October 27, 2026

CBIC

GST reverse charge now covers plastic, tire and e-waste scrap

From November 1, 2026, registered buyers pay GST on reverse charge for used cooking oil and plastic, tire and e-waste scrap bought from unregistered sellers.

THE MINISTRY OF FINANCE (Department of Revenue) issued a set of GST notifications dated October 27, 2026, published the same day in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 848. Five of them deal with used cooking oil and waste and scrap: No. 04/2026-Central Tax (Rate), G.S.R. 927(E), made under section 9(3) of the Central Goods and Services Tax Act, 2017 (CGST Act), with the matching No. 04/2026-Integrated Tax (Rate), G.S.R. 928(E), and No. 04/2026-Union Territory Tax (Rate), G.S.R. 929(E); No. 06/2026-Central Tax, G.S.R. 934(E), made under section 23(2); and No. 07/2026-Central Tax, G.S.R. 935(E), made under section 1(3) read with section 51. The Central Government made all five on the recommendations of the Council. They come into force on November 1, 2026, and Dheeraj Sharma, Under Secretary, signed them under F. No. CBIC-190354/142/2026-TRU.

KEY FACTS

AUTHORITY

CBIC

PUBLISHED

October 27, 2026

ISSUED BY

Ministry of Finance (Department of Revenue)

DOCUMENT

Notification No. 04/2026-Central Tax (Rate), G.S.R. 927(E); No. 04/2026-Integrated Tax (Rate), G.S.R. 928(E); No. 04/2026-Union Territory Tax (Rate), G.S.R. 929(E); No. 06/2026-Central Tax, G.S.R. 934(E); No. 07/2026-Central Tax, G.S.R. 935(E)

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No. 04/2026-Central Tax (Rate) adds four entries to the Table in Notification No. 4/2017-Central Tax (Rate), which lists goods whose central tax on an intra-State supply is paid by the recipient on reverse charge. The new entries are S. No. 2A, "Used cooking oil" (heading 1518); S. No. 3B, "Waste and scrap of plastics" (3915); S. No. 3C, "Waste and scrap of tyres" (4004); and S. No. 9, "Electrical and electronics waste and scrap" (8549). For each, the supplier is "Any unregistered person" and the recipient "Any registered person". The integrated tax and union territory tax notifications insert the same four entries in Nos. 4/2017-Integrated Tax (Rate) and 4/2017-Union Territory Tax (Rate). Metal scrap of Chapters 72 to 81 is S. No. 8 of the same Table, inserted by No. 06/2024-Central Tax (Rate) of October 8, 2024 with effect from October 10, 2024, which its note gives as the last amendment. The new notifications do not change it.

No. 06/2026-Central Tax substitutes the proviso to Notification No. 5/2017-Central Tax of June 19, 2017. That notification exempts from registration persons only engaged in making taxable supplies whose total tax is payable by the recipient on reverse charge under section 9(3) of the CGST Act. Its proviso, inserted by No. 24/2024-Central Tax of October 9, 2024 with effect from October 10, 2024, kept the exemption from any person engaged in the supply of metal scrap of Chapters 72 to 81. The new proviso lists five goods: "used cooking oil" (heading 1518), "waste and scrap of plastics" (3915), "waste and scrap of tyres" (4004), "metal scrap" (Chapters 72 to 81) and "electrical and electronics waste and scrap" (8549). From November 1, 2026, the exemption does not apply to any person engaged in supplying any of them.

No. 07/2026-Central Tax substitutes clause (d) of Notification No. 50/2018-Central Tax of September 13, 2018, which brings section 51 of the CGST Act, on tax deduction at source, into force for the persons it lists. Clause (d), inserted by No. 25/2024-Central Tax of October 9, 2024 with effect from October 10, 2024, covered "any registered person receiving supplies of metal scrap" of Chapters 72 to 81 from another registered person. The new clause (d) covers "any registered person receiving supply of any of the following goods from another registered person" and lists the same five goods. The notifications do not state a rate. Section 51(1) of the

CGST Act, in CBIC's text, sets the deduction "at the rate of one per cent." from the payment made or credited to the supplier, where the total value of the supply under a contract "exceeds two lakh and fifty thousand rupees".

None of the notifications sets a value limit of its own, explains the goods beyond the headings and descriptions given, or says how supplies contracted, invoiced or paid for around November 1, 2026 are to be treated. The same Gazette also carries Nos. 02/2026 and 03/2026-Central Tax (Rate) and their integrated and union territory tax versions, which move "Retreaded tractor tyres" (4012) from Schedule II to Schedule I (2.5% central tax, 5% integrated tax), add "sea-weed extract based bio-stimulants" to the Schedule I entry for fertilizers, and add "Psyllium seeds (Isobgul/Isobgol)" (1211 90 13) to the exemptions in Notification No. 10/2025-Central Tax (Rate).

Issued by	Ministry of Finance (Department of Revenue)
Document	Notification No. 04/2026-Central Tax (Rate), G.S.R. 927(E); No. 04/2026-Integrated Tax (Rate), G.S.R. 928(E); No. 04/2026-Union Territory Tax (Rate), G.S.R. 929(E); No. 06/2026-Central Tax, G.S.R. 934(E); No. 07/2026-Central Tax, G.S.R. 935(E)
Dated	October 27, 2026
Published	Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 848, October 27, 2026
Takes effect	November 1, 2026
Applies to	Registered persons buying the listed goods, and persons supplying them
Goods added	"Used cooking oil" (1518); "Waste and scrap of plastics" (3915); "Waste and scrap of tyres" (4004); "Electrical and electronics waste and scrap" (8549)
Already covered since October 10, 2024	Metal scrap, Chapters 72 to 81, by Nos. 06/2024-Central Tax (Rate), 24/2024-Central Tax and 25/2024-Central Tax
Reverse charge	On supply by any unregistered person to any registered person; the recipient pays the tax
Registration exemption	No. 5/2017-Central Tax does not apply to a person engaged in supplying any of the five goods
Tax deduction at source	By any registered person receiving any of the five goods from another registered person
Rate of deduction (CGST Act, section 51(1))	One per cent of the payment made or credited to the supplier, where the total value of supply under a contract exceeds two lakh and fifty

	thousand rupees
Amends	Nos. 4/2017-Central Tax (Rate), 4/2017-Integrated Tax (Rate), 4/2017-Union Territory Tax (Rate), 5/2017-Central Tax and 50/2018-Central Tax
File number	F. No. CBIC-190354/142/2026-TRU
Signed by	Dheeraj Sharma, Under Secretary

What applies to each of the five goods from November 1, 2026

Goods	Customs Tariff heading or chapters	Reverse charge on supply by an unregistered person to a registered person	Registration exemption in No. 5/2017-Central Tax withdrawn	Tax deduction at source by a registered buyer from a registered seller
"Used cooking oil"	1518	From November 1, 2026 (S. No. 2A)	From November 1, 2026	From November 1, 2026
"Waste and scrap of plastics"	3915	From November 1, 2026 (S. No. 3B)	From November 1, 2026	From November 1, 2026
"Waste and scrap of tyres"	4004	From November 1, 2026 (S. No. 3C)	From November 1, 2026	From November 1, 2026
"Metal scrap"	Chapters 72 to 81	Since October 10, 2024 (S. No. 8, No. 06/2024-Central Tax (Rate))	Since October 10, 2024 (No. 24/2024-Central Tax)	Since October 10, 2024 (No. 25/2024-Central Tax)
"Electrical and electronics waste and scrap"	8549	From November 1, 2026 (S. No. 9)	From November 1, 2026	From November 1, 2026

The notification (PDF, 1.0 MB)

Source: Gazette of India, CG-DL-E-27102026-277454.

Checked against the official copy on November 1, 2026.

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