



VAT E-INVOICING ADOPTION AMONG SELECTED SCRAP METAL TRADING ENTERPRISES IN KSA: FOSTERING AN ENABLING POLICY TOWARDS DIGITALIZATION TO IMPROVE TAX COMPLIANCE

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ABSTRACT

Saudi Arabia implemented VAT Electronic Invoicing on December 4, 2021, enforcing all resident taxpayers to adopt a compliant e-invoicing system equipped to generate, issue, archive, and modify e-invoices. This study investigated the level of readiness to adopt E-invoicing, the level of awareness of the critical benefits of using E-invoicing, and the effectiveness of the adoption and use of E-invoicing in terms of Perceived ease of use, Perceived Usefulness, Perceived Security, Perceived Compatibility, Attitude Towards Behavior, and Perceived Behavioral Control. It tested the significance of the difference in the respondents' awareness of the critical benefits of adopting VAT E-Invoicing, considering their profile variables. It measured the significance of the relationship between the respondent's readiness in the first implementation phase and their awareness of the critical benefits of VAT E-invoicing adoption. It employed a descriptive quantitative research design. The primary source of information is a survey questionnaire completed by the respondents. Results show that readiness and familiarity level in the early adoption stage of e-invoicing in KSA is very high in terms of VAT E-invoice implementation generation phase, supplier e-invoicing generation processes, and buyer e-invoicing generation processes. There is also a high awareness of the critical benefits of adopting VAT E-invoicing in terms of Optimized Payment Processes, Reduced Operational Costs, Stronger Business Relationships, and Full Compliance with Legal Regulations. The number of years employed, position, job description, and computer literacy does not influence the level of awareness of the critical benefits of adopting VAT E-Invoicing. The level of Readiness and familiarity in the first implementation phase is significantly related to the level of awareness of the critical benefits of VAT E-invoicing adoption.

Keywords: Taxation, Electronic Invoicing, Technology Acceptance Models, KSA Tax Digitalization