

INVOICE — CIS AND VAT REVERSE CHARGE

INVOICE — GUIDE PAGE, DO NOT SEND

A guide page and three separate print pages — plain, VAT, reverse charge — each with a CIS panel

KD-TA-IN-002 Rev A0

An invoice in three separate print pages. Choose the page for this invoice, fill it in and send only that page — each page carries only its own VAT wording, so nothing from another type can print on it. This page is guidance for you and is not sent. The invoice is a demand for payment: under a construction contract the payment notices still govern when money is due and how much (KD-PAY-AP-001 is the application), and the contractor's CIS statement back to you is KD-CIS-PD-002.

1 CHOOSE THE PAGE

Page 2 — Type A: you are not registered for VAT. The page shows no VAT. Never show any amount as VAT on an invoice unless you are VAT-registered: HMRC can charge a penalty.

Page 3 — Type B: a VAT invoice. You are VAT-registered and the reverse charge does not apply.

Page 4 — Type C: a VAT invoice under the domestic reverse charge. You are VAT-registered and every condition in the box below is met.

REVERSE CHARGE WHENEVER EVERY CONDITION IS MET

Use Type C when, and only when, all of these are true: you are VAT-registered; your customer is VAT-registered; the payment is reported under CIS; the work is standard-rated or reduced-rated; and the customer has not given you written notice that it is an end user or an intermediary supplier. If they are all true you must use Type C — you cannot choose Type B (Value Added Tax Act 1994 s.55A; Value Added Tax (Section 55A) (Specified Services and Excepted Supplies) Order 2019 art 8; HMRC VAT domestic reverse charge technical guide). The customer's end user or intermediary notice must be in writing, given no later than the time of the supply or in a written agreement (art 8(1A)); believing the customer is an end user is not enough without it. A homeowner is never reverse charge. An end user is a VAT- and CIS-registered business that does not supply the construction work on; an intermediary supplier re-supplies it, without material change, to an end user it is connected or linked with. Ask the customer to confirm its VAT and CIS registration and its position in writing, and keep the reply.

2 VAT INVOICES — TYPES B AND C

A VAT invoice shows every particular in the Value Added Tax Regulations 1995 reg 14 — pages 3 and 4 have a field for each, including the rate of any prompt payment discount offered — and a Type C invoice must also carry the words "reverse charge", printed on page 4. Issue a VAT invoice to a VAT-registered customer within 30 days of the time of supply (reg 13). On a Type C invoice show the VAT due under the reverse charge (or the rate, if the amount cannot be shown), but do not add it to the amount payable. The VAT invoice rules used here apply across the UK; a Northern Ireland business supplying goods to or from the EU has extra rules.

3 CIS — A SUBCONTRACTOR INVOICING A CONTRACTOR FOR CONSTRUCTION WORK

The contractor verifies you with HMRC and HMRC gives it your deduction rate — on gov.uk when this template was written, 20% for a registered subcontractor, 30% if not registered, and nothing for gross payment status; the Treasury can change the rates. The deduction is taken only from the part of the payment that is not the cost of materials, and VAT is left out before the deduction is worked out (HMRC CIS 340 paras 3.11 and 3.12). Materials means what you actually paid, for this job, for materials, consumable stores, fuel (except fuel for travelling), plant you hired from someone else (not your own plant, though fuel for it counts) and the manufacture or prefabrication of materials (paras 3.12 to 3.14); the cost is recorded excluding VAT if you are VAT-registered (para 3.18). Keep the receipts: the contractor may ask for them.

THE CONTRACTOR DEDUCTS — NOT YOU

The contractor makes the CIS deduction, pays it to HMRC, and must give you a written payment and deduction statement within 14 days of the end of the tax month (HMRC CIS 340 para 3.15) — that statement, not the invoice, is your record of tax paid (KD-CIS-PD-002 is the contractor's version). The figures on the invoice are what you expect; the contractor's verification governs. Check CIS 340 and gov.uk for changes, and take advice where tax is at stake.

4 LATE PAYMENT AND TRADING DISCLOSURES

If a business customer pays late, you may claim statutory interest and a fixed compensation sum under the Late Payment of Commercial Debts (Interest) Act 1998, unless your contract gives a substantial remedy of its own for late payment (s.8). Statutory interest is 8% a year over the Bank of England base rate — the base rate in force on 30 June or 31 December before the payment became late. The fixed sum is £40 for a debt under £1,000, £70 for £1,000 to under £10,000, and £100 for £10,000 or more, and reasonable recovery costs above that sum may also be claimed (s.5A). The Act does not apply to consumers. The claim itself is KD-PAY-LP-007.

Trading disclosures. A limited company (and an LLP, under the rules that apply to LLPs) shows its registered name on its letters, order forms, invoices and other business documents and on its website, and its registered number, the part of the UK it is registered in and its registered office address on its business letters, order forms and website (Company, Limited Liability Partnership and Business (Names and Trading Disclosures) Regulations 2015 regs 24 and 25). A sole trader or partnership trading under a name that is not the owner's own name shows each owner's name and a UK address for serving documents on its business letters, written orders, invoices, receipts and written demands for payment (Companies Act 2006 ss.1201 and 1202). Getting that wrong is an offence and can stop a claim for payment going ahead (ss.1205 and 1206).

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Type A — invoice (not registered for VAT) — send [only this page](#)

INVOICE — TYPE A

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A1 FROM

BUSINESS NAME	TRADING NAME (IF DIFFERENT)	LEGAL STATUS	
BUSINESS ADDRESS	TELEPHONE	EMAIL	
REGISTERED COMPANY NAME	COMPANY NUMBER	REGISTERED IN	REGISTERED OFFICE ADDRESS
OWNER'S NAME AND ADDRESS FOR DOCUMENTS	UTR (CIS ONLY)	TRADE BODY OR SCHEME	

A2 TO, AND INVOICE DETAILS

CUSTOMER NAME	CUSTOMER ADDRESS	ORDER / PO NO.		
INVOICE NUMBER	INVOICE DATE	WORK PERIOD COVERED	PAYMENT DUE BY	PAYMENT TERMS
JOB / SITE / QUOTATION REF		PAYMENT NOTICE / APPLICATION REF		

A3 WORK AND GOODS SUPPLIED

NO.	DESCRIPTION OF THE WORK OR GOODS	QTY	UNIT PRICE £	LABOUR £	MATERIALS £	AMOUNT £

AMOUNT PAYABLE — not registered for VAT: no VAT is charged

Not registered for VAT — no VAT is charged.

A4 CIS — ONLY FOR CONSTRUCTION WORK INVOICED TO A CONTRACTOR

☐ Gross payment — no deduction	☐ Registered — standard rate	☐ Not registered or not matched — higher rate		
LABOUR AND OTHER £	MATERIALS £ (COST TO US)	VERIFIED RATE %	DEDUCTION £	NET AFTER DEDUCTION £

The contractor makes any CIS deduction and gives us a written payment and deduction statement.

A5 HOW TO PAY

ACCOUNT NAME	SORT CODE	ACCOUNT NUMBER	PAYMENT REFERENCE

Business customers: if you pay late, we may claim statutory interest and compensation under the Late Payment of Commercial Debts (Interest) Act 1998.

INVOICE — CIS AND VAT REVERSE CHARGE

Type B — VAT invoice — send only this page

VAT INVOICE — TYPE B

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B1 FROM

BUSINESS NAME	TRADING NAME (IF DIFFERENT)	LEGAL STATUS	
BUSINESS ADDRESS	TELEPHONE	EMAIL	
REGISTERED COMPANY NAME	COMPANY NUMBER	REGISTERED IN	REGISTERED OFFICE ADDRESS
VAT REGISTRATION NO.	OWNER'S NAME AND ADDRESS FOR DOCUMENTS	UTR (CIS ONLY)	TRADE BODY OR SCHEME

B2 TO, AND INVOICE DETAILS

CUSTOMER NAME	CUSTOMER ADDRESS	ORDER / PO NO.		
CUSTOMER VAT NO. (IF ANY)	END USER / INTERMEDIARY NOTICE (VAT- AND CIS-REGISTERED CUSTOMER ONLY)			
INVOICE NUMBER	INVOICE DATE	TIME OF SUPPLY (TAX POINT)	PAYMENT DUE BY	PAYMENT TERMS
JOB / SITE / QUOTATION REF	PAYMENT NOTICE / APPLICATION REF		PROMPT PAYMENT DISCOUNT OFFERED	

B3 WORK AND GOODS SUPPLIED

NO.	DESCRIPTION OF THE WORK OR GOODS	QTY	UNIT PRICE £	LABOUR £	MATERIALS £	VAT %	NET AMOUNT £

Total excluding VAT

VAT charged — rate(s) and total VAT in sterling

AMOUNT PAYABLE — total including VAT

B4 CIS — ONLY FOR CONSTRUCTION WORK INVOICED TO A CONTRACTOR

Gross payment — no deduction	Registered — standard rate	Not registered or not matched — higher rate		
LABOUR AND OTHER £	MATERIALS £ (COST TO US)	VERIFIED RATE %	DEDUCTION £	NET AFTER DEDUCTION £

The contractor makes any CIS deduction and gives us a written payment and deduction statement.

B5 HOW TO PAY

ACCOUNT NAME	SORT CODE	ACCOUNT NUMBER	PAYMENT REFERENCE

Business customers: if you pay late, we may claim statutory interest and compensation under the Late Payment of Commercial Debts (Interest) Act 1998.

INVOICE — CIS AND VAT REVERSE CHARGE

Type C — VAT invoice, domestic reverse charge — send only this page

VAT INVOICE — REVERSE CHARGE

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C1 FROM

BUSINESS NAME	TRADING NAME (IF DIFFERENT)	LEGAL STATUS	
BUSINESS ADDRESS	TELEPHONE	EMAIL	
REGISTERED COMPANY NAME	COMPANY NUMBER	REGISTERED IN	REGISTERED OFFICE ADDRESS
VAT REGISTRATION NO.	OWNER'S NAME AND ADDRESS FOR DOCUMENTS	UTR (CIS ONLY)	TRADE BODY OR SCHEME

C2 TO, AND INVOICE DETAILS

CUSTOMER NAME	CUSTOMER ADDRESS	ORDER / PO NO.		
CUSTOMER VAT NO.	CUSTOMER CONFIRMED VAT AND CIS REGISTRATION (DATE / HOW)	END USER / INTERMEDIARY NOTICE		
INVOICE NUMBER	INVOICE DATE	TIME OF SUPPLY (TAX POINT)	PAYMENT DUE BY	PAYMENT TERMS
JOB / SITE / QUOTATION REF	PAYMENT NOTICE / APPLICATION REF		PROMPT PAYMENT DISCOUNT OFFERED	

C3 WORK AND GOODS SUPPLIED

NO.	DESCRIPTION OF THE WORK OR GOODS	QTY	UNIT PRICE £	LABOUR £	MATERIALS £	VAT %	NET AMOUNT £

Total excluding VAT

VAT the customer accounts for under the reverse charge — amount, or the rate if the amount cannot be shown

AMOUNT PAYABLE — no VAT added

Reverse charge: the customer is liable to account to HMRC for the VAT on this supply of construction services (Value Added Tax Act 1994 s.55A). No VAT is included in the amount payable to us.

C4 CIS — ONLY FOR CONSTRUCTION WORK INVOICED TO A CONTRACTOR

☐ Gross payment — no deduction	☐ Registered — standard rate	☐ Not registered or not matched — higher rate		
LABOUR AND OTHER £	MATERIALS £ (COST TO US)	VERIFIED RATE %	DEDUCTION £	NET AFTER DEDUCTION £

The contractor makes any CIS deduction and gives us a written payment and deduction statement.

C5 HOW TO PAY

ACCOUNT NAME	SORT CODE	ACCOUNT NUMBER	PAYMENT REFERENCE

Business customers: if you pay late, we may claim statutory interest and compensation under the Late Payment of Commercial Debts (Interest) Act 1998.

INVOICE — CIS AND VAT REVERSE CHARGE

continued

VAT INVOICE — REVERSE CHARGE

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R REVISION HISTORY

Every revision of this document, and every review that found nothing to change. The revision on the front of this sheet is the one you are holding — check kubitdocs.com for the current one before use.

Rev	Date	Class	What changed	Authorised by
D0	2026-09-13	first-issue	First issue.	— not yet approved —
A0	2026-09-13	review	Approved for issue by the author. Content unchanged from the reviewed draft; the draft status strip is removed. No independent third-party review has been carried out.	Author — director, UK principal contractor, SMSTS. Not an independent review.

Class: first-issue · material (the law, a control, a field or the scope changed — past buyers are notified) · editorial (wording or layout only) · review (checked, nothing changed) · withdrawal. Revision prefix D = draft, not approved and not for sale; A = approved for issue by the person named, on the date shown.