

Difference Between Invoice and Receipt in Accounting

The **difference between invoice and receipt** in accounting lies in their purpose: an invoice is a request for payment sent by a seller to a buyer, while a receipt is a proof of payment issued after the transaction is completed. Invoices detail the items sold, prices, and payment terms, whereas receipts confirm that the payment has been received. Understanding these distinctions helps maintain accurate financial records and streamline business transactions.

Invoice	Receipt
Request for payment	Proof of payment
Issued before payment is made	Issued after payment is received
Lists goods/services, prices, terms	Confirms amount received
Sent by the seller to the buyer	Given by the seller to the buyer
Used for accounts receivable	Used for payment confirmation