



Making Tax Digital

What You Need To Know

From 1 April 2019, Making Tax Digital (MTD) will become compulsory for most UK VAT registered businesses with a taxable turnover above the VAT registration threshold (currently £85,000).

Affected businesses will be required to:

- submit their VAT return data digitally using software compatible with HMRC's Application Programming Interface (API) platform; and
- maintain digital records and a digital VAT account

Affected businesses will no longer be able to submit their VAT return by entering the details into HMRC's online portal.

All affected businesses should review their VAT accounting processes to establish whether their existing systems and any relevant software meet the stringent MTD requirements. For many organisations, upgrades, add-ons and, in some cases, completely new reporting systems or software will be required.

What do you need to think about now?

- Businesses should immediately look at the steps they need to take to become MTD compliant. Under MTD, the 9 boxes of the UK VAT return must be submitted to HMRC digitally using software compatible with HMRC's API platform. Businesses may need to invest in new MTD-compatible software that can perform this function.
- They should evaluate the different software offerings available and make considered choices. Businesses with complex transactions, large organisations or groups, and those who currently take advantage of VAT simplifications/schemes or make adjustments are more likely to require software adapted to their requirements.
- Organisations that use agents for VAT return submission should work closely with them to ensure they are both aware of their respective responsibilities and obligations.
- Taxpayers that are VAT registered but below the registration threshold will not have to file returns under MTD, but can do so if they wish.
- Charities, public bodies and overseas businesses will also be subject to MTD (unless their taxable activities are below the registration threshold), although the six month deferral may apply.

How can Sean Cavanagh and Co. help?

We can provide you with a clear understanding of the requirements, and assist with agreeing a step plan to ensure that any software changes and systems used are optimised to best suit your needs.

Should you wish to speak to one of our team on 'Making Tax Digital' or to arrange a free consultation, please contact our Tax manager, Noel Convery or Director, Sean Cavanagh.

Contact: 028 8775 5880 | ROI 016994453



Noel Convery: Tax Manager

noel@seancavanaghandco.com



Sean Cavanagh: Director

sean@seancavanaghandco.com



-  16 Charlemont St Moy, BT71 7SL
-  028 8775 5880 | (ROI) 016994453
-  info@seancavanaghandco.com
-  seancavanaghandco.com
-  sean-cavanagh-and-co
-  @seancavanagh