



Making Tax Digital for VAT

April 2019



Treating your business as if it was our own

In July 2017 HMRC announced that all individuals and businesses will eventually have to file their financial information digitally.

What does this mean?

By April 2019 businesses with turnover above the VAT threshold (£85,000) will need to keep electronic records for VAT purposes. This changes the way HMRC wants information from taxpayers and means that if your accounting records are kept on a desktop or manual package they will need to be moved onto an online accounting package.

The good news is that if you do not already use an online accounting package, TI Accountancy have experience with many different providers and will get you set up on the software which most suits your needs.

What are the advantages of going digital?

- You can see a clear, real-time picture of your current financial position.
- Have your accounts 100% online so there is no software to install and everything is backed up automatically.
- Have your bank feed your data directly into your accounts on a daily basis.
- Take a photo on your phone of a purchase invoice and send it directly to your accounts.
- See your financial reports, who owes you money, who you owe money etc. on your phone/laptop 24/7, 365 days a year.

What can I do with digital accounting software?

- Create and send invoices on the go.
- Track your sales, purchases, debtors and creditors.
- Connect to your online banking.
- View a snapshot of your business.
- Estimate tax payments.
- Easy tax filing that matches HMRC requirements.
- Manage customers and suppliers.

Which software suppliers are supporting MTD for VAT?

More than 130 software suppliers have told HMRC that they're interested in providing software for Making Tax Digital. Over 35 of these have said they'll have software ready during the first phase of the pilot in which HMRC is testing the service with small numbers of invited businesses and agents. The following are software suppliers which TI Accountancy already use that have both tested their products in HMRC's test environment and already demonstrated a prototype of their software to HMRC:

- Intuit
- Xero

HMRC will continue to update their list as testing progresses so if you already use an online accounting software not listed above it doesn't necessarily mean you will have to transfer to a different software.

What will it cost?

If your accounting records are already kept on an online software your monthly fee will not alter, unless that software does not support MTD by the April 2019 starting date in which case there might be a slight change due to any difference in software fees. In this circumstance these will be discussed with you nearer the time.



The best thing we ever did...

Moving our book keeping and payroll to TI Accountancy was the best thing we ever did. As well as being on time, accurate and cost effective, they are happy to advise on relevant issues and support us in our plans for future development.

Andy Carter — Thempra



Service is extremely proactive and delivered with passion, simplicity and energy

TI Accountancy translate the 'black art of accounting speak' into plain, understandable and practical advice. Service is extremely proactive and delivered with passion, simplicity and energy which is totally at odds with any preconceptions of accountants and accounting being grey and boring!

Andrew Cock — Owner ALC2805



I wouldn't be without them now...

Thank god for TI Payroll! I wouldn't have a clue where to start doing my own accounts! Not only do they sort all my accounts out for me, they also email me (kindly) when I forget (which is often — I'm sorry!) to remind me to bring in my paperwork, invoices etc. I wouldn't be without them now. Such a great and friendly team, who go out of their way to help and advise. Thanks guys...for everything!

Sam Nevinson — Eye Envy



www.tiaccountancy.co.uk