

SAF-T becomes mandatory from 1 January 2020. Here you will find 20 questions and answers about SAF-T. Feel free to contact us if you have more questions.

## 1 What is SAF-T?

SAF-T is an electronic standard format in the form of an XML data file for reporting accounting data to the tax authorities.

## 2 When does SAF-T become mandatory?

SAF-T becomes mandatory from 1 January 2020.

## 3 Who is covered by SAF-T?

The requirement for reporting in SAF-T applies to all accounting persons companies that use electronic accounting systems in their accounting. Who is liable for accounting appears from § 2 of the Bookkeeping Act.

State and municipalities that are subject to accounting are also covered by the requirement.

Exceptions to the reporting requirement in SAF-T apply to companies which has less than NOK 5 million in sales annually. The exception does not apply if the company still has posted information electronically available.

Exceptions also apply to companies with fewer than 600 vouchers in the year and which book in word processing or spreadsheet programs.

## 4 What data should be reported in SAF-T?

The requirement from 1 January 2020 applies to account specifications (ledger), supplier and customer specifications, VAT codes, and other fixed data.

## 5 Should SAF-T files be reported continuously to IRS?

No, from January 1, 2020, it is only upon demand from the tax authorities in connection with control that you are obliged to provide accounting data in SAF-T.

## 6 If you get control in 2020, you owe it to provide accounting data for previous years in SAF-T?

No, it is not required to be able to provide accounting data Back in time in SAF-T format. There is accounting data as of

January 1, 2020 covered by the obligation. However, the tax authorities can request data from previous years in SAF-T format if the company has this available. If this is not possible, the tax authorities will request manual extraction of data in electronic format (the same way that they carry out checks at present).

## 7 Is it so that from 2020 one must submit other information when checking than before?

No, the introduction of SAF-T affects only in what format The information should be reported.

## 8 Where can I find the rules on SAF-T?

The requirement for reporting in SAF-T is regulated in Section § 7-8 of the Accounting Regulations. The technical requirements and specifications of the SAF-T standard are not in the regulations, but are regulated in guidelines issued by the Directorate of Taxes. These can be found on the tax authorities' websites [www.skatteetaten.no](http://www.skatteetaten.no).

## 9 How should the SAF-T file be delivered practically?

The SAF-T file must be delivered via Altinn. Altinn has limitations on SAF-T file size as of today. The Tax Agency recommends compression with ZIP format. Limits per day are 200 MB per file attachment containing XML data up to 2 GB. There can be a maximum of 10 file attachments per submission, ie 20 GB of XML data. The tax authorities are working to increase the limit to 500 MB per file attachment. The SAF-T regulations contain guidelines on how to split the file if the SAF-T file for a company is larger than this restriction in Altinn.

## 10 Will there be modified versions of SAF-T in the near future?

The tax authorities signal that more additions are coming in the future versions of SAF-T which will include detailed invoice information (phase 2), and inventory, fixed assets and special fees (phase 3). No information is given about when they the next phases are completed.

## 11 In the future, SAF-T will replace reporting of e.g. tax messages?

There is no doubt that SAF-T contributes to getting one more automated reporting of accounting data, and it is obvious to believe that the SAF-T technology will at some point replace the current tax reporting methods (including VAT reporting). In the consultation round, the Directorate of Taxes stated that it is desirable to use SAF-T in a larger context in the future, and that the business community will be involved in this work.

## 12 What is the tax authority's reason for that SAF-T can contribute to business benefits?

In the consultation round, the Directorate of Taxes pointed out that the introduction of a statutory standard format helps both the company and The tax authorities have a common understanding of what information they have various data fields in the SAF-T file contain. Further pointed out The Directorate of Taxes that the dialogue between the taxpayer and the tax administration is simplified, and that misunderstandings can be avoided.

## 13 Can SAF-T contribute to better overview of own business in relation to accounting, tax and fees?

Yes, the SAF-T standard can contribute to reduced use of resources and less administration when controlled by the tax authorities. It will be easier to integrate different systems, and thus easier to change ERP system. You can also improve internal control by e.g. using data analytics. An early preparation for SAF-T will be beneficial for to ensure the quality of the data.

## 14 Why is data quality assurance important covered by SAF-T in advance of 2020?

First and foremost, it is important to ensure that the available data fields are included in the SAF-T file. Furthermore, it is important to clear the data. SAF-T files containing errors will be rejected in the Altinn portal.

Examples of errors:

- It lacks data in the data field
- Data in the data field is in the wrong format

In addition to errors that will be detected in the Altinn control, can SAF-T data contain errors related to data on tax, value added tax and accounting data. It can for example. be the incorrect use of VAT codes, incorrect deduction or consequential errors in the ERP system. Failure to quality assure the data in advance risks the risk of reporting errors - which can lead to accounting orders, as well as post-tax calculation and / or value added tax on checking.

## 15 What does it mean that corporate data needs "Mapped" to the SAF-T format?

Companies use different accounting plans and VAT codes in their accounting.

With the introduction of SAF-T, the tax authorities have implemented standard SAF-T chart of accounts and standard SAF-T VAT codes. In order for the tax authorities to be able to carry out checks on Accounting data in SAF-T, therefore, this data must be structured to the SAF-T standard. The taxpayer must still use his own account plan and his own VAT codes in the bookkeeping, but in the SAF-T file you must also state, in his own data fields, what the different accounts / codes are called in SAF-T. This is called mapping.

Some ERP systems do not currently contain the possibility of entering the SAF-T standard. It is therefore important to clarify whether the system vendor will facilitate this, or whether the company must manually enter the mapping before creating the SAF-T file. SAF-T standard chart of accounts only applies to trading and production companies, while the different types of business tasks (ordinary companies, banks, oil companies, pension funds, insurance companies, etc.) cater for different industries. Companies that report tax returns already have this mapping between the account plan and business statement in place.

## 16 Can we wait to prepare for SAF-T by the end of 2019?

Axdata recommends that preparation for SAF-T is already beginning. It is important to have a dialogue with your ERP Partner.

It may take time to implement new solutions in the ERP system, as well as clarify challenges regarding the ERP system. mapping. In addition, it is crucial to ensure the quality of the data and to make sure that the accounting system can produce all the required information.

## 17 Who in the company should get involved in preparation for SAF-T?

Accounting / Finance Officer, Accounting and finance staff, tax / tax adviser and IT manager.

You have to get out of the silo mindset and you have to work together to ensure good quality of the SAF-T file.

## 18 What will be the consequences if we are unable to provide accounting data in SAF-T from 2020?

In the event of failure to provide information, the tax authorities may issue accounting orders and impose a penalty.

## 19 How can Axdata help us

Axdata provide a SAF-T Add On solution for Microsoft Dynamics covering the following Microsoft versions:

- ✓ C5
- ✓ Xal
- ✓ AX 2.5
- ✓ AX 3.0
- ✓ AX 4.0
- ✓ Dynamics 2009
- ✓ Dynamics AX 2012R2
- ✓ Dynamics AX 2012R3
- ✓ Dynamics 365

## 20 Where can I find more info about Axdatas SAF-T Add On solution for Microsoft Dynamics?

Read more about our SAF-T services [here](#)