

Practical aspects of implementing electronic invoicing

Practical aspects of implementing electronic invoicing

The mandatory Domestic e-Invoice System (KSeF) will change the way transactions are documented at Polish companies by covering not only active VAT taxable persons, but also entities that benefit from exemptions. Effective preparation for its implementation requires the adaptation of business processes, IT systems and contracts with counterparties, and as of 2027 also changing the way payments are made.

Introduction: As of 1 February 2026 Poland will begin the phased implementation of its mandatory Domestic e-Invoice System for VAT taxable persons. Our alert discusses detailed practical issues associated with the operation of the system that were not covered in the previous edition. The alert is supplementary in nature and should be analyzed in conjunction with our earlier information on KSeF.

Electronic invoices at VAT exempt taxable persons

Taxable persons benefiting from subjective exemptions under Article 113 of the VAT Act and objective exemptions under Article 43 have not been excluded from the requirement to issue structured invoices in KSeF. The definition of a taxable person in Article 15 of the VAT Act covers all entities conducting business activities irrespective of their VAT accounting status. A natural person renting premises to a company and benefiting from a subjective exemption will be required to issue structured invoices starting from 1 April 2026. It is, however, essential to distinguish the recipient – if an exempt taxable person provides a service to a natural person who does not conduct business activities, issuing an invoice in KSeF remains voluntary in accordance with Article 106ga par. 2 point 4 of the VAT Act. The introduction of KSeF does not free exempt taxable persons from the obligation to use cash registers when making retail sales.

Authentication and management of system rights

Natural persons who conduct business activities can authenticate themselves in KSeF using a trusted profile, qualified signature, a token available until the end of 2026, or KSeF certificate. Initial owner's permissions are automatically assigned to the trader. Entities that are not natural persons authenticate themselves using a KSeF certificate, an electronic qualified seal with a tax identification number (NIP), a token, or by submitting a ZAW-FA indicating the person authorized to manage the system. The system provides for three types of access rights: to issue invoices, to access cost invoices and to grant permissions to other users. It is important to be able to grant permissions to an accounting office, which can then independently authorize its employees to issue invoices under an accounting services agreement, thus eliminating the need for the trader to grant access to each employee of the accounting office separately.

Self-invoicing in KSeF

The seller may grant to the buyer the right in KSeF to issue invoices under a self-invoicing agreement through a standard access rights management mechanism. When a foreign counterparty authorizes a Polish trader to issue invoices, the agreement requires the Polish taxable persons to document the sale via KSeF. Invoices issued by foreign buyers to Polish traders are treated differently – Article 106ga par. 1 point 5 of the VAT Act indicates that the KSeF requirement does not apply to invoices in cases specified in the provisions issued on the basis of Article 106s. The Minister of Finance is to issue a decree specifying exemptions from the KSeF requirement, including for self-invoicing by foreign entities that do not use a Polish NIP. Traders that plan to use self-invoicing should analyze the structure of transactions and adjust their contracts with counterparties.



Corrective invoices and elimination of correction notes

The elimination of correction notes means that issuing a corrective invoice will be the sole responsibility of the seller, irrespective of the nature of the error. When a buyer detects an error, even if it only relates to formal details such as an address or telephone number, he will have to ask the seller to issue a corrective invoice in KSeF. The corrective invoice will have to contain the unique KSeF number of the initial invoice. The change requires efficient channels of communication with counterparties and procedures to quickly respond to information. The system does, however, introduce a significant simplification – issuing a structured in minus corrective invoice enables the seller to correct the tax base and the output tax in the period the correction was issued without the need to have documentation confirming that the terms have been agreed with the buyer.

More data and new requirements

Mandatory KSeF expands the list of data that must be placed on invoices. A NIP number must also be provided for buyers who are not VAT taxable persons if they have such a number – this applies to legal persons conducting non-economic activities and entities benefiting from the subjective exemption under Article 113a of the VAT Act. The role of “Employee” has been added to the data structure for purchases made by employees on behalf of their employer, requiring the correct assignment of the roles of buyer and representative. The new regulations impose an obligation on buyers to actively provide sellers with identification numbers and other information necessary for the invoices to be issued correctly in KSeF, which should be reflected in procurement procedures and commercial contracts.

Invoices to foreign counterparties

An invoice to a foreign counterparty must be issued in KSeF and be assigned a unique identification number. Because a foreign recipient without a Polish NIP will not be able to log into the system and download the invoice, the Polish seller must provide the document in a previously agreed manner – most often as a PDF file by e-mail, although it can also be provided in paper form. The invoice should include a QR code making it possible for the foreign counterparty to verify that the document has been issued in KSeF and has been assigned an identification number. To make it easier to issue invoices to foreign counterparties there is an offline mode, which allows invoices to be issued outside the system and sent later, which is useful in dealing with international counterparties in different time zones.

Receiving electronic cost invoices

A structured invoice is considered received the day it is assigned a KSeF number rather than the day it is actually downloaded by the buyer. The date on the Official Confirmation of Receipt determines the date of invoice receipt for the purposes of taxes and VAT deduction deadlines. As the system does not send out automatic notifications, the accounting software must regularly check for new invoices. The Ministry of Finance provides free tools: the KSeF taxable person online application from November 2025 and the KSeF Mobile Application from 1 February 2026. Taxable persons using commercial accounting systems should make sure that their software provides full integration with KSeF, enabling automatic downloads of cost invoices without manually logging into the Ministry of Finance portal.



KSeF number in payments as of January 2027

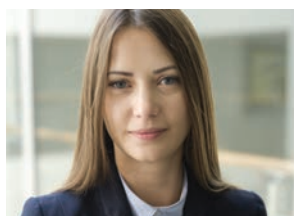
As of 1 January 2027 taxable persons will be required to include KSeF numbers in the payment titles for transfers for both standard and split payments. Instead of the traditional invoice number assigned by the seller, it will be necessary to use a unique KSeF number from information system. The main goal is to prevent payment backlogs by automatically identifying payments and assigning them to specific invoices. As a unique identifier on a national scale the KSeF number eliminates problems with ambiguous numbering repeated by different sellers. This requires the adaptation of payment systems and electronic banking software so that the KSeF number is automatically retrieved from the document and included in the transfer title, which minimizes the risk of errors and streamlines the reconciliation of receivables with counterparties.

Organizational and technical preparations for implementation

Comprehensive organizational, technical and training preparations are required to effectively function in mandatory KSeF. It is crucial to adapt contracts with counterparties and accounting offices with regard to invoice transmission methods and data delivery deadlines. The system will prevent backdating of invoices, and the fact that it will not be possible to cancel an invoice once it has been assigned a KSeF number means the need for rigorous control procedures before it is sent to the system and for agreeing the rules for accepting invoice contents with counterparties. Accounting, sales and IT departments employees must be trained in the use of the system, electronic certification, and access rights management. Businesses must ensure the technical readiness of their IT systems by integrating with KSeF, testing procedures and developing emergency plans in case of connection problems or system outages.



MAREK SPORNY
Partner in the Tax Advisory
Department of BDO,
tax adviser,
office in Poznan
+ 48 61 622 57 00
Marek.Sporny@bdo.pl



Emilia Wolnowska
Partner in the Tax Advisory
Department of BDO,
tax adviser,
office in Poznan
tel.: +48 61 622 57 00
Emilia.Wolnowska@bdo.pl



If you have
any questions
or doubts,
please contact us
with BDO experts.