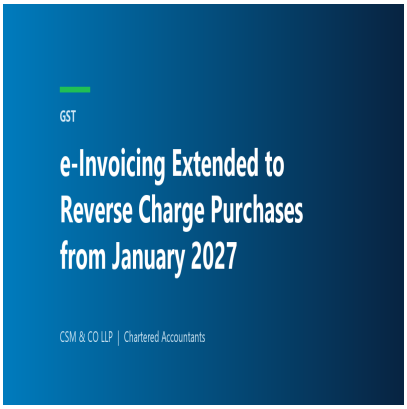



# e-Invoicing Extended to Reverse Charge Purchases from January 2027

## Description

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**Quick summary**

- Notification No. 04/2026-Central Tax dated 26/10/2026 amends notification 13/2020-Central Tax so that e-invoicing covers two new categories of transaction, with effect from 01/01/2027.
- The new categories are supplies received from an unregistered person where the recipient pays tax under reverse charge, and import of services.
- This is the notification the GSTN sandbox announcement of 16/10/2026 was waiting for: the RCMDOM and RCMIMP supply types now have a legal basis and a date.
- e-invoicing stops being purely a supplier's obligation. For these two categories it is the recipient who raises the self-invoice and has to report it.
- The notification does not change which registered persons are covered. It changes only the categories of supply, so the existing turnover class in notification 13/2020 continues to apply.

Since e-invoicing began, it has been the seller's job. The supplier uploads the invoice, gets an invoice reference number, and the buyer sees it flow into its returns. From 1 January 2027 that stops being the whole picture: in two situations the buyer will have to report its own self-invoice.

*New to these terms? See the technical terms explained in simple words further down.*

# At a glance

| Item | Detail |
|---|---|
| Notification | No. 04/2026-Central Tax, G.S.R. 918(E) |
| Date of notification | 26 October 2026 |
| In force from | 1 January 2027 |

| Item | Detail |
|---|---|
| What it amends | Notification No. 13/2020-Central Tax dated 21/03/2020, the notification that puts e-invoicing in place |
| Power used | Sub-rule (4) of rule 48 of the CGST Rules, 2017, on the recommendations of the Council |
| Issued by | CBIC, Department of Revenue (F. No. CBIC-20001/1/2026-GST) |
| Last previous amendment to 13/2020 | Notification No. 10/2023-Central Tax dated 10/05/2023 |

- The change is made by substituting words in the first paragraph of notification 13/2020, so it reads as a wider list of covered transactions rather than as a new scheme.
- Not changed by this notification: the class of registered persons covered, the turnover test, the invoice registration portals, or the time limit for reporting an invoice.
- A separate notification issued the same day, No. 03/2026-Central Tax, is unrelated to e-invoicing: it commenced the Finance Act, 2026 changes to post-sale discounts and refunds from 01/11/2026.

## What the words used to say, and what they say now

| Version | Text in the first paragraph of notification 13/2020 |
|---|---|
| Before | e-invoicing applies in respect of “supply of goods or services or both to a registered person or for exports” |
| From 01/01/2027 | e-invoicing applies in respect of: (i) supply of goods or services or both to a registered person; (ii) supply of goods or services or both for exports; (iii) supply of goods or services or both received from an unregistered person where the tax is payable on reverse charge basis by the recipient of such goods or services or both; or (iv) import of services |

Items (i) and (ii) are the existing position, restated. Items (iii) and (iv) are new.

## Why these two categories are different from everything else

In the two new categories there is no supplier invoice to report.

| Category | Who issues the document today | Who will report it from 01/01/2027 |
|---|---|---|
| Supply to a registered person | Supplier | Supplier, as now |
| Export | Supplier | Supplier, as now |

| Category | Who issues the document today | Who will report it from 01/01/2027 |
|---|---|---|
| Supply received from an unregistered person, tax payable by the recipient under reverse charge | Recipient, by self-invoice | Recipient |
| Import of services | Recipient, by self-invoice | Recipient |

An unregistered supplier has no GST registration and therefore cannot raise a tax invoice or report anything to an invoice registration portal. A supplier of services located outside India is outside the system altogether. In both cases the law already requires the recipient to raise a self-invoice, and it is that self-invoice which now has to carry an invoice reference number.

### The link to the RCMDOM and RCMIMP announcement

On 16 October 2026, GSTN published a portal notice adding two e-invoice supply types, RCMDOM for domestic reverse charge supplies from unregistered persons and RCMIMP for import of services, in the sandbox of all six invoice registration portals. That notice said the scope, applicability and effective date would be governed by notifications still to be issued, and that the production date would be communicated later. This notification is that step: it supplies both the legal basis and the date.

## What this notification does not do

1. **It does not change the turnover class.** The first paragraph of notification 13/2020 describes both who is covered and what is covered. Only the “what” has been replaced, so the registered persons covered are the same as before.
2. **It does not bring every reverse charge purchase into e-invoicing.** Category (iii) is limited to supplies received from an **unregistered** person. Where a reverse charge supply comes from a registered supplier, that supplier issues the invoice and the existing category (i) deals with it.
3. **It does not change the reporting mechanics**, the portals, or the consequences of not reporting. Those continue under rule 48 as before.
4. **It is not retrospective.** Self-invoices raised up to 31 December 2026 are not affected.

## Worked example

A manufacturer with turnover above the e-invoicing threshold makes three kinds of purchase in a month.

| Transaction | Position up to 31/12/2026 | Position from 01/01/2027 |
|---|---|---|
| Goods bought from a registered supplier | Supplier reports the invoice and obtains the IRN | No change |
| Goods exported to a customer abroad | Manufacturer reports its own export invoice | No change |

| Transaction | Position up to 31/12/2026 | Position from 01/01/2027 |
|---|---|---|
| Freight paid to an unregistered local transporter, tax payable under reverse charge | Manufacturer raises a self-invoice; nothing is reported to an IRP | Manufacturer raises the self-invoice and reports it as RCMDOM to obtain an IRN |
| Software subscription bought from a company outside India | Manufacturer raises a self-invoice for the import of services; nothing is reported to an IRP | Manufacturer raises the self-invoice and reports it as RCMIMP to obtain an IRN |

The two bottom rows are the whole effect of this notification for a typical business: transactions it already documents internally now have to pass through an invoice registration portal.

## What to do

1. **Pull a list of reverse charge purchases from unregistered persons, and of imports of services, for the last few months.** Most businesses have more of these than they expect: freight, legal fees from an advocate, sponsorship, security services, and foreign software or marketing subscriptions.
2. **Check whether your self-invoices are actually being raised today**, and in a form that could be reported. A self-invoice recorded only as a journal entry will not survive this change.
3. **Ask your billing or accounting software vendor, in writing, whether RCMDOM and RCMIMP will be supported and by when.** The date is fixed; vendor readiness is the variable you can still influence.
4. **Test in the sandbox before the date, not after it.** The two supply types have been available in the sandbox of all six portals since October 2026, which is an unusually long runway.
5. **Confirm whether you are in the covered class at all.** The turnover test has not changed, so the answer is the same as for your existing e-invoicing position.
6. **Do not change anything before 1 January 2027.** The notification is prospective, and reporting a self-invoice early is not what it asks for.

## Technical terms explained in simple words

| Term | What it means |
|---|---|
| e-Invoicing | Reporting an invoice to a government portal, which returns a unique number for it. It is not a government-generated invoice |
| Invoice Reference Number (IRN) | The unique number a portal returns for a reported invoice, which makes it valid for GST purposes |
| Invoice Registration Portal (IRP) | One of the six authorised portals that accept invoices and issue IRNs |
| Notification 13/2020-Central Tax | The notification that introduced e-invoicing and sets out who is covered and for which supplies |

| Term | What it means |
|---|---|
| Rule 48(4) | The rule in the CGST Rules under which the government specifies the class of persons who must prepare invoices this way |
| Reverse charge | The arrangement where the buyer, not the seller, pays the GST on a supply |
| Unregistered person | A supplier who has no GST registration, and therefore cannot charge GST or issue a tax invoice |
| Self-invoice | The invoice a buyer raises on itself for a purchase where it has to pay the tax, because the supplier cannot issue one |
| Import of services | A service received from a supplier located outside India, on which the Indian recipient pays GST under reverse charge |
| RCMDOM | The e-invoice supply type for a domestic reverse charge purchase from an unregistered person |
| RCMIMP | The e-invoice supply type for an import of services |
| Sandbox | A test version of the portal where software can be tried out without affecting real records |
| Aggregate turnover | The all-India turnover on one PAN, which is the test used to decide who e-invoicing applies to |
| Prospective | Applying from a future date onward, not to transactions already completed |

## How CSM & Co LLP can help

We map a business's reverse charge exposure, which is usually wider than the finance team expects, and check that self-invoices are being raised correctly in the first place before worrying about reporting them. We review whether your e-invoicing position is affected at all, coordinate with your software vendor on RCMDOM and RCMIMP readiness, run sandbox tests on real transaction patterns ahead of the date, and set up the monthly process so that reverse charge self-invoices and imports of services are reported without being missed. Please reach out to our team and we will be happy to assist.

## Frequently asked questions

### What exactly did notification 04/2026-Central Tax change?

It substituted the words in the first paragraph of notification 13/2020-Central Tax. Where that notification applied e-invoicing in respect of "supply of goods or services or both to a registered person or for exports",

it now applies in respect of four categories: supply to a registered person, supply for exports, supply received from an unregistered person where tax is payable on reverse charge by the recipient, and import of services.

### From when does this apply?

1 January 2027. The notification itself says it comes into force on the first day of January, 2027, so nothing changes on the ground before that date.

### Does this change the turnover limit for e-invoicing?

No. The notification only replaces the words describing the categories of supply. The class of registered persons covered by notification 13/2020 is untouched, so whatever aggregate turnover threshold applies to you today continues to apply. GSTN's notice of 16/10/2026 described the intended threshold for the new reporting as the same as the existing e-invoicing limit.

### Who raises the invoice in these new categories?

The recipient. In both new cases there is no supplier invoice to report: a purchase from an unregistered person under reverse charge and an import of services are documented by a self-invoice raised by the recipient, so it is the recipient who has to report it and obtain the IRN.

### What are RCMDOM and RCMIMP?

They are the two new e-invoice supply types GSTN added in its portal notice of 16/10/2026, in the sandbox of all six invoice registration portals. RCMDOM is for domestic reverse charge supplies received from unregistered persons and RCMIMP is for import of services. This notification is what gives those two types their legal basis and effective date.

### Does every reverse charge purchase now need an e-invoice?

No. The new category is confined to supplies received from an unregistered person where the recipient pays under reverse charge. A reverse charge supply received from a registered supplier is not covered by that clause, because the supplier issues the invoice in that case.

### What should a business do before January 2027?

List the reverse charge purchases from unregistered persons and the imports of services made each month, confirm with the accounting or billing software vendor that RCMDOM and RCMIMP will be supported, and test in the sandbox of the invoice registration portals before the date rather than after it.

## Official sources

- Gazette of India: Notification No. 04/2026-Central Tax, G.S.R. 918(E) dated 26/10/2026 (amending notification 13/2020-Central Tax)
- CBIC GST portal (notifications and acts)
- e-Invoice portal

## Related reading

- e-Invoicing for Reverse Charge Self-Invoices: RCMDOM and RCMIMP Explained (2026)
- GST on Waste and Scrap (2026): 2% TDS and Reverse Charge for Plastic, Tyre, E-waste and Used Cooking Oil
- GST Post-Sale Discounts: New Section 15(3)(b) Rules from November 2026

## Disclaimer

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