

MAKING TAX DIGITAL

A Simple Guide for Individuals, Landlords & Small Businesses

What Is Making Tax Digital (MTD)?

MTD is an HMRC initiative requiring digital records and quarterly submissions through approved accounting software. It aims to reduce errors, increase accuracy, and modernise the UK tax system.

Who Does MTD Apply To?

- VAT-registered businesses (already mandatory)
- From April 2026: self-employed individuals and landlords with income above £50,000
- From April 2027: those with income above £30,000

What You Must Do Under MTD

- Keep digital records
- Use MTD-compatible software (Xero, QuickBooks, Sage, FreeAgent)
- Submit quarterly updates
- Submit Final Declaration

Benefits

- Increased accuracy and fewer errors
- Up-to-date financial information
- Easier submissions
- Reduced risk of penalties
- Less last-minute tax stress

Risks of Not Preparing

- Late filing penalties
- Interest charges
- HMRC compliance notices

How AKKA Professional Services Ltd Can Help

- Software setup & migration
- Digital bookkeeping & quarterly updates
- Full HMRC compliance
- Clear, fixed pricing
- Friendly and proactive advice

MTD Readiness Checklist

You are ready if you:

- ✓ Use cloud accounting software
- ✓ Keep digital receipts
- ✓ Have bank feeds enabled
- ✓ Categorise expenses regularly
- ✓ Submit VAT digitally (if VAT registered)

You are NOT ready if you:

- ✗ Use Excel or paper records
- ✗ Store receipts manually
- ✗ Only prepare accounts annually
- ✗ Are unsure about quarterly update rules

Free MTD Readiness Check

AKKA Professional Services Ltd offers a free 15-minute assessment to review your current bookkeeping, advise on software needs, and create a simple plan to get you fully MTD-ready.

Contact AKKA Professional Services Ltd

info@akkaprofessionalservices.co.uk

07973 919 318 | 07828 566 820