayer using the fiscal service. A taxpayer is required to load a message from a portable media on his TCR, or in other cases to enter it manually and save it in the TCR memory, since it is mandatory data for fiscalization of cash invoices.

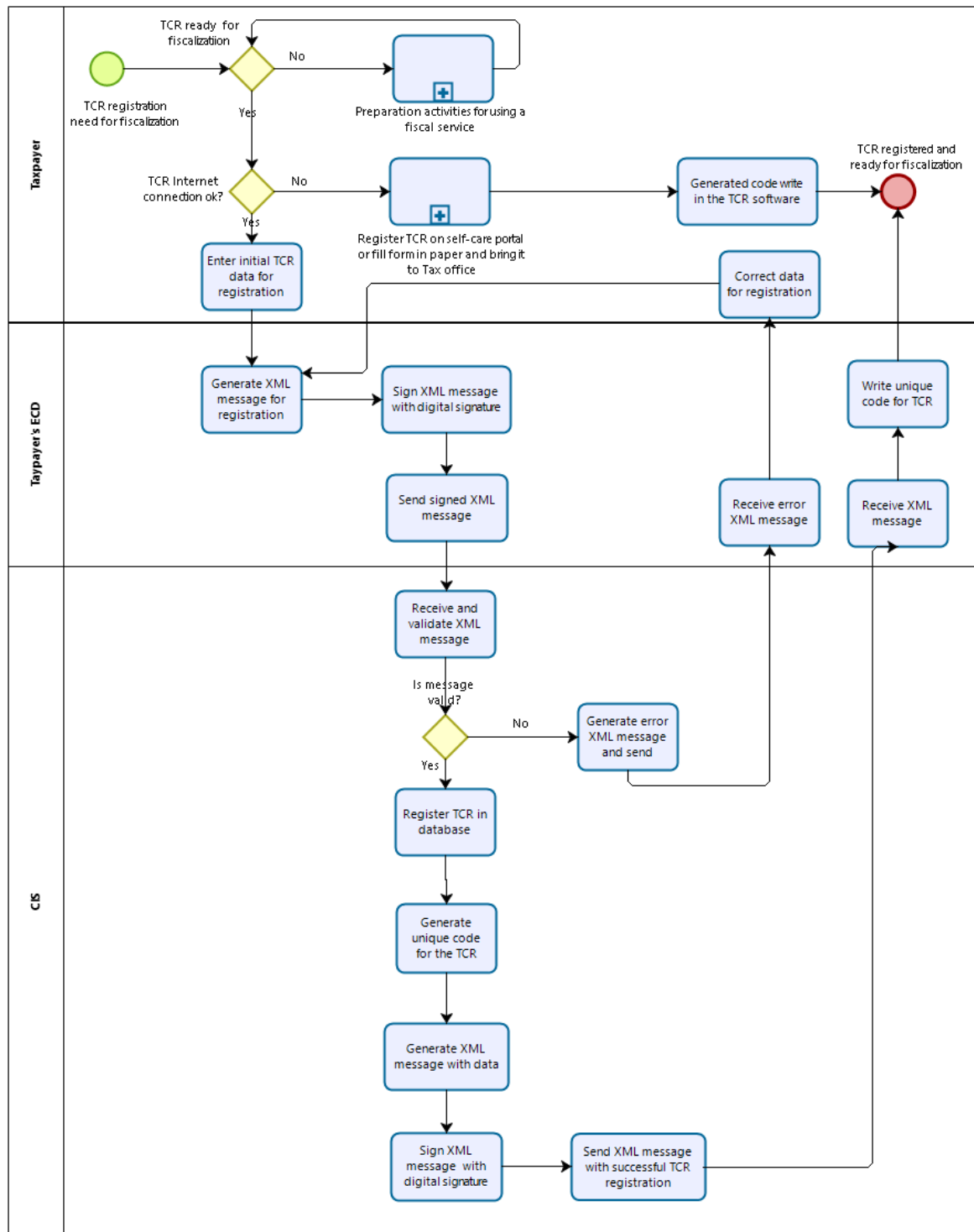


Diagram 3 - Registration of TCR and software

### 5.3 REGISTRATION OF TCR CASH BALANCE

A taxpayer is required to notify at the start of the working day, i.e. prior to commencement of work, the Tax Administration of cash deposit in TCR for that working day.

A taxpayer is obliged, in the case of cash transaction operations, to notify the Tax Administration on opening shift cash deposit for each individual TCR in the business premises every business day prior to commencement of issuing invoices each day.

A taxpayer is also obliged to report any changes in cash balance caused by entering or withdrawing money from the cash register.

After the TCR is operational, a taxpayer is obliged to initiate the "register the cashbalance for TCR" function. Each TCR must have this functionality. Once this function is initiated, the taxpayer will enter the amount of cash deposit (positive value)/withdrawal (negative value) in the TCR in the local currency. The TCR generates an XML message, digitally signed by the taxpayer with digital signature and sends it to CIS using the fiscal service. The message must contain all the required information that is defined in the XML schema.

The CIS receives a signed XML message and checks the digital signature and XML message structure.

If the message **has passed** the validation, message is stored in the database, the fiscal service creates an answer that is signed by the digital signature of the Tax Administration and the response is sent to the TCR of the taxpayer. Once the TCR receives the Tax Administration's response, the taxpayer can begin the process of issuing invoices and fiscalizing them.

If the message **has not passed** the validation of the CIS, fiscalization service generates an XML response with the corresponding error, the response is signed by the digital signature of the Tax Administration and sent to the TCR of taxpayer. The taxpayer is obliged to promptly resolve the error in his system after the receipt of the error response, and immediately restart the TCR filing process.

Taxpayer CAN NOT START BUSINESS OPERATIONS OF TCR, if the cash deposit/withdrawal registration has not been successfully received and validated.

In special cases defined by the Draft Law (when there is failure of internet connection or if the taxpayer operates in the area without internet connection), information about opening deposit or withdrawal must be stored in TCR memory and reported together with fiscalization process in defined time and in defined way. If there is failure of TCR, data of the deposit/withdrawal is written in daily book of invoices and delivered to the Tax Administration later together with all invoices that are to be fiscalized through that process.

The deposit can be 0.00.

Cash balance notification in the business premises that operates only (i.e. issues only) with non-cash invoices, is not required.

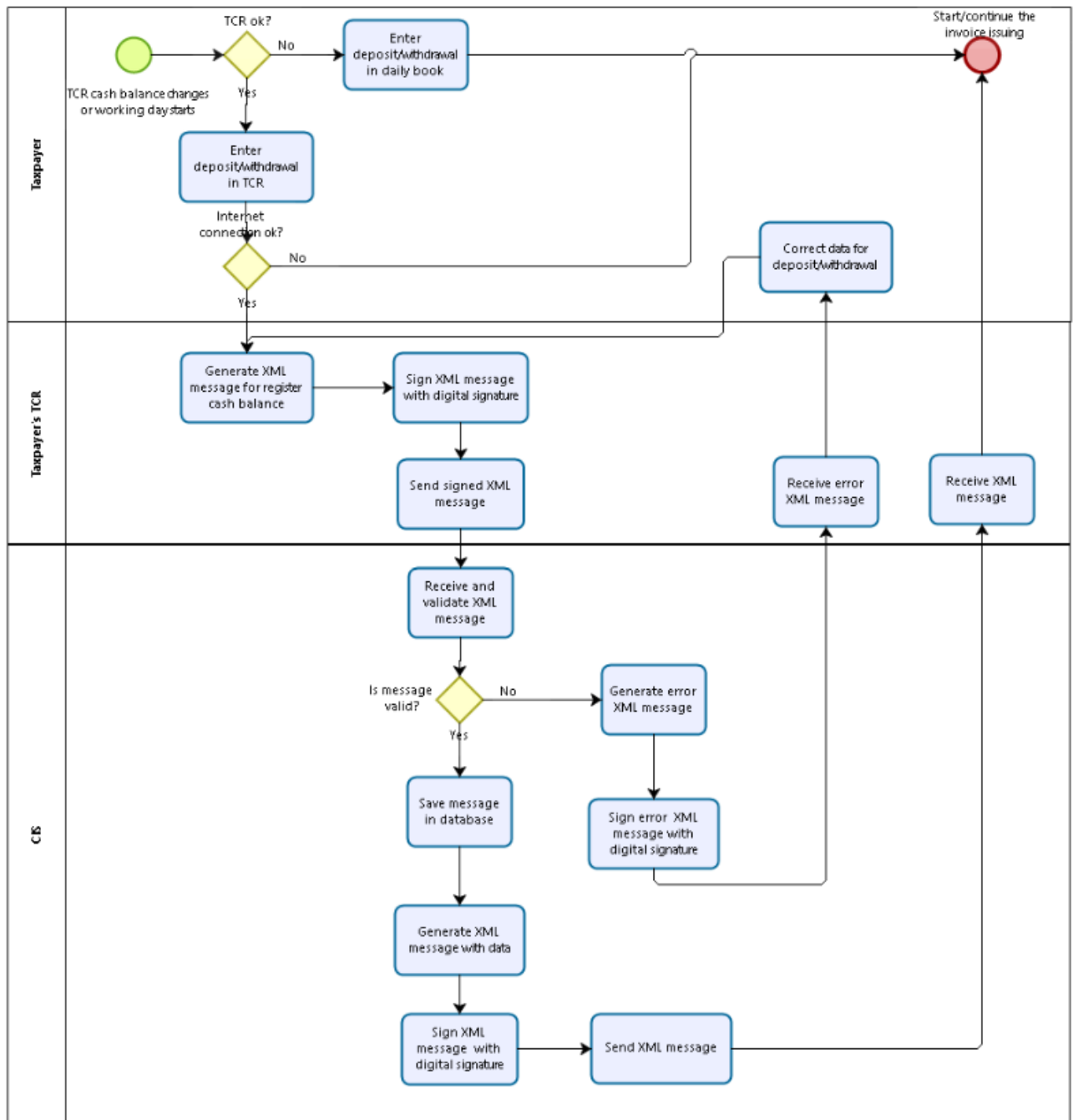


Diagram 4 - Registration of the cash deposit on each working day

## 5.4 FISCALIZATION OF INVOICES

A taxpayer who is liable for issuing invoices and perform fiscalization process, is obliged by the Draft Law to fiscalize all invoices in cash and non-cash payments. Fiscalization means that all issued invoices, cash and non-cash, shall be recorded in the Tax Administration.

Fiscalization of invoices is carried out with a fiscal service that is responsible for communication and processing of received messages of taxpayers with the Tax Administration.

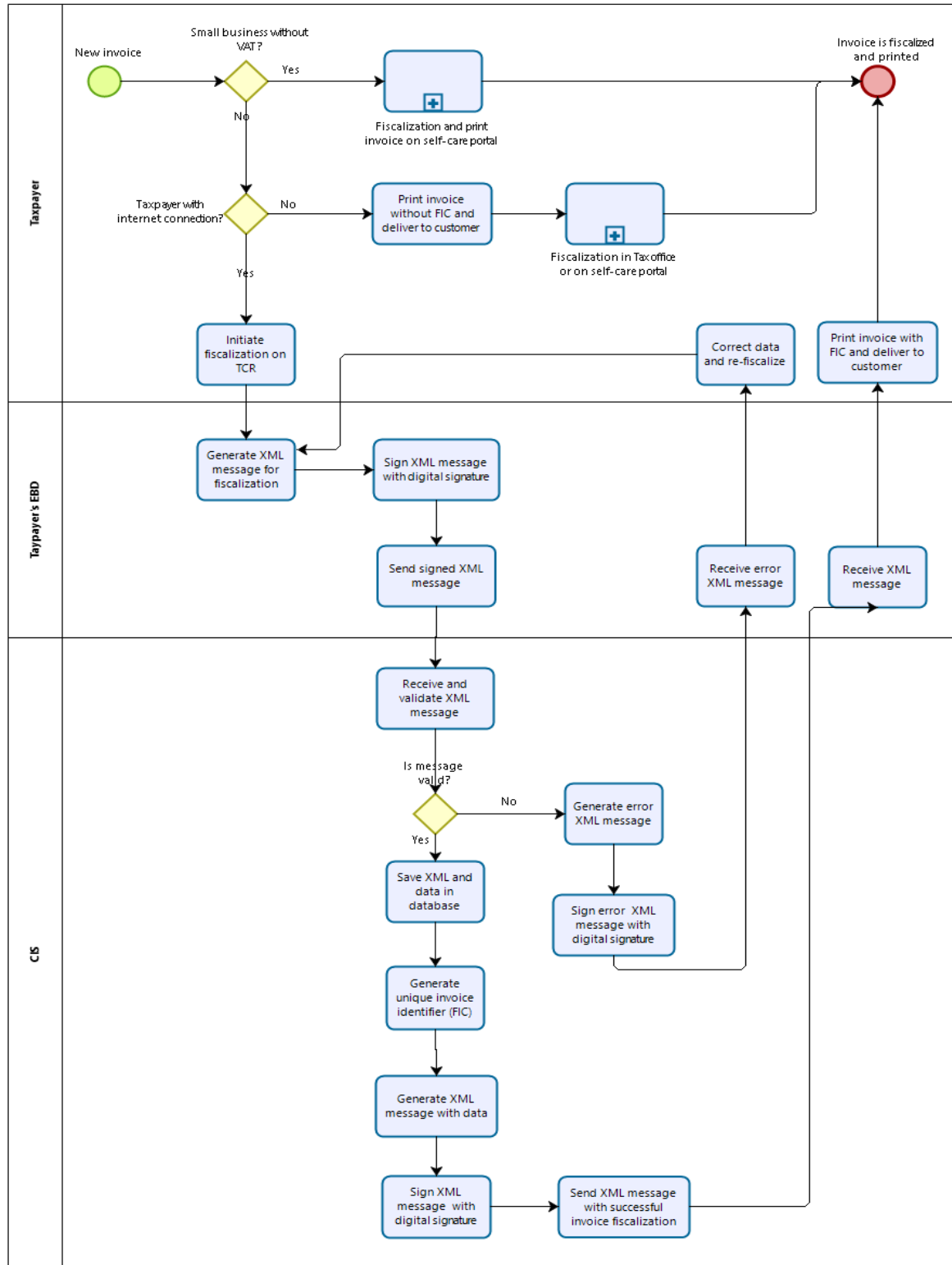


Diagram 5 - Fiscalization of invoices

### 5.4.1 *Fiscalization of cash invoices*

Fiscalization of cash invoices can be realized in the following ways:

1. Using the fiscal service
2. Using the WEB “self- care” Portal of Tax Administration for all taxpayers who do not have a TCR and are small taxpayers without VAT (refer to the Law how to classify these)
3. Fiscalization of cash invoices in the Tax Administration for those taxpayers that are operating in the area where there is no internet connectivity.

Below is given detailed overview of procedure for fiscalizing invoices in all three mentioned models.

#### **1. Fiscalization of cash-based invoices using a TCR**

The fiscalization procedure begins when the taxpayer is required to issue a cash invoice for the delivered goods or service. The taxpayer creates an XML message (with invoice elements) using TCR. After creating the message, the taxpayer signs the XML message with his digital signature that he has received from NAIS, or relevant CA. The message must contain all the required information that is defined in the XML schema.

The signed message goes to the defined communication channel according to the information system of the Tax Administration. The Tax Administration System receives a signed XML message and verifies the digital signature and structure of the XML message.

If the message **has passed** the validation, the message is saved in the database of the fiscalized invoices (as a data and message in full XML format). Once the XML message is stored, the CIS through fiscal service creates a response with a unique invoice identifier. The response is signed by a digital signature of the Tax Administration and the response is sent to the taxpayer TCR. After the TCR receives the Tax Administration's response, the taxpayer is required to immediately print a cash invoice with the invoice code (FIC) received from The Tax Administration and deliver printed invoice to the customer.

If the message **has not passed** the validation, the Tax Administration information system (fiscal service) generates an XML response with the corresponding error, the response is signed by the digital signature of the Tax Administration and sent to the taxpayer TCR. The taxpayer is obliged to immediately correct the mistake in his system after the receipt of the error response, and to re-fiscalize the un fiscalized invoice. If it is not possible to correct the error immediately, it needs to issue the invoice without FIC, and solve the problem with TCR in prescribed time and subsequently fiscalize all the invoices through fiscal service.

#### **2. Fiscalization of cash invoices using the “self care” CIS WEB portal**

In cases where taxpayer falls into the category of small taxpayers (refer to the draft law to see how this classification if being done), the taxpayer can create and fiscalize his cash invoices using the “self-care” WEB portal of the Tax Administration. In this situation he doesn't have to

possess a TCR, but only a computer or smart-phone device that he will use to access “self-care” portal through internet.

Taxpayer will be able to access “self-care” portal using digital certificate issued by NAIS.

After entering the portal, he will have to enter data on business premises, and under operator information, there will be automatically recorded his name and surname. Taxpayer will not have to install specific fiscalization software on his smartphone device/computer (unless free application will be provided). In this case it will not be needed that taxpayer submits data on software manufacturer.

After CIS created business premise code and operator code, these codes will be saved to the database on his user account on “self-care” portal.

After this he can create new invoice on the portal by selecting that option on portal menu. Simplified invoice template with prepopulated existing data from taxpayer registry, will be created. It is mandated by Draft Law that taxpayer enters all other legally mandatory data elements, according to the scheme.

After he enters the data, he will confirm them, and digitally sign and sent to fiscalization service (through web portal). After fiscalization process is done, data will be saved in database and CIS will create an answer with FIC. This answer will be signed with Tax Administration digital certificate and sent to the taxpayer and automatically saved in the created invoice and in the folder of fiscalized invoices in his user account. After reply is received, taxpayer must print cash invoice with FIC and give this invoice to the customer.

FIC will be created according to the rules described in the technical specification of the fiscalization service

### **3. Fiscalization of cash invoices in the Tax Administration**

In the case when taxpayer operates in location where there is no available internet connection, and taxpayer cannot access Tax Administration “self-care” portal, it is necessary for a taxpayer to bring all non-fiscalized invoices to the local Tax Administration office on portable media and give it to the Tax Administration officer that will fiscalize this invoices using CPCM portal application.

Each TCR must be able to provide the functionality of copying / exporting non-fiscalized invoices to a portable media (USB and similar) in the prescribed format. The invoices on the portable media must be stored individually and digitally signed by the taxpayer's certificate.

Comment: Digital certificates that will not be received through web application from NAIS, but will be received physically in NAIS premises or in some other prescribed location (e.g. post offices), when used by the taxpayers that are in the areas without internet connectivity, will have to initialize certificate on the premise of purchase and define password when taking certificate on portable media, so that this password will be stored together with other relevant taxpayer data on the certificate itself, so that it can be used in an TCR offline mode to ensure digital signature of data that will be exported once a month.

After a taxpayer copies non-fiscalized invoices to a portable media in an XML format, it is necessary to go to local Tax office location. Upon arrival, the taxpayer is obliged to provide a portable media with the associated non-fiscalized invoices, issued last month, to the Tax administration officer. After that, the officer receives a removable media, attaches the removable media to the computer and initiate the process of loading the data. Once the information system of the Tax administration recognizes the media and XML messages containing invoices, system will verify the digital signature of taxpayer and XML message structure through a standard fiscalization service.

Comment: In the moment when taxpayer digitally signs XML message in an offline mode for last month invoices, this signature will not be verified for certificate validity until internet connection is established that can ensure that certificate validation can be confirmed. This means that in case that taxpayer signs message digitally with a date of 5.5.2020 and delivers it to the Tax administration office on 8.5.2020, in case that certificate expired on 6.5.2020 there will be an error during message validation and invoices will not be fiscalized.

Since all Tax administration officers will be registered when using fiscalization service, system will have information which Tax administration officer and when uploaded data on non-fiscalized invoices.

In the event that **validation is successful** the system will fiscalize all submitted invoices and create a FIC for each invoice individually. After the implementation of fiscalization, the information system will automatically generate all invoice records with their FIC numbers and sign it with the digital certificate of Tax administration and send it to the taxpayer as a confirmation of the receipt of the invoices received. Tax administration officer will save message to portable media and return it to the taxpayer. This message will be visible in the taxpayer's message box in their user account on the self-care portal.

After Tax administration officer returned the portable media, taxpayer must in the period of 5 days upload this reply of the Tax administration (with fiscalized invoices) to his TCR. After this, on customer request, taxpayer must issue copy of an invoice with FIC code visible.

If the invoice **validation is not possible**, the Tax administration information system will automatically generate a response with the list of errors for which the fiscalization of the invoices is impossible and send it to the taxpayer. This message will be visible in the taxpayer's message box in the taxpayer's account on "self-care" portal. Tax administration officer will save error message on the portable media and return it to the taxpayer.

In this case, the taxpayer must correct the errors and repeat the procedure.

Deadlines for fiscalization are defined by Draft Law, and the taxpayer is required to make fiscalization by the 14th day of the month for invoices issued in the previous month.

Alternatively, instead of carrying the portable media to the Tax Administration, he can upload the invoice information himself, that is, the XML file with the information about the issued and non-fiscalized invoices, to the self-care portal of the Tax Administration, that he can access with the digital certificate in place where an Internet connection is available. The self-care portal will have a special function for uploading data on non-fiscalized invoices issued in the previous month, only available to those taxpayers who, before issuing the invoice, will provide a certificate to the Tax Administration that they operate in an area where the Internet connection



cannot be established and this information will be saved in the Tax Administration database and in the taxpayer's register.

Also, in the event that the taxpayer has a portable TCR, he will be able to carry out a fiscalization process by connecting a TCR at an Internet connection in the nearby place where that Internet connection is available (for example, by connecting to a wi-fi in a post office, a restaurant, etc.) and from his TCR carry out the process of subsequent fiscalization of issued and non-fiscalized invoices.

#### 5.4.2 *Fiscalization of non-cash invoices*

Fiscalization of non-cash invoices can be realized in the following ways:

1. By using a fiscal service through any electronic device on which the software solution for fiscalization is installed, or through the use of the Cloud Application for fiscalization,
2. Using the electronic Tax Administration Service, or "Self-care" of the Tax Administration's WEB Portal, for taxpayers who do not have a TCR and who are small tax payers without VAT (refer to the law)
3. Fiscalization of non-cash invoices in the Tax Administration for those taxpayers who carry out operations in an area where it is not possible to establish an Internet connection.

The procedure for the fiscalization of non-cash invoices is the same as for cash invoices described in the previous chapter. The difference between cash and non-cash invoices is as follows:

- the payment method is different, as shown on the invoice,
- payment deadlines are generally different, and in cash invoices, as a rule, the invoice date and the payment deadline are the same, while in the non-cash invoices, payment period, in most cases is after the date of issuance of the invoice (except in the case of prepayment)
- cash invoices must be printed on paper and handed over to the customer (except exceptionally in the cases prescribed by the Draft Law when they can also be sent via e-mail), while non-cash invoices in B2B and B2G transactions are compulsory issued and submitted as an electronic invoice and in B2C non-cash transaction the invoice can be issued on paper and it can be issued in electronic form (but may also be printed on paper), therefore this is voluntary for the seller to choose the mode of delivery of the invoice (with the obligatory consent of the customer if it is an electronic delivery)
- for cash invoices, it is mandatory to install TCR at the point of sale of products or services, while for non-cash there is no such obligation, so there is no obligation to first register TCR before the start of the invoice issuance process,
- there is no obligation to report the deposit at the beginning of the working day with non-cash invoices,
- Law 9920 stipulates the maximum amount of payment per transaction in cash between two taxpayers (150,000 ALL with VAT included), while there is no such maximum or minimum payment for non-cash payments,
- for cash payments there is no special reporting or recording of the payment made (as this is usually done immediately after the issued invoice), while the e-Invoice has these obligations for banks,
- non-cash invoices issued for B2B and B2G transactions, i.e. all those issued in the form of an electronic invoice have additional information that must be entered into the invoice.

## 5.5 FISCALIZATION OF CORRECTIVE INVOICES

Taxpayer cannot simply cancel any cash and non-cash invoice, but if a good is returned by the buyer or if something is wrong on the invoice issued and fiscalized, the taxpayer can issue a corrective invoice with a reference to the initial invoice that is being corrected. In the case where there is no internet connection taxpayer first must fiscalize original invoice and then corrective invoice.

After the taxpayer decide to issue a corrective invoice, it is necessary to do the following:

### **1. In the case of a cash invoice:**

At the TCR on which the invoice was created (in case the invoices are locally stored in the TCR of taxpayer), it is necessary to initiate the issuance of a corrective invoice procedure. If the taxpayer has a central database of all issued invoices, the correction of invoice can be started from any TCR device. After initiation of the correction procedure, the fiscal service generates an XML message in the same manner as for the initial invoice. An XML message for correction of invoice must contain:

**b. The FIC of the original invoice being corrected**

**c. all other prescribed invoice elements as for the initial invoice**

The XML message is signed by the digital signature of the taxpayer and is sent to the Tax administration information system - CIS. After the XML message on has been received by the Tax administration, the following validations are performed:

**c. whether the message is properly signed with a digital certificate**

**d. whether a message was received in accordance with the XSD schema**

If an XML message is successfully validated, Tax Administration information system searches the database of all invoices by the UUID and FIC criteria contained in the XML message for correction of invoice. In case the initial invoice is found in the invoice Database, the invoice correction procedure is initiated and after the correction is done, the Tax Administration Information System generates and signs ANSWER that the correction was successfully performed, generate UII for the corrective invoice and sends it to the TCR of the taxpayer.

In the event that an invoice is not found in the invoice database, the Tax administration information system generates and signs the reply / error message that the error occurred in the correction procedure and sends it to the TCR of the taxpayer.

### **2. In the case of a non-cash invoice:**

The invoice correction procedure can be started from any computer using a software solution for fiscalization. The procedure for the fiscalization of a correction of non-cash invoice is the same as in the case of correction of the cash invoice.

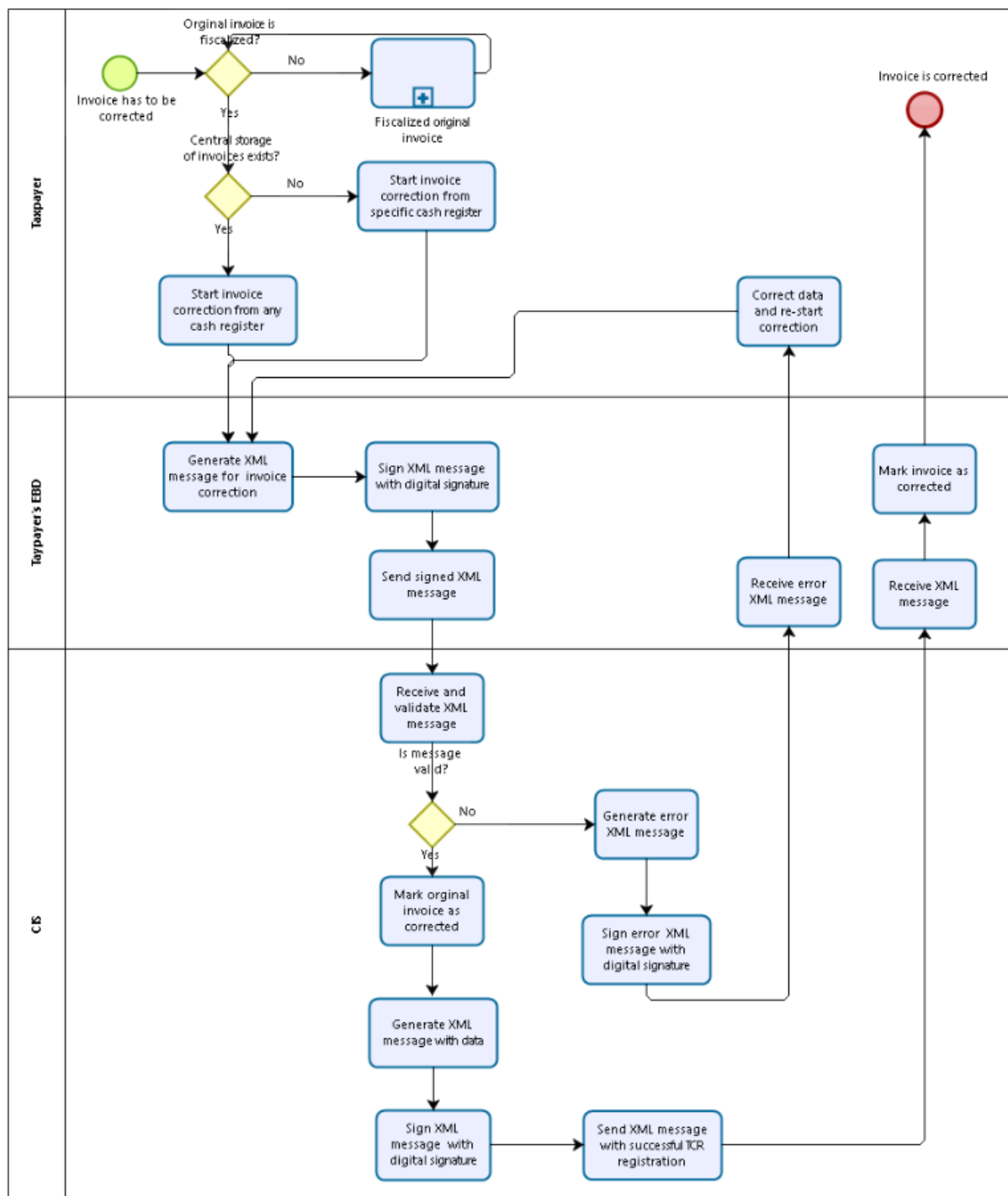


Diagram 6 - Fiscalization of corrective invoice

## 5.6 FISCALIZATION OF THE WAREHOUSE TRANSFER NOTE

Taxpayer that is obliged to issue warehouse transfer note and that must perform fiscalization, is mandated by the Draft Law to fiscalize all warehouse transfer notes, that are used as a transport support documentation when transferring goods between taxpayer warehouses or between warehouse and sales premise. Fiscalization means that all warehouse transfer notes, for all goods transferred inside territory of Republic of Albania, be recorded in the Tax administration.

Fiscalization of the warehouse transfer note is perform using fiscal service of CIS that ensures communication between taxpayer and Tax administration and processing of all messages sent to the Tax administration.

Fiscalization of warehouse transfer note can be realized using a fiscal service using an electronic device with a software solution for fiscalization.

The fiscalization procedure begins when the taxpayer is required to issue a warehouse transfer note for the transfer of goods between warehouses or to sales premise. The taxpayer creates an XML message (with warehouse transfer note elements) using an electronic device with software for warehouse transfer note fiscalization. After creating the message, the taxpayer signs the XML message with his digital signature that he has received from NAIS, or relevant CA. The message must contain all the required information that is defined in the XML schema.

The signed message goes to the defined communication channel according to the information system of the Tax Administration. The Tax Administration System receives a signed XML message and verifies the digital signature and structure of the XML message.

If the message **has passed** validation, the message is saved in the database of the fiscalized warehouse transfer notes (as a data and message in full XML format). Once the XML message is stored, the CIS through fiscal service creates a response with a unique warehouse transfer note identifier. The response is signed by a digital signature of the Tax Administration and the response is sent to the taxpayer electronic device. After the electronic device receives the Tax administration's response, the taxpayer is required to immediately print a warehouse transfer note with the unique identifier received from the Tax Administration and deliver printed warehouse transfer note to the carrier and keep a copy in the warehouse that shipped out goods.

If the message **has not passed** the validation of the Tax administration information system, (fiscal service) generates an XML response with the corresponding error (the list of errors is described further in this document), the response is signed by the digital signature of the tax administration and sent by the taxpayer electronic device. The taxpayer is obliged to immediately correct the mistake in his system after the receipt of the error response, and to re-fiscalize the un fiscalized warehouse transfer note. If it is not possible to correct the source of the error, and shipment must be made, then it is needed to issue the warehouse transfer note without unique identifier and solve problem and subsequently fiscalize all the warehouse transfer notes through fiscal service.

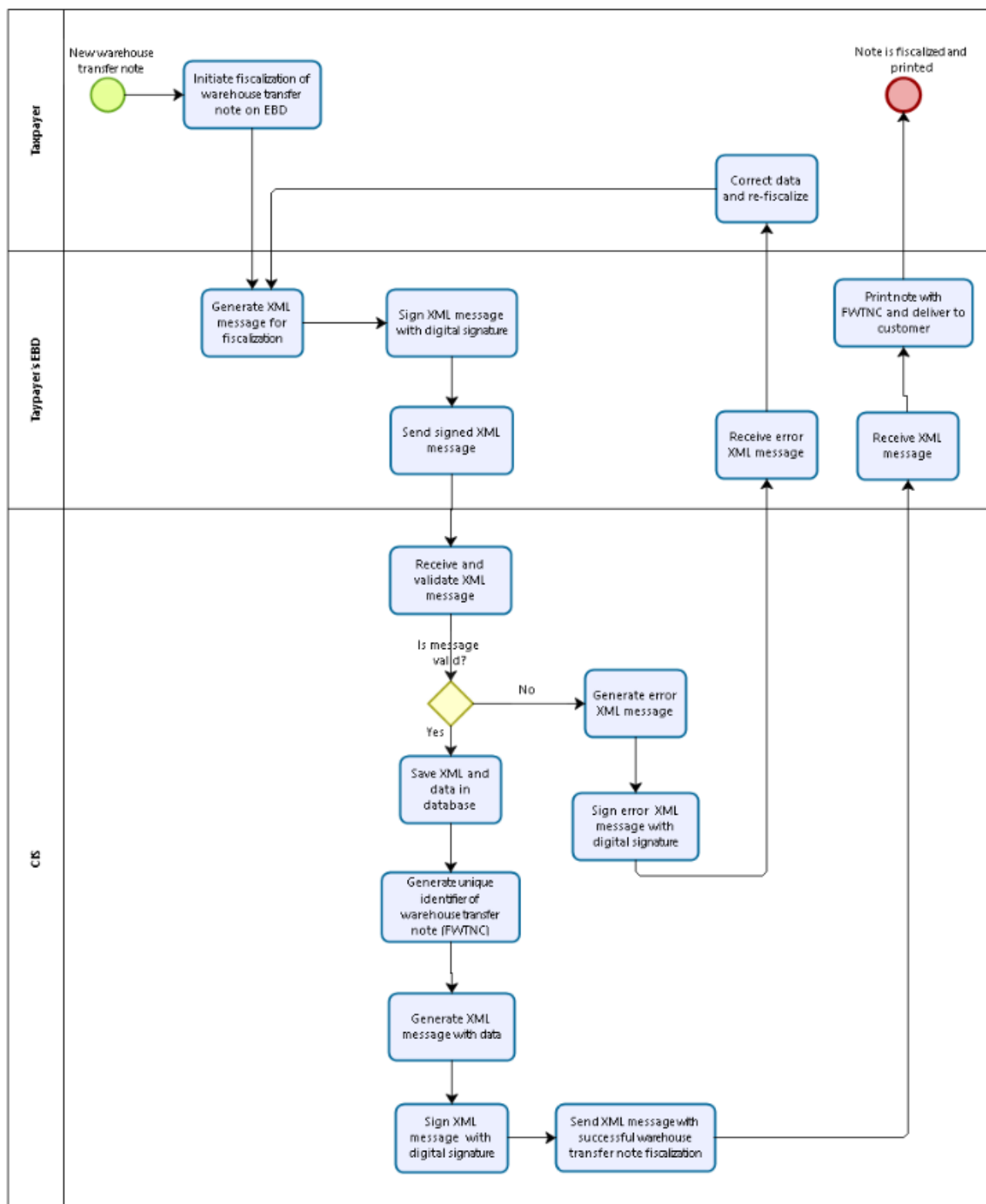


Diagram 7 - Fiscalization of warehouse transfer note

## 5.7 CREATING AND CHECKING QR CODE

To ensure easy verification of the fiscalized invoice a QR code must be printed on all fiscalized invoices. QR code is printed both in case that invoice is successfully reported to the tax

department and fiscalized (invoice received FIC), and in case that invoice cannot be fiscalized (lack of internet, unavailability of fiscalization service server).

The QR code will be printed on paper for all cash invoices, while for electronic invoices the QR code must be on the invoice and must be printed on paper only in case of the delivery of goods where the printed QR code serves as a supporting transport document for the shipped goods.

For the details of how the QR code is being generated by cash register and consumed by citizens please refer to the technical specification of the fiscalization service.

Citizen or tax inspector can scan the QR code on the invoice with the appropriate application on their smart phones or tablets and will be directed to validation page of CIS to confirm invoice fiscalization status.

Several outcomes are possible:

1. IIC is recorded in the database – verification page will return original invoice elements of the invoice associated with this IIC. Citizen/tax inspector can validate that content stored in the CIS database is the same as printed out on the invoice.
2. IIC not found in the database, but invoice is issued in the last 48 hours – taxpayer has 48 hours timeframe to fiscalize the invoice. Although invoice is not found this outcome is still not necessary a violation
3. IIC not found in the database and invoice is older than 48 hours – in case that issuer/taxpayer has approval for late fiscalization (working in the area with no internet connection), invoice can be rechecked in a month.
4. IIC not found in the database and invoice is older than 48 hours – in case that invoice is not found and more than 48 hours has passed and the taxpayer has not an approval for late fiscalization, the citizen/tax inspector will receive the response that the invoice is not registered in the database and that the TA will do a detailed analysis. This invoice will be automatically send to the tax inspector in charge for field verification or to the tax investigation/tax audit department for further analysis. This invoice, i.e. the taxpayer is very probably in violation.
5. IIC not valid – in case that IIC is not formed appropriately, and error will be shown. This error points out that invoice is suspicious and will be analysed further like described in previous point.

## 5.8 VERIFICATION OF IIC ON TCR

For the purposes of tax investigation, each fiscalization software installed on TCR must be able to allow IIC recreation based on the initial IIC formation parameters.

This control activity can be executed by tax inspectors during investigation procedure when on the request of the tax inspector, operator must be able to recreate IIC on TCR (for example when based on the scanned QR code by a citizen, the invoice is not registered in the database, i.e. has not passed the fiscalization procedure, and the inspector has to check and prove if this reported invoice is really issued by the taxpayer stated on the invoice).

Each TCR software must have function screen that allows that parameters needed for formation of IIC be entered in the respective fields:

- NUIS of the taxpayer
- Date and time of issuing invoice
- Number of the invoice
- Code of business premise
- Code of the TCR
- Code of software
- Total invoice amount

Once this is entered, TCR software can create IIC using this parameters and taxpayer digital signature.

Generated IIC must be the same for the same input parameters. This can be used to verify IIC printed on individual invoice in the past.

So for example if the generated IIC is the same like the one reported by the citizen/buyer, the tax inspector can use it as a proof that the taxpayer has violated the Draft Law because has not registered the invoice in the fiscalization system, and can immediately prescribe a misdemeanour punishment.



## 6 BUSINESS RULES

### 6.1 BUSINESS RULES ON REGISTRATION PROCESS FOR TCR AND FISCALIZATION SOFTWARE FOR CASH INVOICES

Code	Rule
	Each TCR must be registered individually
	When registering TCR it is necessary to register TCR software as well
	TCR registration can only be done once for each individual TCR
	After receiving the registration message from TCR at CIS, CIS automatically generates a unique and unrepeatable code for each TCR and stores data on TCR and TCR used software in the database
	After the successful registration and receipt of the response from the Tax Administration containing unique TCR code, the taxpayer is obliged to save this code in the software used by the TCR and use it for each invoice issuance.
	TCR code is a mandatory part of IIC that is generated with each invoice issuance and is mandatory information in number of the invoice for all cash invoices
	The IIC cannot be generated if the invoice does not contain the received TCR code
	TCR code will be visible to the taxpayer on his user account in "self-care" portal

### 6.2 BUSINESS RULES ON REGISTRATION PROCESS FOR FISCALIZATION SOFTWARE FOR NON-CASH INVOICES AND WAREHOUSE TRANSFER NOTES

Code	Rule
	It is necessary to register any software supporting the fiscal service and issuing non-cash invoices / warehouse transfer notes
	Registration is made at the first issuance of a non-cash invoices / warehouse transfer notes
	After successful registration, software information is stored in the Tax Administration database
	Whenever a non-cash invoice / warehouse transfer note is issued, the software code is mandatory element to be able to generate the IIC or WTNIC and it is delivered through the fiscal service to the Tax Administration along with other elements of the non-cash invoice / warehouse transfer note
	The Tax Administration's fiscal service for each fiscalized non-cash invoice / warehouse transfer note, among other elements, also checks the software code that the taxpayer uses (subsequent verification at end of day level and not in real time) and any changes are recorded in the database

### 6.3 BUSINESS RULES FOR REGISTRATION OF TCR CASH BALANCE

Code	Rule
	A taxpayer is required to report a cash deposit on a TCR prior to the commencement of TCR operations each day
	The deposit notification procedure is done individually for each TCR in the business premises
	The deposit notification is also required when the deposit is 0.00
	TCR cannot start operating if no deposit is reported

	A taxpayer is required to report any cash entry and any cash carry out from TCR during day.
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#### 6.4 BUSINESS RULES FOR FISCALIZATION OF CASH INVOICES/WAREHOUSE TRANSFER NOTES

Code	Rule
	All cash invoices/ warehouse transfer notes must be fiscalized
	Each cash base invoice/ warehouse transfer note must have IIC and FIC/WTNIC and FWTNC
	All valid cash base invoices/ warehouse transfer notes must be printed at the time of issue, and FIC and IIC, WTNIC and FWTNC must be printed except in special cases defined by Draft Law
	TCR Operator is a person authorized by a taxpayer to issue cash invoices/ warehouse transfer notes on TCR

#### 6.5 BUSINESS RULES FOR FISCALIZATION OF NONCASH INVOICES

Code	Rule
	All non-cash invoices must be fiscalized
	Each non-cash invoice must have an IIC and a FIC
	If the non-cash invoices are printed, on the invoice among other data, FIC and IIC must be printed, except in the cases where invoice without FIC can be printed, as described in the Draft Law
	There is no TCR code data for non-cash invoice fiscalization
	Any taxpayer who issues non-cash invoice must have at least one registered business premise (the place where the business is registered). The registered business premise code is a required part of the IIC number
	The operator's code is the identifier of the person authorized to issue an invoice for the taxpayer. In cases when non-cash invoices are issued by an outsourced accounting service company, operator code is connected with a physical person authorized to issue invoices in the accounting company.

#### 6.6 BUSINESS RULES FOR VALIDATION OF INVOICES BEFORE STORING THEM IN CIS INVOICE DATABASE

Code	Rule
	A message that has not been successfully validated will not be processed by the CIS or stored in the tax administration database.
	The message must comply with the XML schema of the invoice
	The taxpayer is obliged to obtain a digital certificate from NAIS, for the purpose of implementing the fiscalization process.
	The message should be properly signed with the digital certificate.
	NUIS of the taxpayer from the request message must be equal to NUIS from the taxpayer digital certificate.

#### 6.7 BUSINESS RULES FOR VALIDATION OF RECEIVED INVOICES AFTER THEY ARE IN CIS DATABASE

Code	Rule
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	Each received XML message is stored by the CIS. The reason for saving the message is the need to prove the credibility of the received XML message.
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## 6.8 BUSINESS RULES FOR CORRECTIVE INVOICES

Code	Rule
	Fiscalized invoice(cash and non-cash) can be corrected in any time but after one year period VAT will not be deducted referring VAT and 9920 LAWS.
	Fiscalization of corrective invoice is only possible if the invoice that we plan to correct is fiscalized in the Tax Administration
	In case the Internet connection has been terminated, the taxpayer can only issue the invoices with IIC. Once the Internet connection has been established, the invoice must first be fiscalized (get FIC) and only then can the fiscalization of the corrective invoice be carried out.
	Each invoice that is issued in an offline mode and corrected in an offline mode, must be fiscalized (first fiscalization of the issued invoice is needed and then fiscalization of the corrective invoice can be done).
	Fiscalization of a corrective invoice if the initial invoice previously was not fiscalized, is not permitted

## 7 STRUCTURE OF XML MESSAGES

This section of the documentation will detail the XML message content with its attributes as well as the controls that will be implemented on individual attributes.

### 7.1 XML MESSAGE STRUCTURE FOR TCR REGISTRATION

#### MESSAGE HEADER

FIELD 1.	<b>MESSAGE IDENTIFICATOR</b> <i>Message ID – UUID format</i>	Mandatory field
FIELD 2.	<b>DATE AND TIME OF SENDING XML MESSAGE</b> <i>This date indicates the date of sending an XML message to the Tax Administration.</i>	Mandatory field

#### MESSAGE CONTENT

FIELD 3.	<b>DATE AND TIME OF TCR REGISTRATION</b>	Mandatory field
FIELD 4.	<b>TAXPAYER NUIS</b>	Mandatory field
FIELD 5.	<b>BUSINESS PREMISE CODE</b>	Mandatory field
FIELD 6.	<b>TCR ORDINAL NUMBER</b>	Mandatory field
FIELD 7.	<b>TCR SOFTWARE CODE</b>	Mandatory field
FIELD 8.	<b>TCR SOFTWARE MANUFACTURER CODE</b>	Mandatory field

### 7.2 STRUCTURE OF XML MESSAGES FOR CASH BALANCE REGISTRATION

#### MESSAGE HEADER

FIELD 1.	<b>MESSAGE IDENTIFICATOR</b> <i>Message ID – UUID format</i>	Mandatory field
FIELD 2.	<b>DATE AND TIME OF SENDING XML MESSAGE</b> <i>This date indicates the date of sending an XML message to the Tax Administration.</i>	Mandatory field

#### MESSAGE CONTENT

FIELD 3.	<b>DATE AND TIME OF BEGINNING OF REGISTRATING TCR CASH BALANCE</b> <i>Indicates date and time when TCR started with operations</i>	Mandatory field
FIELD 4.	<b>CASHAMOUNT</b> <i>Amount of cash deposit that the taxpayer has placed in or carried out of the TCR. The deposit is individually recorded for each TCR in the business premise. Taxpayers are obliged to carry out the registration of the cash deposit even in the case the deposit is 0.00 ALL.</i>	Mandatory field
FIELD 5.	<b>TCR CODE</b> <i>Code of the TCR for which deposit is being registered</i>	Mandatory field
FIELD 6.	<b>NUIS</b> <i>Taxpayer NUIS</i>	Mandatory field

## 7.3 MESSAGE FOR INVOICE FISCALIZATION

### 7.3.1 Message for fiscalization of CASH invoices with TCR

#### MESSAGE HEADER

<b>FIELD 1.</b>	<b>MESSAGE IDENTIFICATOR</b> <i>Message ID – UUID format</i>	Mandatory field
<b>FIELD 2.</b>	<b>DATE AND TIME OF SENDING XML MESSAGE</b> <i>This date indicates the date of sending an XML message to the Tax Administration.</i>	Mandatory field

#### MESSAGE CONTENT

<b>FIELD 3.</b>	<b>INVOICE TYPE</b> <i>The invoice type defines the invoice attribute, that is, whether it is a cash or non-cash invoice. This attribute will be used to distinguish the invoice in the taxpayer's book of sales and purchase.</i> <i>Possible values:</i> <i>a. Cash invoice - C</i> <i>b. Non - cash invoice – N</i>	Mandatory field
<b>FIELD 4.</b>	<b>SELF-INVOCING</b> <i>When self-invoicing is done, invoice must be accompanied by a note: "self-invoicing" and customer information is then mandatory because the customer issues the invoice on behalf of the seller. There are several cases of self-invoicing: when there is a mutual agreement between the seller and the customer, when the seller is not obliged to issue invoices, when the taxpayer buys the services from the seller from abroad etc.</i> <i>The following values are possible:</i> <ul style="list-style-type: none"> <li>FALSE - the standard value, i.e. it is not self-invoicing</li> <li>TRUE - for self-invoicing;</li> </ul>	Mandatory field
<b>FIELD 5.</b>	<b>SELF-INVOCING TYPE</b> <i>If FIELD 4. Self-invoicing is TRUE then this field must be filled with following defined values:</i> <ul style="list-style-type: none"> <li>a) previous agreement between the parties</li> <li>b) purchase from domestic farmers</li> <li>c) purchase of services from abroad</li> <li>d) other</li> </ul>	Mandatory field if FIELD 4 is TRUE
<b>FIELD 6.</b>	<b>SELLER'S NUIS</b> <i>The NUIS / Personal Identification Number of the taxpayer who issues the invoice, i.e. the sale of the goods or services.</i> <i>The following controls are required:</i> <ul style="list-style-type: none"> <li>- Is he registered in the register of taxpayers as a taxpayer - obliged to issue invoices (if he is not registered or if the taxpayer requested de-registration, but not confirmed he cannot issue invoice)</li> <li>- Is he registered in the register of passive taxpayers (if he is, he cannot issue an invoice until he changes his status)</li> <li>- Is he registered in the register of VAT payers (if he is not, he cannot issue a VAT invoice, unless it is a reverse charge or self-invoicing)</li> </ul>	Mandatory field
<b>FIELD 7.</b>	<b>SELLER'S NAME</b>	Mandatory field

FIELD 8.	<b>SELLER'S ADDRESS</b>	Mandatory field if foreigner
FIELD 9.	<b>SELLER'S CITY</b>	Mandatory field if foreigner
FIELD 10.	<b>SELLER'S COUNTRY</b>	Mandatory field if foreigner
FIELD 11.	<b>DATE AND TIME OF INVOICE ISSUANCE</b> The date and time of the invoice issuance is a mandatory field consisting of two elements: a. Date of issue of invoice b. Time of invoice issuance Date and time of invoice issuance are separated by the symbol T (time).	Mandatory field
FIELD 12.	<b>INVOICE NUMBER</b> <i>Invoice number is mandatory field for each invoice.  Format of the invoice number will be defined with guidelines to ensure how it must look like when printed.  Data will be sent to the Tax Administration in XML to ensure easier processing, analysis and reporting.</i>  <i>Invoice number will contain the following data:</i>  <b>A. NUMERIC ORDINAL NUMBER OF INVOICE AND CALENDER YEAR</b> Can contains only 0-9 characters. Without leading 0. <b>B. TCR CODE</b> <i>Unique TCR CODE that is registered in CIS</i>	Mandatory field
FIELD 13.	<b>TAXPAYER STATUS</b> Possible values: 1. Taxpayer is registered for VAT – 1 2. TAXPAYER is not registered for VAT – 2	Mandatory field
FIELD 14.	<b>BUYER'S NUIS</b> <i>This field contains NUIS or unique customer identification number. This field is filled out if buyer is a taxpayer of profit tax or a taxpayer of simplified profit tax for small businesses or a taxpayer who is subject to VAT in accordance with special regulations or a legal entity to whom goods or services are provided in the territory of the Republic of Albania for the purpose of carrying out his economic activity or in other cases when the buyer asks for this data to be entered into the invoice, but there is no control in that case.</i>  <i>If this field is entered, this invoice will appear in the book of purchase of the buyer and the book of sales of the seller.</i>  <i>There are also special cases of data disclosure in the book of sales and book of purchase which will be described in more detail in a separate document.</i>  <i>If a natural person is an individual who requires invoice for recognition of the cost of the medication, no book of purchase will be created for him, but a special application will have to be created to register all the data on all invoices where he has appeared as a buyer and that information will have to be exchanged with the CIS system. Also, data may be entered by a foreigner or diplomat who will request a VAT refund and this information will have to be exchanged with the CIS system as well.</i>	Optional field
FIELD 15.	<b>NAME OF BUYER</b> Full name of the buyer	Mandatory field in case field BUYERS NUIS is entered or in the case it is

		export of goods, but can also be filled if field BUYERS NUIS is empty.
FIELD 16.	<b>BUYER'S ADDRESS</b> Address of the buyer is entered here. In case this is a legal entity, address of the legal entity headquarters is entered here, and in the case of a natural person address of business premises is entered, or for individual, address of his residence.	Mandatory field in case field BUYERS NUIS is entered or in the case it is export of goods, but can also be filled if field BUYERS NUIS is empty.
FIELD 17	<b>BUYERS CITY</b>	Mandatory field in case field BUYERS NUIS is entered or in the case it is export of goods, but can also be filled if field BUYERS NUIS is empty.
FIELD 18.	<b>BUYERS STATE</b>	Mandatory field in case field BUYERS NUIS is entered or in the case it is export of goods, but can also be filled if field BUYERS NUIS is empty.
FIELD 19.	<b>TOTAL AMOUNT OF EVERY INVOICE UNIT PER A SINGLE VATE RATE</b> This field can have more than one row of records, since there is currently several different VAT tax base. This field represents a combination of multiple fields: <ul style="list-style-type: none"> <li>a. Number of items at the same VAT rate</li> <li>b. Tax base</li> <li>c. Tax rate</li> <li>d. Amount of tax (VAT)</li> </ul> <p><b>A. Number of items</b> calculates the total number of items at the same VAT rate and this sum is written in this field.</p> <p><b>B. Tax base</b> Calculates the total amount of each individual tax base that will be taxed at the same VAT rate; entry by the following values:</p> <ul style="list-style-type: none"> <li>a. tax base for the application of 0% rate</li> <li>b. tax base for the application of 6% rate</li> <li>c. tax base for the application of 10% rate</li> <li>d. tax base for the application of 20% rate</li> <li>e. tax base for applying VAT exemption</li> </ul> <p><b>C. Tax rate</b> A VAT rates list has to be made. There should be possible to edit this list or table by special access rules. Tax Rates (Value List):</p> <ul style="list-style-type: none"> <li>a. Rate 0% - 0.00</li> <li>b. Rate 6% - 6,00</li> <li>c. Rate 10% - 10.00</li> <li>d. Rate 20% - 20,00</li> <li>e. Exempt from VAT (Value List - Exemption from VAT according to Chapter VIII, Section 1 of the VAT Act)</li> </ul> <p><b>D. Amount of tax (VAT)</b> The field is numeric with two decimal places. In this field is entered the absolute amount of VAT.</p>	Mandatory field if the issuer of the invoice is a VAT payer or self-invoicing applies and the seller is a VAT payer, i.e. "reverse charge" is applied

FIELD 20.	<p><b>CONSUMPTION TAX</b>  <i>This field represents a combination of multiple fields:</i>  a. Number of items at the same tax rate  b. Tax base  c. Tax rate  d. Amount of tax</p> <p><b>A. Number of items</b>  <i>calculates the total number of items at the same rate and this sum is written in this field.</i></p> <p><b>B. Tax base</b>  <i>Calculates the total amount of each individual tax base that will be taxed at the same rate;</i></p> <p><b>C. Tax rate</b>  <i>Tax rates list has to be made. There should be possible to edit this list or table by special access rules.</i>  <i>Tax Rates (Value List):</i>  a. Rate 0% - 0.00  b. Rate II - 6,00</p> <p><b>D. Amount of tax</b>  <i>The field is numeric with two decimal places. In this field is entered the absolute amount of tax.</i></p>	Optional field
FIELD 21.	<p><b>AMOUNT OF SALE WITHOUT VAT</b>  <i>The total amount of goods and services delivered when VAT is not charged (either because the taxpayer is not a taxpayer or there is an exemption of VAT than that specified in field 19 under C. point e., neither in field 22 or 23)</i>  <i>Allowed amounts are also with a negative sign.</i></p>	Optional field
FIELD 22.	<p><b>AMOUNT RELATED TO SPECIAL PROCEDURE FOR MARGIN SCHEME</b>  <i>The total amount pertaining to the special margin scheme procedure in the invoice in decimal form.</i>  <i>The margin for used goods, works of art, collectibles or antiques.</i>  <i>Allowed amounts with a negative sign.</i></p>	Optional field
FIELD 23.	<p><b>EXPORT OF GOODS</b>  <b>No VAT on the invoice.</b>  <i>The total amount of the value of the goods for exportation outside the Republic of Albania has to be written in this field.</i></p>	Optional field
FIELD 24.	<p><b>FEES</b>  <i>Fees are defined in this field. There may be multiple different types of fees in one invoice.</i>  <i>Each fee is defined by two fields:</i>  <b>A. TYPE OF FEE</b> - Not a mandatory field. Labels are entered from the list of values  <b>B. AMOUNT OF FEE</b> - Obligatory field if field A is entered.  <i>The decimal amount of the fee in the country currency is entered.</i></p>	Optional field
FIELD 25.	<p><b>TOTAL AMOUNT WITHOUT VAT</b>  <i>The total net amount of the invoice should be entered, i.e. the total amount of all the tax bases without VAT.</i>  <i>Control of the total sum of all bases according to the formula:</i>  Sum of all bases.</p>	Mandatory field
FIELD 26.	<p><b>TOTAL AMOUNT OF VAT</b>  <i>Enter the total amount of VAT at all rates.</i>  <i>Control of the total amount of VAT according to the formula:</i>  sum of all amounts of VAT at a single rate = compare with</p>	Mandatory field if the issuer of the invoice is a VAT payer or self-invoicing applies and the seller is a VAT payer, i.e.



	the total amount of VAT shown in the invoice	"reverse charge" is applied
FIELD 27.	<b>TOTAL AMOUNT WITH VAT</b> Enter the total gross amount on the invoice that the buyer is obligated to pay. Control of sum of all bases and total amount of VAT at all rates. Check: if amount exceeds 150,000 ALL, it cannot be paid by cash.	Mandatory field
FIELD 28.	<b>PAYMENT METHOD</b> For each invoice, it is mandatory to define the payment method. The payment method is defined by one letter in the list of values. Payment types can be (list of values): <ul style="list-style-type: none"> <li>• Banknotes - N</li> <li>• Card - K</li> <li>• Check - C</li> <li>• Transaction account - T</li> <li>• Other - O</li> </ul> In the case of multiple payment methods for one invoice, "other" has to be chosen from the list. For all non-specified payment methods, 'Other' will be used too.	Mandatory field
FIELD 29.	<b>OPERATOR CODE ON THE TCR</b> Alphanumeric operator code from the operators catalogue of the taxpayer.	Mandatory field
FIELD 30.	<b>BUSINESS PREMISE CODE</b> Alphanumeric business premisescode.	Mandatory field
FIELD 31.	<b>SOFTWARE CODE</b> The alphanumeric code of the software being used.	Mandatory field
FIELD 32.	<b>ISSUER INVOICE CODE</b> The security code of the issuer of the invoice (NSLF) The IIC (or NSLF) is an alphanumeric record that generates the taxpayer. IIC is created by merging the following data: <ol style="list-style-type: none"> <li>1. Taxpayer's NUIS,</li> <li>2. Date and time of invoice issuance,</li> <li>3. Invoice Number,</li> <li>4. Business premises code,</li> <li>5. TCR code,</li> <li>6. The software code that is being used</li> <li>7. The total amount of the invoice</li> </ol> The 32 digit number is written in the hexadecimal format that is printed on the invoice. It can contain digits (0-9) and letters (a-f). <b>IIC SIGNATURE</b> Signed issuer's invoice code concatenated parameters.	Mandatory field
FIELD 33.	<b>RECORD OF AFTERWARDS INVOICE DELIVERY</b> The invoice is delivered afterwards, when it has been previously issued to a customer without a FIC (termination of the Internet connection or complete termination of the TCR). The following values are possible: <ul style="list-style-type: none"> <li>- <b>TRUE</b> - an invoice is delivered afterwards</li> <li>- <b>FALSE</b> - if that is not the case.</li> </ul>	Mandatory field
FIELD 34.	<b>„REVERSE CHARGE“</b> Indicates that the VAT is obligatory to pay by the customer	Mandatory field

	<p>directly to the Tax Administration, not the seller. This is essential for the later grouping of invoices in the book of sales and purchase.</p> <p>The following values are possible:</p> <ul style="list-style-type: none"> <li>• <b>TRUE</b> - if this is the case of a "reverse charge"</li> <li>• <b>FALSE</b> - if this is not the case</li> </ul>	
<b>FIELD 35.</b>	<p><b>„BAD DEBT“</b></p> <p>If an invoice is declared as uncollectible, it must have a "bad debt" tag. This is a new invoice that is issued and decreases the total VAT payment obligation (in the book of sales that invoice has a negative sign, i.e. the negative amounts of the base and the VAT), and in the customer's book of purchase that invoice reduces the total amount of VAT that can be deducted (will also be expressed as a negative amount). The following values are possible:</p> <ul style="list-style-type: none"> <li>• <b>TRUE</b> - if the invoice is marked as "bad debt" and a reference to the original invoice has to be written (FIC)</li> <li>• <b>FALSE</b> - if this is not the case.</li> </ul>	Mandatory field

## UNIT MESSAGE

FIELD	FIELD NAME	RULES
<b>FIELD 36.</b>	<p><b>UNIT DESCRIPTION</b></p> <p>In this field the name (description) of the unit of goods or services that is being sold is entered, in the same way that is described in the internal system of the taxpayer</p>	Mandatory field
<b>FIELD 37.</b>	<p><b>UNIT CODE</b></p> <p>A unit code (bar code or another manufacturer's tag) is entered, if applicable</p>	Optional field
<b>FIELD 38.</b>	<b>MEASURING UNIT</b>	Mandatory field
<b>FIELD 39.</b>	<b>QUANTITY</b>	Mandatory field
<b>FIELD 40.</b>	<b>UNIT PRICE EXCLUSIVE OF VAT</b>	Mandatory field
<b>FIELD 41.</b>	<b>DISCOUNTS OR REBATES – IN PERCENTAGE</b>	Optional field
<b>FIELD 42.</b>	<p><b>THE DISCOUNT DECREASES THE TAXABLE BASE</b></p> <ul style="list-style-type: none"> <li>• <b>TRUE</b> - if the discount decreases the tax base for calculating the VAT</li> <li>• <b>FALSE</b> - if this is not the case.</li> </ul>	Optional field
<b>FIELD 43.</b>	<p><b>TAX BASE</b></p> <p>Two-decimal numeric field. The amount (base) of the invoice item is entered without VAT.</p> <p>The following controls are required:</p> <p>Control of the TAX BASE amount according to the formula:</p> <p>a. If field 42 is 'TRUE' then the tax base is: (Quantity * Unit Price) - discount</p> <p>b. If field 42 is 'FALSE' then the tax base is: Quantity * Unit price</p>	Mandatory field
<b>FIELD 44.</b>	<p><b>TAX RATE</b></p> <p>A VAT rates list has to be made. There should be possible to edit this list or table by special access rules.</p> <p>Tax Rates (Value List):</p> <p>a. Rate 0% - 0.00</p> <p>b. Rate 6% - 6.00</p> <p>c. Rate 10% - 10.00</p> <p>d. Rate 20% - 20.00</p> <p>e. Exempt from VAT (Value List - Exemption from VAT according to Chapter VIII, Section 1 of the VAT Act)</p>	Mandatory field if the issuer of the invoice is a VAT payer or self-invoicing applies and the seller is a VAT payer, i.e. "reverse charge" is applied

<b>FIELD45.</b>	<b>VAT</b> <i>Numeric field with two decimal places.</i> <i>The following controls are required:</i> <i>Control of VAT calculation according to the formula:</i> <i>Tax base * Tax rate</i> <i>Compare the result with the amount of VAT on the invoice</i>	Mandatory field if the issuer of the invoice is a VAT payer or self-invoicing applies and the seller is a VAT payer, i.e. "reverse charge" is applied
<b>FIELD46.</b>	<b>TOTAL UNIT PRICE WITH VAT</b> <i>The following controls are required:</i> <i>Control of the total VAT amount under the formula:</i> <i>a. If field 42 is 'TRUE' then the total unit (Item)amount =</i> <i>    Tax base + VAT</i> <i>b. If field 42 is 'FALSE' then the total unit (item) amount:</i> <i>    (Tax base - discount) + VAT</i>	Mandatory field

7.3.2 Message on Fiscalization of NON-CASH invoices (not applicable to e-Invoice, as this will be described in a separate document for e-Invoice)

MESSAGE HEADER

FIELD	FIELD NAME	RULES
FIELD 1.	MESSAGE IDENTIFICATOR	The same as for the cash transaction
FIELD 2.	DATE AND TIME OF SENDING XML MESSAGE	The same as for the cash transaction

MESSAGE CONTENT

FIELD	FIELD NAME	RULES
FIELD 3.	INVOICE TYPE	The same as for the cash transaction
FIELD 4.	SELF-INVOICING	The same as for the cash transaction
FIELD 5.	SELF-INVOICING TYPE	The same as for the cash transaction
FIELD 6.	SELLER'S NUIS	The same as for the cash transaction
FIELD 7.	SELLER'S NAME	The same as for the cash transaction
FIELD 8.	SELLER'S ADDRESS	The same as for the cash transaction
FIELD 9.	SELLER'S CITY	The same as for the cash transaction
FIELD 10.	SELLER'S COUNTRY	The same as for the cash transaction
FIELD 11.	DATE AND TIME OF INVOICE ISSUANCE	The same as for the cash transaction
FIELD 12.	<p><b>INVOICE NUMBER</b></p> <p>The invoice number is the Mandatory field on each invoice. The data will be submitted to the Tax Administration separately in XML for later easier manipulation in reports and analyses.</p> <p>The invoicenumber for non-cash invoices consistsofthefollowing data:</p> <p><b>NUMERIC ORDINAL NUMBER OF THE INVOICE AND CALENDAR YEAR</b></p> <p>Can only contain digits 0-9. No leading zeroes are allowed. The year in which the invoice was created is submitted</p>	DIFFERENCE IN RELATION TO CASH TRANSACTIONS
FIELD 13.	TAXPAYER STATUS	The same as for the cash transaction
FIELD 14.	BUYER' S NUIS	The same as for the cash transaction
FIELD 15.	NAME OF BUYER	The same as for the cash transaction
FIELD 16.	BUYER'S ADDRESS	The same as for the cash transaction
FIELD 17.	BUYERS CITY	The same as for the cash transaction

FIELD 18.	BUYERS STATE	The same as for the cash transaction
FIELD 19.	TOTAL AMOUNT OF EVERY INVOICE UNIT PER A SINGLE VATE RATE	The same as for the cash transaction
FIELD 20.	TOTAL AMOUNT OF EVERY INVOICE UNIT PER A SINGLE VATE RATE	The same as for the cash transaction
FIELD 21.	AMOUNT OF SALE WITHOUT VAT	The same as for the cash transaction
FIELD 22.	AMOUNT RELATED TO SPECIAL PROCEDURE FOR MARGIN SCHEMA	The same as for the cash transaction
FIELD 23.	EXPORT OF GOODS	The same as for the cash transaction
FIELD 24.	FEES	The same as for the cash transaction
FIELD 25.	TOTAL AMOUNT WITHOUT VAT	The same as for the cash transaction
FIELD 26.	TOTAL AMOUNT OF VAT	The same as for the cash transaction
FIELD 27.	TOTAL AMOUNT WITH VAT	The same as for the cash transaction
FIELD 28.	PAYMENT METHOD	The same as for the cash transaction
FIELD 29.	OPERATOR'S CODE ON THE TCR	The same as for the cash transaction
FIELD 30.	BUSINESS PREMISES CODE	The same as for the cash transaction
FIELD 31.	SOFTWARE CODE	The same as for the cash transaction
FIELD 32.	ISSUER'S INVOICE CODE	The same as for the cash transaction
FIELD 33.	RECORD OF AFTERWARDS INVOICE DELIVERY	The same as for the cash transaction
FIELD 34.	„REVERSE CHARGE“	The same as for the cash transaction
FIELD 35.	„BAD DEBT“	The same as for the cash transaction

#### UNIT MESSAGE

FIELD	FIELD NAME	RULES
FIELD 36.	UNIT DESCRIPTION	The same as for the cash transaction
FIELD 37.	UNIT CODE	The same as for the cash transaction
FIELD 38.	MEASURING UNIT	The same as for the cash transaction
FIELD 39.	QUANTITY	The same as for the cash

		transaction
FIELD 40.	UNIT PRICE EXCLUSIVE OF VAT	The same as for the cash transaction
FIELD 41.	DISCOUNTS OR REBATES – IN PERCENTAGE	The same as for the cash transaction
FIELD 42.	THE DISCOUNT DECREASES THE TAXABLE BASE	The same as for the cash transaction
FIELD 43.	TAX BASE	The same as for the cash transaction
FIELD 44.	TAX RATE	The same as for the cash transaction
FIELD 45.	VAT	The same as for the cash transaction
FIELD 46.	TOTAL UNIT PRICE WITH VAT	The same as for the cash transaction

#### 7.4 MESSAGE FOR FISCALIZATION OF CORRECTIVE INVOICES

##### MESSAGE HEADER

FIELD 1.	<b>MESSAGE IDENTIFICATOR</b> Message ID – UUID format	Mandatory field
FIELD 2.	<b>DATE AND TIME OF SENDING XML MESSAGE</b> This date indicates the date of sending an XML message to the Tax Administration.	Mandatory field

##### MESSAGE CONTENT

FIELD 3.	<b>IIC REFERENCE ON THE INITIAL INVOICE ISSUER'S INVOICE CODE</b> In this field the IIC of invoice that is being corrected is entered. <b>Control:</b> Does an invoice with those IIC exist in the database?	

+ all other field as described in previous points depending of the type of the initial invoice (cash invoice or non-cash invoice)

#### 7.5 THE MESSAGE FOR FISCALIZATION OF WAREHOUSE TRANSFER NOTES

##### MESSAGE HEADER

FIELD 1.	<b>MESSAGE IDENTIFICATOR</b> Message ID – UUID format	Mandatory field
FIELD 2.	<b>DATE AND TIME OF SENDING XML MESSAGE</b> This date indicates the date of sending an XML message to the Tax Administration.	Mandatory field

## MESSAGE CONTENT

FIELD 3.	<b>TAXPAYER'S NUIS</b> <i>The NUIS / Personal Identification Number of the taxpayer submitting the warehouse transfer note is submitted.</i> <i>The following controls are required:</i> - whether it is registered in the register of passive taxpayers (if it is, it cannot issue a warehouse transfer note until it changes its status)	Mandatory field
FIELD 4.	<b>TAXPAYER'S NAME</b>	Mandatory field
FIELD 5.	<b>ADDRESS OF THE STARTING POINT OF THE DELIVERY OF GOODS</b>	Mandatory field
FIELD 6.	<b>CITY OF THE STARTING POINT OF THE DELIVERY OF GOODS</b>	Mandatory field
FIELD 7.	<b>ADDRESS OF THE DESTINATION OF GOODS</b>	Mandatory field
FIELD 8.	<b>CITY OF DESTINATION</b>	Mandatory field
FIELD 9.	<b>DATE AND TIME OF ISSUANCE OF THE WAREHOUSE TRANSFER NOTE</b> <i>Date and time are Mandatory field which consists of two elements:</i> a. Date of issuance b. Time of issuance <i>Date and time of issuance are separated by the sign T (time).</i>	Mandatory field
FIELD 10.	<b>WAREHOUSE TRANSFER NOTE NUMBER</b> <i>The warehouse transfer note number is the Mandatory field on each warehouse transfer note. The guidelines will show how the warehouse transfer note number should be printed. The data will be submitted to the Tax Administration separately in XML for later easier manipulation in reports and analyses.</i> <i>The warehouse transfer note number consists of the following data:</i> <b>A. NUMERIC ORDINAL NUMBER OF THE WAREHOUSE TRANSFER NOTE AND CALENDAR YEAR</b> Can only contain digits 0-9. No leading zeroes are allowed.	Mandatory field
FIELD 11.	<b>OPERATOR'S CODE</b> <i>Alphanumeric operator's code from the operators catalogue of the taxpayer.</i>	Mandatory field
FIELD 12.	<b>BUSINESS PREMISES CODE</b> <i>Alphanumeric business premises code.</i>	Mandatory field
FIELD 13.	<b>SOFTWARE CODE</b> <i>The alphanumeric code of the software being used.</i>	Mandatory field

<b>FIELD 14.</b>	<b>PROTECTION CODE OF ISSUER OF WAREHOUSE TRANSFER NOTE (WTNIC)</b>  <i>The WTNIC is an alphanumeric record that generates the taxpayer.</i> <i>WTNIC is created by merging the following data:</i>  1. Taxpayer's NUIS, 2. Date and time of issuance, 3. Warehouse transfer note number, 4. Business premises code, 5. The software code that is being used  <i>The 32 digit number is written in the hexadecimal format that is printed on the warehouse transfer note number.</i> <i>It can contain digits (0-9) and letters (a-f).</i>	Mandatory field
<b>FIELD 15.</b>	<b>RECORD OF AFTERWARDS WAREHOUSE TRANSFER NOTE DELIVERY</b> <i>The warehouse transfer note is delivered afterwards, when it has been previously issued without a FWTNC (termination of the Internet connection or complete termination of the electronic device).</i> <i>The following values are possible:</i> - <b>TRUE</b> – the note is delivered afterwards - <b>FALSE</b> – if that is not the case.	Mandatory field
<b>FIELD 16.</b>	<b>DATE OF TRANSPORT OF GOODS</b> <i>The date of transport is being entered, i.e. when the goods are taken over from the warehouse.</i>	Mandatory field
<b>FIELD 17.</b>	<b>UNIQUE IDENTIFICATION NUMBER OF THE CARRIER</b>	Optional field
<b>FIELD 18.</b>	<b>PLATES NUMBER OF THE VEHICLE WHICH WILL TRANSPORT THE GOODS</b>	Mandatory field

#### UNIT MESSAGE

FIELD	FIELD NAME	RULES
<b>FIELD 19.</b>	<b>UNIT DESCRIPTION</b> <i>In the field, enter the name of the item from the warehouse transfer note as described in the internal system of the taxpayer</i>	Mandatory field
<b>FIELD 20.</b>	<b>UNIT CODE</b> <i>A unit code (bar code or another manufacturer's tag) is entered, if applicable</i>	Optional field
<b>FIELD 21.</b>	<b>MEASURING UNIT</b>	Mandatory field
<b>FIELD 22.</b>	<b>QUANTITY</b>	Mandatory field



## 8 VALUE LISTS RELATING TO FISCAL SERVICE

Value lists related to fiscal service are, by their content, the lists used to create XML messages. The value lists will be an integral part of the cash and non-cash invoice fiscalization component. All list of values will be published in the technical specification of fiscal service and XML messages.

The value lists will serve for business controls that will be performed at the level of the received XML message of the taxpayer in the cash and non-cash fiscalization system. For each item in the list of values, the following data must be defined:

1. Name of the value
2. Value tag
3. Value note
4. Date from when the value is valid
5. Date until the value is valid

When checking the values in an XML message, if the system detects an error, it will return the error message:

1. Value in field X does not exist in the value list
2. Value in field X is invalid

For a list of "payment methods" you need to be able to parameterize the minimum and maximum amount of payment per payment type.

The following list of values will be defined:

FIELD	NAME OF THE LIST OF VALUES	LIST OF VALUES	
		Tag	Name of the value
3.	INVOICE TYPE	C	Cash invoice
		N	Non-cash invoice
13.	Status of taxpayer - whether a taxpayer is in a VAT system or not	1	taxpayer is in a VAT system
		2	taxpayer is not in a VAT system
44.	VAT tax rate	0	Tax rate 0 %
		A	Tax rate 6 %
		B	Tax rate 10 %
		C	Tax rate 20 %
44.	VAT exemption	1	Exempted on the basis of Article 51 of the VAT Act
		2	Exempted on the basis of Article 53 and 54 of the VAT Act
24.	Fees	1	Packaging fee
		2	Fee for the return of glass bottles
28.	Payment method	N	Banknotes
		K	Cards
		C	Check
		T	Transactional account
		O	Others
5.	Self-invoicing type	S	The previous agreement between the parties
		P	Purchase from domestic farmers
		U	Buying services from abroad
		O	Others

## 9 XML MESSAGE CHECK FROM THE TAX ADMINISTRATION

Checks for all received messages can be divided into two categories:

1. Checks that are mandatory and that are made after receiving an XML message, and before saving the message to the database (real-time checking)
2. Checks performed after the first real-time check has passed and after the message is stored in the database.

## 9.1 REAL-TIME CHECKING

After receipt of any XML message received by the Tax Administration Information System, the following checks must be carried out:

**1. Digital signature verification** - means the following checks:

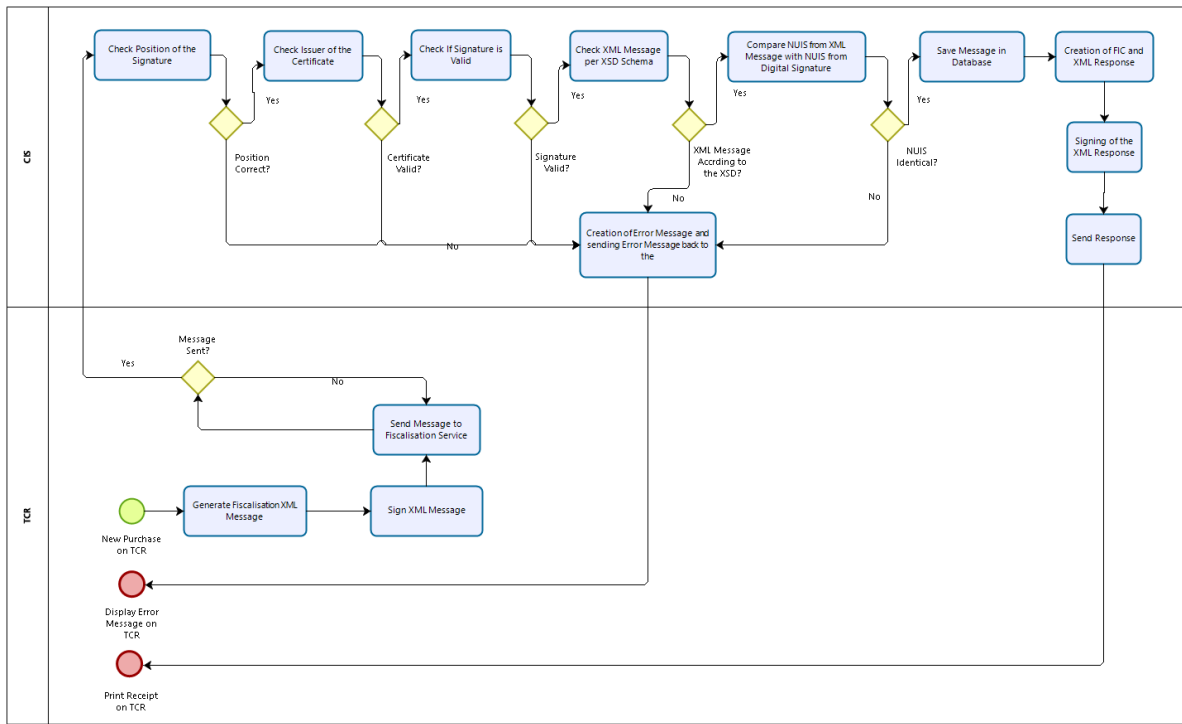
- a. Is the certificate issued by NAIS
- b. Is the digital signature correct
- c. Is the sellers NUIS from the message equal to NUIS from the certificate

**2. Checking the XML message in relation to the prescribed XML schema** - The message must be in accordance with the publicly available XML schema for each type of XML message,

**3. Business Control** - Controls the issuer status in relation to the record from taxpayer's register and whether VAT is included in the invoice, under condition that these controls does not significantly impaired the systems performance. These business controls do not apply to the verification of the message of the warehouse transfer note issued.

Business process of control of the message received:

- a. The taxpayer prepares a request message that contains the invoice/warehouse transfer note data, digitally signs it and sends it to the Tax Administration through a fiscal service.
- b. The system checks the size of the received message. It must not be bigger than 150kB.
- c. The system receives the message and validates it by the scheme, i.e. verifies whether the taxpayer has in the request message filled out all the required elements from the scheme.
- d. The system verifies whether the application certificate of the taxpayer has been issued by NAIS.
- e. The system verifies whether the application certificate of the taxpayer is valid.
- f. The system checks the correctness of the digital signature.
- g. The system compares NUIS from the message with the NUIS from the certificate.
- h. The system verifies whether the taxpayer who issues the invoice/warehouse transfer note, according to his NUIS, is in the passive register of taxpayers. If so, it will not pass the validation.
- i. If the issuer of the invoice is not a VAT payer and in field 4 and 36 it has the tag: "FALSE", the system will verify that there is no VAT stated in field 28. If it is, the invoice will not pass the validation.
- j. Maximum total payment amount in cash. It is necessary to check the maximum total amount of the invoice in relation to the maximum amount that can be paid in cash according to the Draft Law(banknotes and coins). It is currently stipulated that if the buyer and seller are taxpayers then cash payments, i.e. payments with banknotes and coins per single invoice may not be more than 150,000 ALL. This means that it is necessary to compare the total amount in the invoice from field 29 and payment method from field 30 if the NUIS of the buyer and the NUIS of the seller are stated in the invoice. If the amount is greater than 150,000 ALL and the payment method is not banknotes, then the invoice will not pass the validation.



## 9.2 CONTROLS AFTER SAVING THE XML MESSAGE INTO THE DATABASE

Once the received XML message is verified and validated, it is stored in the database and a set of business checks is initiated. The conduct of business checks does not take place in real time and is independent of the process of generating the FIC, i.e. creating a response to the message.

The procedure of the business control is the following:

FIELD	NAME OF THE VALUE LIST	CONTROL DESCRIPTION	ERROR CODE
11.	DATE AND TIME OF INVOICE ISSUANCE	<ul style="list-style-type: none"> <li>a. Checking the formal correctness of the date</li> <li>b. Control of time deviations from the permitted time interval e.g. +/- 6 hours from the time the invoice was fiscalized. The control should be parameterized in order to easily change the allowed interval.</li> </ul>	
12.	Invoice number	<p>Invoice number:</p> <ul style="list-style-type: none"> <li>a. Do not allow a value of 0.</li> <li>b. Verify the numerical accuracy of the invoice.</li> <li>c. Verify that it is fiscalized the invoice with the same invoice number twice for the same taxpayer.</li> <li>d. Verify with the user whether the allowed length of this field can be reduced with respect to the maximum expected length of the invoice number of one payer in the calendar year in one business space.</li> </ul>	

In addition to this, numerical control will be performed at this stage as well:

### ***a. calculation of the amount by item (if these fields are filled)***

FIELD	NAME OF THE VALUE LIST	CONTROL DESCRIPTION	ERROR CODE
43.	Control of the amount of the tax base	The amount of the tax base is controlled based on the fact if the discount is reducing the tax base or not.	
45.	VAT	<p><i>Control of VAT calculation according to the formula:</i></p> <p><i>Tax base from field 43 * Tax rate from field 44.</i></p> <p><i>Compare the result with the amount of VAT shown in the invoice</i></p>	
46.	Total unit amount with VAT	<p><i>Control the total amount with VAT for every item according to the formula:</i></p> <p><i>a. If field 42 is 'TRUE' then the Total Item Amount =</i></p> <p><i>Tax base from field 43 + VAT from field 45.</i></p> <p><i>b. If field 42 is 'FALSE' then the total amount of item:</i></p> <p><i>(Tax base from field 43 - (Rabat rate from field</i></p>	

		41 * Tax base from field 43)) + VAT Compare the result to the total amount shown in the invoice.	
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**b. total amount**

The following controls are required (if these fields are filled):

FIELD	NAME OF THE VALUE LIST	CONTROL DESCRIPTION	ERROR CODE
19.	Total amount of all items at a particular rate	Control is performed for each line of records if more tax bases are shown on the invoice items. Controlled: a. Total number of items at the same VAT rate b. The total amount of all tax bases in field 43 for each item at the same rate c. The total amount of VAT is shown for each item in field 45 at the same VAT rate Compare the result to the total amount shown in the invoice.	
25.	Total amount without VAT	Control of the total sum of all bases according to the formula: Sum of all bases in field 19 + amount from field 21 + amount from field 22 + amount from field 23. Compare the result to the total amount shown in the invoice.	
26.	Total VAT	Control of the total amount of VAT according to the formula: Total VAT amount for all bases in field 19 at all VAT rates and all items. Compare the result to the total amount shown in the invoice.	
27.	Total amount in the invoice	Control the total amount in the invoice in field 27 according to the formula: Total amount from field 25 + total amount from field 26 + total amount of fee from field 24. Compare the result to the total amount shown in the invoice. Introduce tolerance +/- 0.01.	

After these controls, the procedure is as follows:

- The system performs other formal and logical control over the data, i.e. verifies whether all required fields are filled.
- The system saves the original message with digital signature, invoice information from the request, and the previously generated FIC and timestamp.
- In case of an error, the system prepares a response message with the FIC and describes the error, digitally signs it and sends it to the taxpayer on the Self-care portal.
- The taxpayer is obliged to correct these errors in the invoice prior to the conclusion of the book of sales and purchase for the previous month and, depending on the error, cancel and issue a new invoice and execute the fiscalization process and send the corrected invoice to the buyer.