

The Salvadoran government launches the Electronic Billing System to facilitate tax procedures



On December 14, the Minister of Finance, Alejandro Zelaya, presented the new Electronic Billing System implemented in the country to simplify tax procedures through the comprehensive automation of tax processes between taxpayers, the Tax Administration, and consumers. This initiative was born thanks to the Project to Strengthen the Tax and Customs Administration, which is financed by the Inter-American Development Bank (IDB) with an investment of \$6.3 million. According to official information, IDB financing for said program amounts to \$30 million, of which \$6.3 million corresponds to the investment made for the electronic billing system with investments in computer systems and cloud storage.

The initiative was promoted by the head of the Treasury with the purpose of establishing more «effective and transparent» tax processes in the country. «This day we can tell El Salvador that we are taking a giant step in the region. (...) We have been working since we arrived at the institution,» explained the Minister of Finance, Alejandro Zelaya.

The Treasury explained that the Electronic Billing System arises to align the fiscal policy of the government of President Nayib Bukele, which maintains an emphasis on the area of income. The official established that the project had been in a state of abandonment in the past and that, under his administration in the Ministry of Finance, a work team was established to execute it, which has been working since 2019.

«This milestone is probably one of the most important in the transformation of the public administration of El Salvador, led by the Ministry of Finance. This is a high-impact project that seeks to strengthen the tax administration, reduce evasion, but above all, it seeks to reduce taxpayer costs,» said the IDB representative in El Salvador, César Falconi. «For us, this day is extremely significant, because they do not know how

much we have had to sweat, working with the team to achieve the launch (...) We have brought a group of experts who know the subject and have helped other countries. Electronic invoicing processes take much more than 5 years,» said Minister Zelaya.

The work team made up of the Ministry of Finance for the execution of the Electronic Invoicing System carried out training, in addition, they verified the contracts to comply with the launch date. With the implementation of this initiative, the Ministry of Finance indicated that the tools are strengthened, with state-of-the-art technological equipment for more effective management, improving the crossing of information and the examination processes of the Tax Administration, and providing a friendly and accessible system 24/7 for large and small companies. In addition, he added that it will be easier for all companies to comply with their tax obligations, reducing the costs of authorization, issuance, and storage of physical documents.