Regulations relating to requirements for cash register systems (the Cash Register Systems Regulations)

On 18 December 2015, the Directorate of Taxes established Regulations no. 1616 of 18 December 2015 relating to requirements for cash register systems. The Regulations enter into force on 1 January 2017. The Regulations were amended on 6 July 2016; see Regulations no. 901 of 6 July 2016.

With effect from 1 January 2017, cash register systems offered on the Norwegian market must comply with the Cash Register Systems Act and the Cash Register Systems Regulations. Enterprises with a bookkeeping obligation must have new cash register systems in place by 1 January 2019.

The aim of the new regulations is to combat the black market in sectors with cash sales. Few requirements currently apply to the functions and architecture of cash register systems, and inspections conducted by the Norwegian Tax Administration have revealed that cash register systems are set up in a way which makes it possible to conceal cash sales. The new rules will make it more difficult to manipulate a cash register system in order to avoid tax and duties.

The rules mean that, after 1 January 2017, suppliers will only be able to market cash register systems which meet certain requirements. For example, these requirements cover mandatory and prohibited functions, as well as the securing of an electronic journal. Before systems can be offered for sale, lease or loan, suppliers must submit a product declaration to the tax office stating that the cash register system fulfils the requirements laid down in the regulations. The tax office may penalise by fine a cash register system supplier which fails to provide a product declaration or whose cash register system does not fulfil the requirements set out in the Cash Register Systems Act or in the Regulations issued pursuant to the Act.

Enterprises with a bookkeeping obligation must upgrade or purchase new cash register systems with product declarations and use them to register and document cash sales, etc. To facilitate the natural replacement of existing systems, enterprises with a bookkeeping obligation only need a new system in place by 1 January 2019. At the same time, certain new provisions concerning the use of cash register systems will be set out in the Bookkeeping Regulations. Enterprises with a bookkeeping obligation may be penalised by fine for failing to use a cash register system with a product declaration.

Annex 1: The Cash Register Systems Regulations
Annex 2: Comments on the Cash Register Systems Regulations, updated on 25 August 2016

Appendix 1

Regulations no. 1616 of 18.12.2015 relating to requirements for cash register systems (the Cash Register Systems Regulations)

Established by the Directorate of Taxes on 18 December 2015 pursuant to the Act no. 58 of 19 June 2015 relating to cash register systems, Section 9.

Chapter 1. Scope of the regulations. Definitions

Section 1-1. *Scope*
>   These regulations complement and implement the provisions of the Cash Register Systems Act.

Section 1-2. *Definitions*
>   In these regulations, the following terms mean:
a) cash box: storage place for means of payment which have been registered in the cash register system,
b) point of sale: a unit within a cash register system that can conclude a cash sale by initiating the printing of a sales receipt,
c) cash box opening (zero registration): opening of integrated cash box without prior registration of a cash sale or repayment,
d) sales receipt: a print-out from the cash register system which shows that a cash sale transaction has been completed,
e) return receipt: a print-out from the cash register system which states that a previously printed sales receipt contains incorrect information or information about repayment for repriced or returned goods or services,
f) copy receipt: a copy of a sales receipt,
g) pro forma receipt: a print-out from the cash register system which shows provisionally registered sales,
h) delivery receipt: confirmation of a credit sale,
i) training receipt: a print-out from the cash register system for training purposes, showing the same sorts of details as a sales receipt,
j) receipt from a payment terminal: a print-out from a payment terminal which documents use of a payment card,
k) continuous use: all use of the cash register system including registration of sales etc., printing of receipts as mentioned in letters d to h, changes of prices, corrections, cash box openings (zero registrations), printing of reports and the like, alteration of software and temporary connection of external software,
l) electronic journal: electronic documentation of the continuous use of the cash register system,
m) Z report: a daily summary of the registrations in the cash register system
n) X report: a summary of registrations in the cash register system since the last Z report,
o) grand total returns: cumulative value of returns and other registrations which have reduced cash sales,
p) grand total sales: cumulative cash sales, without deduction of grand total returns,
q) grand total net: grand total sales less grand total returns.

Section 1-3. *Adaptation of a cash register system*
>   Adaptation of a cash register system, with reference to Section 2, letter e, of the Cash Register Systems Act, means adaptations that affect the functions or architecture of the cash register system.

Chapter 2. Requirements concerning cash register systems and system descriptions

Section 2-1. *System description*

(1) The system description, as mentioned in Section 3, second paragraph, of the Cash Register Systems Act, must describe how the cash register system can be checked. If the cash register system retains documentation of posted information and it is necessary to be able to check posted information in a simple manner, the system description must also document the audit trail, including how system-generated items can be verified.

(2) If a cash register system has been altered by the addition of new functions, or alterations have been made that affect the architecture of the system, a supplement to the system description concerning the alterations that have been made, or alternatively a completely new system description, must be prepared. The documentation must be supplied with the cash register system.

Section 2-2. *Cash box*

The cash register system must have an integrated cash box at each point of sale. This requirement does not apply if the cash register system has functionality for registering cash sales etc. separately for each operator and the sales are not registered from a fixed point of sale. Nor does the requirement apply at a point of sale where it is not possible to pay using notes and coins.

Section 2-3. *Printer etc.*

(1) Each point of sale in the cash register system must be equipped with a printer. The printer must be able to generate documentation as mentioned in section 1-2 letters d to i and letters l to n.

(2) Each point of sale in the cash register system must have an export function which makes it possible to transfer the information in the electronic journal to an external storage medium.

Section 2-4. *Language requirement*

System documentation, software, service manual, programming tools and programming manual must be in Norwegian, Swedish, Danish or English. This requirement also applies to receipts, X reports, Z reports and registration of continuous use.

Section 2-5. *Functions that a cash register system must have*

(1) The cash register system must be able to register a change float.
(2) The cash register system must be able to register different means of payment.
(3) The cash register system must have a clock. The clock must be set to Norwegian standard time and adjusted for summer time.

The cash register system must clearly differentiate between positive and negative amounts on all receipts and reports and in the electronic journal.

Cash register systems intended for use by several enterprises with a bookkeeping obligation must be organised in such a manner that all continuous use, including means of payment, is registered separately for each enterprise with a bookkeeping obligation.

Section 2-6. *Functions that a cash register system must not have*

(1) The software in a cash register system must not include any other functions than those stipulated in the system documentation, with reference to the Cash Register Systems Act, Section 3, second paragraph.

(2) The software in a cash register system must not be capable of being connected to or integrated with equipment or software that make it possible to alter or delete the electronic journal.

(3) The software in a cash register system must not include functions that make it possible for the user to remove, alter or add information to registrations. It must not be possible to change pre-programmed text for goods and services during or after registration.

(4) It must not be possible to conclude a sale without the system printing a sales receipt. The system must not be capable of printing more than one copy receipt.

(5) It must not be possible to carry out registrations in the cash register system if the integrated cash box is open.

(6) It must not be possible to carry out registrations in the cash register system if the storage memory is full.

(7) It must not be possible to mark particular goods or services in the cash register system so that they are not included in X reports and Z reports.

(8) A cash register system that is connected to a non-automatic weighing instrument must not be capable of affecting the instrument's measurement properties, with reference to Regulations no. 1735 of 21 December 2007 relating to requirements for non-automatic weighing instruments.

Section 2-7. *Electronic journal*

(1) All continuous use must be continuously stored in an electronic journal. This also includes information on receipts as mentioned in Section 1-2, letters d to h. The electronic journal must be protected against alteration and deletion. The electronic journal may be transferable to another electronic medium using a file format that cannot be readily edited. Such a transfer must not be possible before the cash register system has produced a Z report. The system must be capable of producing a file directly from the electronic journal or other electronic medium in a standardised form determined by the Directorate of Taxes.

(2) The times of opening of the integrated cash box must be shown in the electronic journal.

(3) If the cash register system has functionality for pricing goods and services, it must be possible to obtain information on current prices from the cash register system. In such a case, the electronic journal must indicate when the prices have been changed. The same provision applies in respect of other changes to fixed information.

(4) If the cash register system has functionality for looking up prices, such price look-ups must be registered in the electronic journal.

(5) If the cash register system has functionality for identifying individual operators by use of card or similar, the electronic journal must contain information about the name or employee number of the person concerned in connection with sales transactions and other registrations.

(6) It must be possible to identify and differentiate all continuous use by means of a start time.

Section 2-8. *Reports and receipts*

Section 2-8-1. *X reports, Z reports, sales receipts, etc.*

The cash register system must be able to generate X reports, Z reports, sales receipts and return receipts for each point of sale. If the cash register system has functionality for registering credit sales to be invoiced at a later time, it must also be possible to generate delivery receipts.

Section 2-8-2. *X report*

(1) An X report must contain at least the following information:
a) an inscription that the report is an X report,
b) the name and organisation number of the enterprise
c) the date and time
d) the ID number of the point of sale,
e) total cash sales,
f) the number of cash sales and amounts broken down at minimum by main groups,
g) the number of cash sales and amounts broken down by different means of payment,
h) the number of cash sales and amounts broken down by different means of payment for each individual operator if the cash register system has functionality for this,
i) the number of tips and amount, if the cash register system has functionality for this,

j) cash sales subject to value added tax and cash sales free from value added tax, as well as value added tax subdivided into different value added tax rates,
k) opening change float
l) the number of sales receipts,
m) the number of cash box openings,
n) the number of copy receipts and amount,
o) the number of pro forma receipts and amount,
p) the number of returns and amount,
q) the number of discounts and amount,
r) the number of non-completed cash sales and amount,
s) the number of line corrections specified by type and amount,
t) the number of price look-ups specified by product group and amount,
u) the number of other corrections specified by type and amount,
v) number of delivery receipts and amount,
w) number of training receipts and amount,
x) grand total sales,
y) grand total returns,
z) grand total net.

  (2) If receipts for credit sales are printed from the point of sale, the number and amount of the credit sales must be specified. The same applies to payments received and return receipts as to credit sales. The number of other payments received and disbursements registered at the point of sale must also be specified by type and amount.

Section 2-8-3. *Z report*
  (1) A Z report must contain at least the information mentioned in Section 2-8-2, except for the information in the first paragraph, letter a. In addition, the Z report must be numbered consecutively and include an inscription showing that it is a Z report. The Z report may not contain registrations that have been included in an earlier Z report.
  (2) It must not be possible to prepare a Z report without all sales having been completed. A Z report may not have the same number as an earlier Z report.

Section 2-8-4. *Sales receipt*
  A sales receipt must contain at least the information mentioned in Regulations no. 1558 of 1 December 2004 relating to bookkeeping, Section 5-3-2a, together with information showing the means of payment and the ID number of the point of sale. The word "Salskvittering" (Sales receipt) must be clearly marked at the top of the receipt. If the sales receipt is produced in electronic form, the words "Elektronisk salskvittering" (Electronic sales receipt) must be displayed. If a payment terminal is integrated with the cash register system, the sales receipt must also contain a transaction ID.

Section 2-8-5. *Return receipt*
  The word "Returkvittering" (Return receipt) must be clearly marked at the top of the receipt. In addition, the provisions in Section 2-8-4 apply correspondingly to return receipts.

Section 2-8-6. *Copy receipt, pro forma receipt and training receipt*
  If the cash register system has functionality for printing copy receipts, pro forma receipts or training receipts, such receipts must be clearly marked "KOPI" (COPY), "Foreløpig kvittering - IKKJE KVITTERING FOR KJØP" (Provisional receipt – NOT A PURCHASE RECEIPT) and "Treningskvittering – IKKJE KVITTERING FOR KJØP" (Training receipt – NOT A PURCHASE RECEIPT), respectively. The font of the marked text must be at least 50% larger than the text that shows the amount. Training receipts must not be included in the same numbering series as sales receipts.

Section 2-8-7. *Delivery receipt*

If the cash register system is used for registration of credit sales which are to be invoiced at a later time, a receipt must be printed which shows what goods and services have been supplied. The receipt must be clearly marked "Utleveringskvittering – IKKJE KVITTERING FOR KJØP" (Delivery receipt – NOT A PURCHASE RECEIPT). The font of the marked text must be at least 50% larger than the text that shows the amount.

Section 2-8-8. *Receipt from a payment terminal*

A receipt from a payment terminal which is not integrated with the cash register system must be clearly marked "IKKJE KVITTERING FOR KJØP" (NOT A PURCHASE RECEIPT). The font of the marked text must be at least 50% larger than the text that shows the amount.

Chapter 3. Product declaration and rectification of deficiencies etc.

Section 3-1. *Product declaration*

(1) A product declaration as referred to in Section 5 of the Cash Register Systems Act must be supplied electronically.

(2) The product declaration shall be deemed as having been signed by use of:
a) a qualified certificate solution, or
b) a national ID number and organisation number, and the use of a PIN code which gives authority to approve the product declaration.

(3) PIN codes shall be allocated as determined by the Directorate of Taxes.

Section 3-2. *Withdrawal of the cash register system from the market etc.*

(1) If the supplier withdraws the cash register system from the market or the tax office orders the supplier to withdraw the cash register system from the market, with reference to Section 6 of the Cash Register Systems Act, the supplier must, without undue delay, notify its customers of this.

(2) An order from the tax office to rectify deficiencies or withdraw the cash register system from the market, with reference to Section 6, second paragraph, of the Cash Register Systems Act, shall include a deadline for executing the order.

Chapter 4. Entry into force

Section 4-1. *Entry into force*

The regulations enter into force on 1 January 2017.

Appendix 2

Comments on the Cash Register Systems Regulations

Chapter 1. Scope of the regulations. Definitions

Regarding Section 1-2. Definitions
Letter a is the same as the draft proposal for Section 5a-1, letter e, of the Bookkeeping Regulations. Cash boxes are taken to include both traditional boxes attached to the cash register itself (typical for ROM-based cash register systems) with a facility for storing banknotes and coins, and boxes not physically attached to the cash register itself, but which are connected to the system and hence constitute part of the point of sale and which have a facility for storing banknotes and coins. Various types of solution where a separate "coin apparatus" and/or "bank note feeder" are connected to a safe (SafeGuard, SafePay etc.) are also considered as cash boxes. A freestanding cash tin, a waiter's money belt, a bus driver's money bag and similar arrangements will also be considered to be cash boxes if they are used to store cash for the enterprise. It is also noted that there is a requirement for the cash box, as a general rule, to be an integrated part of the cash register system; see Section 2-2.

    Letter b defines what is meant by a point of sale. Even if the cash box is not an integrated part of the cash register system, for example, a waiter using his money belt to store cash, the unit where the sales transactions are registered and print-outs of sales receipts initiated will be a point of sale. A unit which is only used to register orders or to perform credit sales will accordingly not be a point of sale.

    Letter c is the same as the draft proposal for Section 5a-1, letter h, of the Bookkeeping Regulations. If it is possible to register use of the "emergency opening button" in an electronic journal, such use must also be included in the summary figures for cash box openings.

    Letter d is the same as the draft proposal for Section 5a-1, letter i, of the Bookkeeping Regulations. The receipt for the sale may be a physical print-out or an electronic file. Sales receipts will also include credit sales concluded at the point of sale.

    Letter e is the same as the draft proposal for Section 5a-1, letter j, of the Bookkeeping Regulations. Repayment for price-adjusted goods or services may typically occur as a result of the customer complaining about the goods or service and receiving a price reduction.

    Letter g defines a pro forma receipt. A pro forma receipt will typically be used in the restaurant sector where the customer wishes to see how much the receipt is going to be for before the final receipt is printed.

    Letter h is the same as the draft proposal for Section 5a-1, letter k, of the Bookkeeping Regulations. A delivery receipt does not constitute definitive documentation of the sale. The sale must subsequently be invoiced and posted as a credit sale with an obligation to be itemised in the customer ledger, with reference to the Bookkeeping Regulations, Section 3-1, first paragraph, item 3, and see the second paragraph.

    Letter i defines what is meant by a training receipt. A training receipt will usually contain the same kind of information as a sales receipt, but must have a different numbering series; see Section 2-8-6.

    Letter j defines what is meant by a receipt from a payment terminal. Such print-outs are relevant in the case of the use of payment terminals which are not integrated into the cash register system.

    Letter k is the same as the draft proposal for Section 5a-1, letter l, of the Bookkeeping Regulations. Continuous use includes any use of the cash register system (including all corrections – even before the "cash" key has been pressed). The words "and the like" include amendments to

programmed text and clearing of the ROM memory in connection with the transfer of the information to an external memory.

Letter l is the same as the draft proposal for Section 5a-1, letter m, of the Bookkeeping Regulations. The electronic journal must document all continuous use of the cash register system.

Letter m is the same as the draft proposal for Section 5a-1, letter n, of the Bookkeeping Regulations. After a Z report has been produced, the registrations in the cash register system must be zeroed, so that they are not included in the next Z report.

Letter n is the same as the draft proposal for Section 5a-1, letter o, of the Bookkeeping Regulations. Production of an X report does not entail the zeroing of the registrations in the cash register system. This means that the information included in the X report will also be included in the next Z report. An X report may, for example, be used to perform a check of the cash register during the day, i.e. before the final daily reconciliation.

Letters o to q define cumulative totals to be included in the X and Z reports, with reference to the Cash Register Systems Regulations, Section 2-8-2, letters w to y. The cumulative totals include all registrations in the cash register system from the start of its use, and must include any value-added tax. The cumulative totals must include credit sales as mentioned in Section 2-8-2, second paragraph, and return receipts associated with credit sales.

Regarding Section 1-3. Adaptation of a cash register system
This provision expands the definition of "supplier of a cash register system" in the Cash Register Systems Act, Section 2, letter e. Under this definition, in addition to manufacturers and importers, distributors and others which adapt cash register systems to an enterprise with a bookkeeping obligation are also taken to be suppliers of a cash register system. Not every adaptation of a cash register system will result in an entity being considered a supplier. For example, an entity helping the enterprise with a bookkeeping obligation to enter/amend goods and goods categories, prices, staff names etc. following a template supplied with the system will not be taken to be a supplier. If this entity adds new functions, the system description will no longer be complete, with reference to Section 3, second paragraph, of the Cash Register Systems Act and Section 2-6, first paragraph, of the Cash Register Systems Regulations, and a new product declaration and a new system description must be created. The same will apply if an entity makes changes to prohibited functions and to the system's architecture, with reference to Section 2-5 of the Regulations.

Chapter 2. Requirements for cash register systems etc.

This chapter defines specific requirements for cash register systems. These system requirements have corresponding provisions concerning the use of cash register systems in the draft proposal for Chapter 5a of the Bookkeeping Regulations.

Regarding Section 2-1. System description
This provision extends the requirement for a system description ensuing from Section 3, second paragraph, of the Cash Register Systems Act. *The first paragraph* entails that the system description must describe the kind of components that the cash register system consists of, such as hardware, operating system, including file system, database and programs. Data flow from the point of sale to storage in an electronic journal and transfer from an electronic journal to a standard export format must also be described. In addition, the system description must describe the measures that protect the electronic journal from unauthorised changes. This system description is intended to be a straightforward overview. The provision supplements Section 4 of the Cash Register Systems Act.

The system description must also document the audit trail pursuant to the requirement in the Bookkeeping Act,
Section 6, third paragraph, if the cash register system forms part of the accounting system of the enterprise with a bookkeeping obligation. Reference is made to the Norwegian Bookkeeping

Standard NBS 2 Kontrollsporet (The Audit Trail) for more guidance concerning the documentation requirements for an audit trail.

The second paragraph entails that the system description accompanying the cash register system in the event of sale, lease or loan must be amended if new functions are added to the system or in the event of other changes that affect the architecture of the system. The requirement also applies to distributors and others which adapt a cash register system for the enterprise with a bookkeeping obligation, with reference to Section 2, letter e, of the Cash Register Systems Act. The supplier may decide whether to prepare a new system description or a supplement to the system description.

Regarding Section 2-2. Cash box

As a main rule, a cash register system must have an integrated cash box at each point of sale. Cash box is defined in Section 1-2, letter a. Integrated cash boxes are taken to include both traditional boxes attached to the cash register itself (typical for ROM-based cash register systems) and boxes not physically attached to the cash register itself, but which are connected to the system and hence form part of the point of sale. Various types of solution where a separate "coin apparatus" and/or "bank note feeder" are connected to a safe (SafeGuard, SafePay etc.) are also considered as integrated cash boxes. There is an exemption from the requirement to use an integrated cash box under certain conditions. This applies if the cash register system has functionality for registering cash sales etc. separately for each operator and payments are not made from a fixed point of sale. An example might be when waiters take payment at a table and the cash is stored in a money belt or similar. If the enterprise with a bookkeeping obligation has permanent solutions using a cash register system in which payment cannot be made by banknotes and coins, there will be no requirement for a cash box.

In the case of an integrated cash box, a requirement will be made that the cash register system must register openings of the cash box (see Section 2-7, second paragraph) and furthermore that it must not be possible to perform registrations if the cash box is open (see Section 2-6, fifth paragraph).

Regarding Section 2-3. Printer etc.

The individual point of sale must be equipped with a printer and an export function. Point of sale is defined in Section 1-2, letter b. For a more detailed description of the requirements for the export function, including the safeguarding of data integrity, see the comments to Section 2-7.

Regarding Section 2-4. Language requirement

The title of the receipts and words which must be clearly marked, with reference to Sections 2-8-4 to 2-8-8, must be in Norwegian, even if the rest of the text on the receipts is in one of the other languages.

Regarding Section 2-5. Functions that a cash register system must have

The provision lists certain functions that must be present in a cash register system. The provision entails a prohibition on having a cash register system that does not have these functions.

The functional requirement in the *first paragraph* corresponds to the usage requirement in the draft proposal for Section 5a-8, first paragraph, of the Bookkeeping Regulations.

The functional requirement in the *second paragraph* also applies where payment is made using different means of payment in a single sales transaction. The provision must be viewed in context with the requirement for itemisation on sales receipts and the X and Z reports and the draft proposal for the corresponding usage requirements in Section 5a-2, second paragraph, of the Bookkeeping Regulations that the registration must comprise all the information to be specified in X and Z reports.

The functional requirement in the *third paragraph* is necessary for fulfilling the requirement for receipts and reports in Section 2-8, with reference to the draft proposal for Section 5a-12 of the Bookkeeping Regulations.

The functional requirement in the *fourth paragraph* is necessary for ensuring that all use of returns is clearly shown from receipts and the daily reconciliation.

The functional requirement in the *fifth paragraph* corresponds to the usage requirement in the draft proposal for Section 5a-9 of the Bookkeeping Regulations.

Regarding Section 2-6. Functions that a cash register system must not have

The provision lists certain functions that must not be present in a cash register system. The provision entails a prohibition on having a cash register system that has these functions, with reference to the requirement for a cash register system to have a product declaration that guarantees the absence of these functions.

The first paragraph entails a general prohibition against hidden functions.

The second paragraph entails that the software in the cash register system may not have APIs (Application Programming Interfaces), database functions or equivalent which permit writing to the electronic journal outside of the normal functions of the cash register system, and which are described in the documentation. It must protect the electronic journal against unauthorised amendments and prevent third-party solutions (zapperware etc.) from accessing the electronic journal through the cash register system's functions and architecture. A system supplier cannot guard against hacking and other attacks on the electronic journal, but there must not be functions present that could easily be misused in order to compromise the integrity of the journal. This also entails that built-in security mechanisms must be satisfactorily configured so that it is not easy to gain unauthorised access to the cash register system's electronic journal or the system's functions and thereby inhibit full registration of the use of the system in the journal.

The third paragraph, first item entails a prohibition against being able to reset the electronic journal, e.g. through the "recall journal" function.

The third paragraph, second item entails that it must not be possible to remove pre-programmed text in connection with the execution of a sales transaction. The provision is not intended to prevent a supplementary text being added in the event of a sale. For example, there might be a pre-programmed text entry of "snow tires", to which, in the event of a sale, supplementary information could be added as to what type of snow tires were being sold. Nor, of course, does the provision prevent the programming being changed outside of an actual sale.

The requirement in the *fourth paragraph* concerning printing a receipt is important for ensuring that the sale is fully registered. A print-out must be done even if the customer does not wish to take the print-out away. The cash register system must be able to print the receipt onto paper, but there may also be an option for an electronic print-out. An electronic print-out is made when the receipt is sent from the cash register system in such a way that the customer can receive the receipt in electronic form, e.g. on a smartphone or via Digipost. If the cash receipt is sent to the customer electronically and a print-out on paper is also made, one of the receipts must be marked "KOPI" (COPY), with reference to Section 2-8-6. The prohibition of the option of printing more than one copy of the sales receipt is intended to prevent the reuse of receipts for standardised sales, such as half a litre of beer or the dish of the day.

The requirement in the *fifth paragraph* ensures that the number of openings of the cash box can be verified against the number of registered sales transactions.

The requirement in the *sixth paragraph* must be seen in the context of the obligation of the enterprise with a bookkeeping obligation, in accordance with the draft proposal for Section 5a-10 of the Bookkeeping Regulations, to transfer the information to another electronic medium. This requirement is important and will prevent accounting material for which there is a retention obligation from being deliberately or accidentally deleted.

The requirement in the *eighth paragraph* applies to cash register systems that will be connected to a non-automatic weighing instrument. The requirements concerning non-automatic

weighing instruments are regulated by Directive 2009/23/EC, and implemented in Norway through Regulations no. 1735 of 21 December 2007 relating to requirements concerning non-automatic weighing instruments. (From 16 April 2016, Directive 2014/31/EU applies). The Norwegian Metrology Service has interpreted the Directive to mean that a cash register system is not part of the measuring instrument. The cash register system does not therefore have to fulfil the requirements of the Directive, but will be seen as an addition to the weighing instrument, with reference to Regulations no. 1735, Section 15.

Regarding Section 2-7. Electronic journal
The first paragraph entails that the actual entering of figures alone does not need to be stored, but once another key has been pressed, such as the "C" key (cancellation) or "Enter", both the first amount entered and subsequent activity must be stored. For example, if the operator first enters an amount as NOK 1000, which is shown on the display, and then changes this to NOK 100 before the sale is concluded, the correction of the amount must be registered in the cash register system.

The electronic journal must be protected against alteration. The protection against alteration must be secure. Reference is made to chapter 5 of NBS - Safeguarding of accounting material concerning the meaning of "secure".

In order for an electronic journal to be securely protected against alteration, it must not be possible to directly or indirectly manipulate the contents of the journal. The cash register system must therefore have an electronic journal which, in practice, is invisible to the user and preferably locked with a digital signature and/or encryption.

For transfer of an electronic journal to another electronic medium, the system must produce a file directly from the electronic journal which is not readily editable. Such a transfer must not be possible before the cash register system has produced a Z report. The requirements for the file not to be directly editable is crucial for ensuring correct documentation and a basis for verification.

When a storage medium is full, the system must issue a warning and delay further storage until a new storage medium is connected. All storage media for the current retention period must be securely stored. Reference is made here to the draft proposal for Section 5a-15, second paragraph, of the Bookkeeping Regulations and the comments to this provision.

It must be possible to substantiate that the exported data are complete by checking against X reports and Z reports, grand totals and the like.

In order to secure practical use of the electronic journal for the user and supervisory authorities, it must be possible to export from the hidden electronic journal to make the entire contents of the journal accessible. In this way, neither users nor auditors need access to the system suppliers' encryption keys etc. that are used to secure the journal. The export file can be editable as long as it is generated directly from the secure journal. Enterprises may use the export file to produce monthly reports, charts etc. for their operations. This export file is not subject to a retention obligation like the secure journal is. The system must be able to produce an export file in a standardised form. The Directorate of Taxes specifies the format and content of the file.

The second paragraph must be viewed in the context of the requirement for the X and Z reports to show how many times an integrated cash box has been opened, with reference to Section 2-8-2, letter m, of the Bookkeeping Regulations.

The third paragraph entails that changes in fixed information, such as value-added tax rates and prices, must be shown in the electronic journal. It is sufficient for the time of the change to appear in the journal. There is no requirement to show what the VAT rates, prices etc. were before and after the change.

The fourth paragraph must be viewed in the context of Section 2-8-2, letter v, and Section 2-8-3 which define requirements that the information must be specified in the X and Z reports.

The expression "other registrations" in the *fifth paragraph* also includes electronic daily reconciliations in accordance with the draft proposal for Section 5a-14 of the Bookkeeping Regulations.

In *the sixth paragraph*, provisions are made concerning how the information must be stored in an electronic journal. An example of a satisfactory solution might be to mark the start of each individual sales receipt with a special sign.

Regarding Section 2-8-1. X reports, Z reports, sales receipts, etc.
The first item specifies the minimum requirements for the type of documentation that the cash register system must be capable of producing. The provision does not entail any prohibition on the cash register system being able to produce other documentation in addition.

Under *the second item*, it is not an absolute requirement that the cash register system must be capable of registering credit sales, but if the cash register system has such a function, it must also have a function for printing a special receipt (delivery receipt) for this. This requirement must be viewed in the context of the general requirement that a sales receipt must always be printed in the case of a cash sale, with reference to Section 5a-6-1, first paragraph, of the Bookkeeping Regulations. In the case of a credit sale, a sales document will be issued at a later time than the time of the transaction. The delivery receipt then replaces the sales receipt at the time of the transaction. Also, see the comment to Section 2-8-2, second paragraph, which applies where credit sales are invoiced from the point of sale.

Regarding Section 2-8-2. X report
The provision defines the minimum requirements of the contents of the X reports to be produced by the cash register system. The provision does not define any prohibition against other information being included in the report.

First paragraph
Letter a - It must be clearly apparent that the report is an X report. It is therefore appropriate for the text to be at the top of the report.

Letter b - It is the enterprise's name as registered in the Central Coordinating Register for Legal Entities/ Register of Business Enterprises which must appear on the X report.

Letter c - It ensues from Section 2-5, third paragraph, that the cash register system's clock must be set to Norwegian standard time and adjusted for summer time.

Letter d - A cash register system's ID number will vary in accordance with the type of cash register system, depending on whether it is a PC-based cash register system or a ROM-based cash register system. The most important function of the ID number is to be a unique identifier for a cash register system, in the way that a serial number functions for other electronic apparatus. For a PC-based cash register system, the licence number and serial number of the software will normally be sufficient, and there is no requirement, for example, to register hardware serial numbers in the cash register system. For a shop with one point of sale, with reference to the definition in Section 1-2, letter b, a licence number will serve as the cash register system's ID number. However, for a chain of shops with several points of sale the licence number will be the same for all points of sale. In this case, the licence number must therefore be supplemented with a serial number or other identifier for the point of sale, e.g. the location of the point of sale. The serial number does not need to be sequential, but, combined with the licence number, it must uniquely identify the point of sale. For ROM-based cash register systems, the ID number might be a combination of, for example, the serial number of the apparatus and the software version number.

Letter e - The cash sales must be shown gross, i.e. including any value-added tax, but after deduction of any registered discounts, returns etc.

Letter f - The cash sales, see letter e, must be itemised by main groups. There will be a summary of registered sales which belong in the defined main groups. The enterprise with a bookkeeping obligation may choose to specify cash sales at a more detailed level. For some sectors, requirements have been issued that turnover etc. must be posted and specified in defined goods and service groups, with reference to the Bookkeeping Regulations Sections 8-3 (hairdressing enterprises etc.) and 8-5 (catering establishments). For hairdressing enterprises, it is also a

requirement to show goods and service groups per employee. The cash register system must then in any event be organised so that these requirements can be fulfilled.

Letter g - It is total cash sales, see letter e, that must be broken down by different means of payment. The provision entails a requirement for specification of the different means of payment that can be used at the point of sale, e.g. payment card, physical cash, mobile phone etc. Certain points of sale may be set up so that there is only the option of paying by payment card, for example. In this case, there will only be a requirement to specify cash sales by payment card.

Letter h - It is total cash sales, see letter e, that must be broken down by operator.

Letter j – Reference is made to the requirement to specify separately: sales subject to value added tax, sales free from value-added tax, sales as mentioned in Section 5-1-1, no. 7, of the Bookkeeping Regulations, and sales which are exempt from the Value Added Tax Act under the provisions in Chapter 3 of the Value Added Tax Act; and the requirement to total these sales specially in sales documents, with reference to Section 5-1-5 of the Bookkeeping Regulations.

Letter k - See the comments to the draft proposal for Section 5a-8, first paragraph, of the Bookkeeping Regulations.

Letter l - See the comments to Section 1-2, letter d.

Letter m - See the comments to Section 1-2, letter c.

Letter o - See the comments to Section 1-2, letter g.

Letter p - It will be the total of the returns that is registered, i.e. both the returns registered by sales receipts and the returns that have entailed a separate returns receipt. Reference is made to Section 1-2, letter e, and the draft proposal for Section 5a-7-1, first paragraph, second item, of the Bookkeeping Regulations.

Letter q - It is not a requirement to register discounts on goods where the price has been reduced. If the price is corrected in the cash register, it shall in any case ensue that the correction concerns a discount.

Letter r - The sales here are ones cancelled before a cash receipt has been printed, for example because the customer had no money.

Letter s - An example of a line correction type is "miskeying". It will typically be miskeyings that are corrected before the sales receipt is printed out. An example of this is the item being incorrectly registered twice, or the wrong item being registered.

Letter v - See the comments to Section 1-2, letter h.

Letter w - See the comments to Section 1-2, letter i.

Letters x to z - See the comments to Section 1-2, letters o to q.

The second paragraph entails that the person who invoices credit sales from the point of sale must specify the number and amount of such credit sales. The number of payments received and disbursements relating to credit sales must also be specified. The number of other payments received at the point of sale must be specified by type and amount. These may be, for example, prepayments, deposits and payments for gift cards. Payments received that relate to cash sales must be specified by the type of means of payment. This ensues from the first paragraph, letter g. Concerning disbursements, reference is also made to the draft proposal for Section 5a-8, second paragraph, of the Bookkeeping Regulations, which defines special documentary requirements for removing cash from the cash box.

Regarding Section 2-8-3. Z report
In accordance with the *first paragraph*, it must be clearly apparent that the report is a Z report. It is therefore appropriate for this to be shown at the top of the report.

The numbering requirement entails that for each point of sale there must be Z reports with consecutive numbers. It follows from the requirement for consecutive numbering that two Z reports cannot have the same number. The numbering requirement is in addition to the requirement for the Z report to include the date and time; see Section 2-8-2, letter c. It must accordingly not be possible to register a cash sale in the period after a daily reconciliation has been performed with production

of a Z report, without this cash sale being included in the next Z report, or leaving a trace through the omission of a Z report number.

The second paragraph entails that a Z report cannot be produced if there are parked receipts in the system. Letting of a room in a hotel prior to check-out is not considered to involve a parked receipt.

After a Z report has been produced, the registrations in the cash register system since the preceding Z report must be zeroed, so that they are not included in the next Z report.

Regarding Section 2-8-4. Sales receipt
The Regulations define requirements for the contents of sales receipts, including that the word "Salskvittering" (Sales receipt) must appear at the top of the receipt. The enterprise with a bookkeeping obligation is not required to specify these words in the Nynorsk language. The provision does not define any prohibition against other information being included on the receipt.

Regarding Section 2-8-5. Return receipt
The Regulations define requirements for the contents of return receipts, including that the words "Returkvittering" (Return receipt) must appear at the top of the receipt.

Regarding Section 2-8-6. Copy receipt, pro forma receipt and training receipt
The provision defines a requirement that the words "KOPI" (COPY), "Foreløpig kvittering – IKKJE KVITTERING FOR KJØP" (Provisional receipt – NOT A PURCHASE RECEIPT) and "Treningskvittering – IKKJE KVITTERING FOR KJØP" (Training receipt – NOT A PURCHASE RECEIPT) must be clearly shown on the copy receipt, pro forma receipt and training receipt, respectively. It is not permitted to replace upper case with lower case letters. The enterprise with a bookkeeping obligation is not required to specify these words in the Nynorsk language.

Regarding Section 2-8-7. Delivery receipt
The provision applies to enterprises with a bookkeeping obligation which register credit sales in cash register systems and which subsequently invoice the credit sale. The provision defines a requirement that the words "Utleveringskvittering – IKKJE KVITTERING FOR KJØP" (Delivery receipt – NOT A PURCHASE RECEIPT) must be clearly shown on the receipt. It is not permitted to replace upper case with lower case letters. The enterprise with a bookkeeping obligation is not required to specify these words in the Nynorsk language. An enterprise with a bookkeeping obligation which exceptionally has a credit sale and which does not invoice this specially, can register the sale in the usual way and print a sales receipt. In order to explain differences between the cash holdings tallied up and the Z report, a copy of the sales receipts must be attached to the daily reconciliation.

Regarding Section 2-8-8. Receipt from a payment terminal
The provision defines a requirement that the words "IKKJE KVITTERING FOR KJØP" (NOT A PURCHASE RECEIPT) must be clearly shown on the receipt. It is not permitted to replace upper case with lower case letters. The enterprise with a bookkeeping obligation is not required to specify these words in the Nynorsk language. If an integrated payment terminal is used, both information that a card has been used and a transaction ID must appear on the sales receipt; see the comments to Section 2-8-4.

Chapter 3. Product declaration and rectification of deficiencies etc.

Regarding Section 3-1. Product declaration
The expression "qualified certificate solution" relates to the Electronic Signatures Act, Section 4.

Regarding Section 3-2. Withdrawal of the cash register system from the market
If a cash register system does not satisfy the requirements of the Cash Register Systems Act, the supplier must rectify the deficiency or withdraw the cash register system from the market, with reference to Section 6 of the Cash Register Systems Act. The supplier can and will be so ordered by the tax office. In the legislative history, prop 120 LS (2014-2015), it was proposed that the supplier must inform customers when the fault was corrected or the cash register system was withdrawn from the market. The provision in the *first paragraph* defines a requirement that the customers must be notified without undue delay when the cash register system will be withdrawn from the market. This entails that the supplier must have a list of the customers with a bookkeeping obligation which have purchased a cash register system from it.

The provision in the *second paragraph* defines a requirement that the tax office's order to the supplier to rectify deficiencies or withdraw the system from the market must include a deadline. The length of this deadline may vary according to the type of fault and deficiency that the order applies to.