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& Customs

Making Tax Digital (MTD)-Income Tax End-to-End (E2E) Customer Journeys v2.0

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*Please do not issue externally without permission from Rob Speksnijder
*This document will be updated monthly. Please note that some screenshots may become outdated between versions of this document as design work continues

Contents

Introduction

- This document is primarily to help software vendors/designers understand how their software will interact with HMRC systems and what it will need to do.
- Additionally, it covers elements of the service delivered by HMRC to show how the E2E service works in totality.
- Product owners and business analysts can also use this document to further their understanding of MTD.

Change Log

- Document created and amalgamated with SA Vendor Guide

Vision

Vision
MTD is a key part of the government's plans to make it easier for businesses to get their tax right first time and keep on top of their tax affairs.

Every business now has their own digital tax account, and the functionality is being regularly expanded and improved. HMRC's ambition is to become one of the most digitally advanced tax administrations in the world, modernising the tax system to make it more effective, more efficient, and easier for customers to comply with their tax obligations.

Keeping records digitally and providing updates to HMRC direct from the software will reduce the amount of avoidable errors businesses currently make (and the cost, uncertainty and worry they face when HMRC is forced to intervene to put things right). This streamlined digital experience will integrate tax into day-to-day business record-keeping, giving businesses confidence that they have got it right and provide them with a view of their tax position in-year.

Timetable
MTD for VAT will be mandatory for businesses whose taxable turnover is above the VAT registration threshold (currently £85,000) from 1 April 2019. It will remain voluntary for VAT registered businesses below the VAT threshold until 2020 in any event. However, the MTD Income Tax Service is available on a voluntary basis.

Vision

Foundations

1. Better use of information - customers should not have to give HMRC information that it already has, or that it is able to get from elsewhere (for instance from employers, banks, building societies and other government departments). Digital tax accounts for all, and open APIs, will mean that customers can use their chosen software to check the information that HMRC holds about them at any time to ensure that it is complete and correct; HMRC will use this information to tailor the service it provides for customers.

2. Tax in real time - Our customers should not have to wait for long periods to know how much income tax they may have to pay. HMRC will collect and process information affecting tax as close to real time as possible, to help prevent errors and stop tax due or repayments owed building up.

3. A single financial account - At the moment most taxpayers cannot see a single picture of their liabilities and entitlements in one place – we are changing that. By 2020, customers will be able to see a comprehensive financial picture in their digital account, just like they can with online banking.

4. Interacting digitally with customers - Our customers (and their agents) will be able to interact with HMRC digitally and at a time to suit them. Their digital accounts will present them with an increasingly personalised picture of their tax affairs, with prompts, advice and support through webchat and secure messaging. Digital record keeping software will be linked directly to HMRC systems, allowing customers to send and receive information directly from their software, with nudges and prompts built-in to help them get their tax right.

High level design

- Around two million small businesses, landlords and the self-employed already use software to manage their affairs. Many are already using apps to regularly record their income and expenses. And so far this year, more than seven million people (around 87%) have filed their Self-Assessment digitally, up from just 39,000 (0.5%) when it was first introduced in 2000.

- MTD will require businesses to use software to record income and expenditure in close to real time, as soon as business transactions occur. This will be underpinned by a requirement for subscribed businesses to send a summary update (based on up-to-date records) every quarter, or more often if businesses prefer. This will be generated and sent using software or an app.

- At the end of each business' basis period (or tax year for income from property), they will finalise their profits (or losses) using software and report these to HMRC, making a declaration that the information relating to that income source is correct and complete.

- The new requirement to keep digital records will not include an obligation to make and store images of invoices and receipts digitally. The digital record would need to include the details of the amount, date and categorisation for each transaction.

- Software packages will use the Income Tax (MTD) API to supply the summary data to HMRC and receive a tax calculation based on the information provided and information HMRC holds (e.g. employment data). This means our customers can interact directly with our systems and see a near 'real-time' view of their estimated tax position. HMRC doesn't plan to produce its own digital tools and will not endorse any such products produced by anyone else. But we will work closely with and support you to design and develop digital tools that will enable HMRC's customers to comply quickly, easily and securely with their obligations to account for tax digitally. Supporting this key functionality are a range of additional service elements, including Registration, Subscription, Authorisation and Payments. Further details on how these all align can be found in The Customer Journey section.

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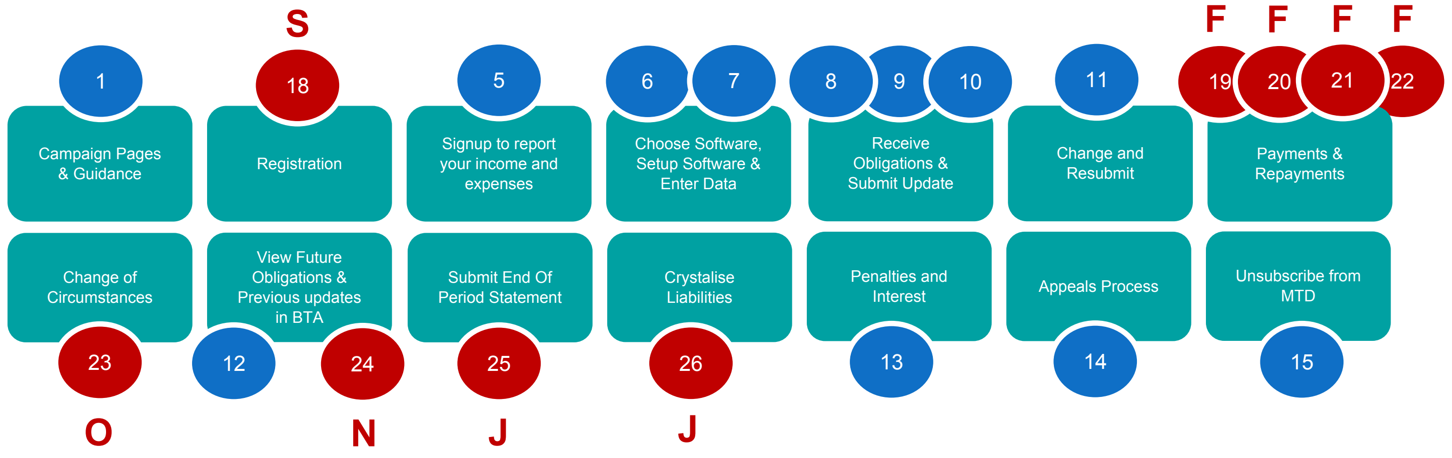
Customer journeys

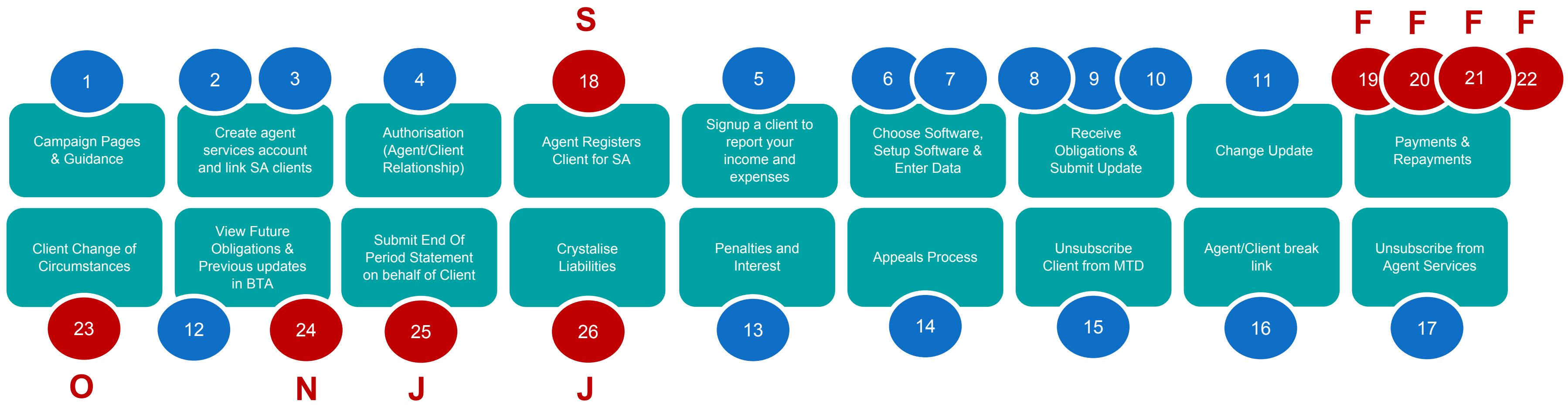
MTD-Income Tax E2E customer journeys

Income Tax business E2E journey roadmap

MTD-Income Tax E2E customer journeys



Income tax agent E2E journey roadmap



1. GOV.UK guidance available
2. Create an Agent services account
3. Agent services map existing clients
4. Agent services get authority from new clients
5. Customer/agent signs up to MTD for Income Tax
6. Choose software GOV.UK page available
7. Customer/agent links software to HMRC
8. Customer/agent views previously submitted data in software
9. Customer/agent retrieves obligations in software
10. Customer/agent submits update in software
11. Customer/agent changes and resubmits previously submitted data
12. Customer views previously submitted data and filing obligations in BTA
13. Customer/agent can receive penalties
14. Appeals process
15. Customer/agent can unsubscribe from MTDfB Income Tax
16. Agent services Income Tax agent/client de-authorisation
17. Agent able to notify their own change of circumstances
18. Registration service available for businesses and agents
19. Customer/agent makes a payment by existing or new Direct Debit method
20. Customer/agent makes a payment (other types)
21. Customer/agent views MTD Payments in software
22. Customer/agent receives a repayment
23. Customer/agent notifies change of circumstances
24. Customer views and makes payments in BTA
25. Customer/agent able to submit end of period statement through software
26. Customer/agent able to crystallise their liabilities through software

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Income tax business/agent E2E journey roadmap

1 - GOV.UK guidance available

1 GOV.UK guidance available

We continue to use GOV.UK - the website for the UK government - as our primary way to provide users with guidance on government services and information. Initially, the guidance will:

- Signpost to a few more detailed, task-based content on GOV.UK (initially: overview of MTD, choose software, sign up, payment options etc)
- Help build awareness about what MTD means for users and agents
- Signpost to route for customer support (See Customer Support Model section for further details), including how vendors can get in touch with HMRC teams
- Manage users' concerns if not eligible yet, or there's no legal requirement for them yet.
- Help us (HMRC) manage the messages users need to know about over coming months and years - who is eligible, why signing up early might help you, when this will become mandatory etc.

As we make more functionality live, we'll add more task-based guidance onto GOV.UK to ensure that users can continue their journey. For example, 'Sign up to report your income and expenses' 'Choose software' etc.

As MTD becomes more mainstream, we'll look to reduce campaign content / presence.

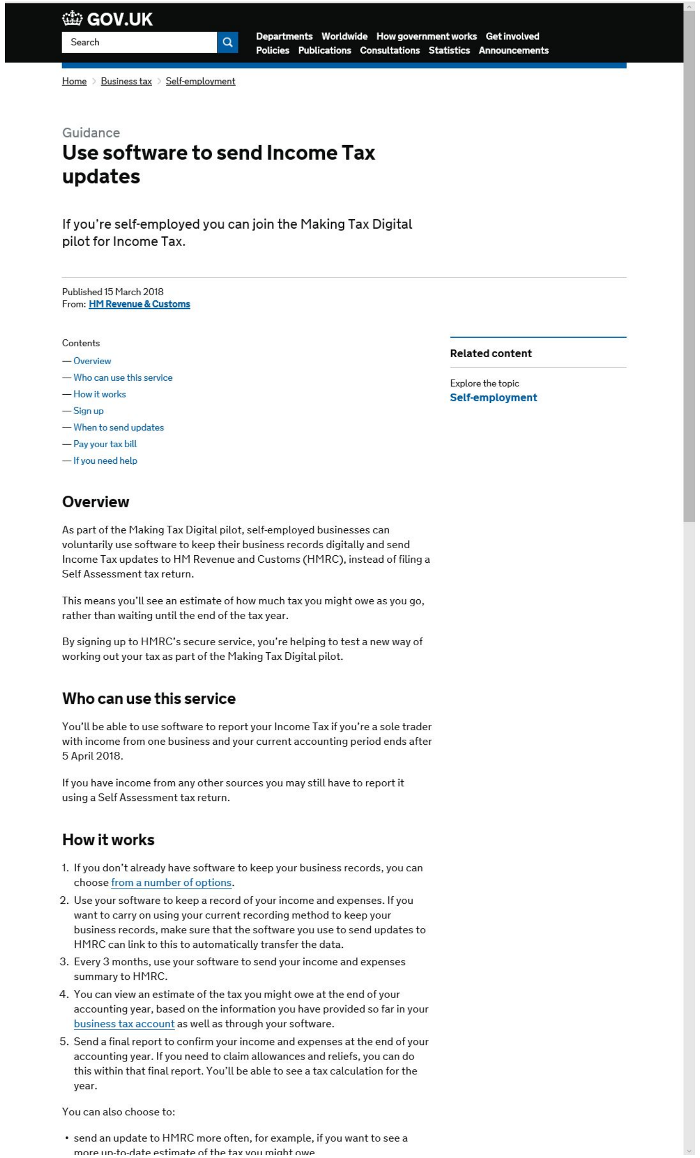
We would like your package to make users aware of the links to the guidance detailed above if they are interested in the service.

Income Tax business/agent E2E journey roadmap

1 GOV.UK guidance available

New MTD guide for Businesses

https://www.gov.uk/guidance/use-software-to-send-income-tax-updates



GOV.UK

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Home > Business tax > Self-employment

Guidance

Use software to send Income Tax updates

If you're self-employed you can join the Making Tax Digital pilot for Income Tax.

Published 15 March 2018
From: HM Revenue & Customs

Contents

Related content

Explore the topic
Self-employment

Overview

As part of the Making Tax Digital pilot, self-employed businesses can voluntarily use software to keep their business records digitally and send Income Tax updates to HM Revenue and Customs (HMRC), instead of filing a Self Assessment tax return.

This means you'll see an estimate of how much tax you might owe as you go, rather than waiting until the end of the tax year.

By signing up to HMRC's secure service, you're helping to test a new way of working out your tax as part of the Making Tax Digital pilot.

Who can use this service

You'll be able to use software to report your Income Tax if you're a sole trader with income from one business and your current accounting period ends after 5 April 2018.

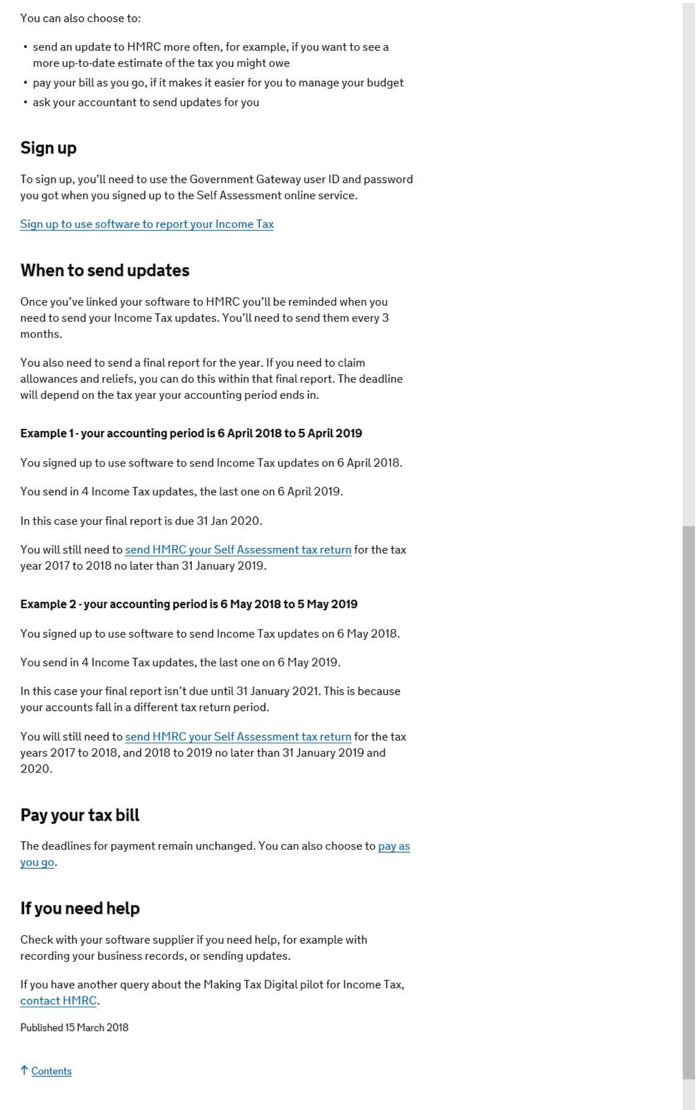
If you have income from any other sources you may still have to report it using a Self Assessment tax return.

How it works

1. If you don't already have software to keep your business records, you can choose from a number of options.
2. Use your software to keep a record of your income and expenses. If you want to carry on using your current recording method to keep your business records, make sure that the software you use to send updates to HMRC can link to this to automatically transfer the data.
3. Every 3 months, use your software to send your income and expenses summary to HMRC.
4. You can view an estimate of the tax you might owe at the end of your accounting year, based on the information you have provided so far in your business tax account as well as through your software.
5. Send a final report to confirm your income and expenses at the end of your accounting year. If you need to claim allowances and reliefs, you can do this within that final report. You'll be able to see a tax calculation for the year.

You can also choose to:

- send an update to HMRC more often, for example, if you want to see a more up-to-date estimate of the tax you might owe



You can also choose to:

- send an update to HMRC more often, for example, if you want to see a more up-to-date estimate of the tax you might owe

- pay your bill as you go, if it makes it easier for you to manage your budget
- ask your accountant to send updates for you

Sign up

To sign up, you'll need to use the Government Gateway user ID and password you got when you signed up to the Self Assessment online service.

Sign up to use software to report your Income Tax

When to send updates

Once you've linked your software to HMRC you'll be reminded when you need to send your Income Tax updates. You'll need to send them every 3 months.

You also need to send a final report for the year. If you need to claim allowances and reliefs, you can do this within that final report. The deadline will depend on the tax year your accounting period ends in.

Example 1 - your accounting period is 6 April 2018 to 5 April 2019

You signed up to use software to send Income Tax updates on 6 April 2018.

You send in 4 Income Tax updates, the last one on 6 April 2019.

In this case your final report is due 31 Jan 2020.

You will still need to send HMRC your Self Assessment tax return for the tax year 2017 to 2018 no later than 31 January 2019.

Example 2 - your accounting period is 6 May 2018 to 5 May 2019

You signed up to use software to send Income Tax updates on 6 May 2018.

You send in 4 Income Tax updates, the last one on 6 May 2019.

In this case your final report isn't due until 31 January 2021. This is because your accounts fall in a different tax return period.

You will still need to send HMRC your Self Assessment tax return for the tax years 2017 to 2018, and 2018 to 2019 no later than 31 January 2019 and 2020.

Pay your tax bill

The deadlines for payment remain unchanged. You can also choose to pay as you go.

If you need help

Check with your software supplier if you need help, for example with recording your business records, or sending updates.

If you have another query about the Making Tax Digital pilot for Income Tax, contact HMRC.

Published 15 March 2018

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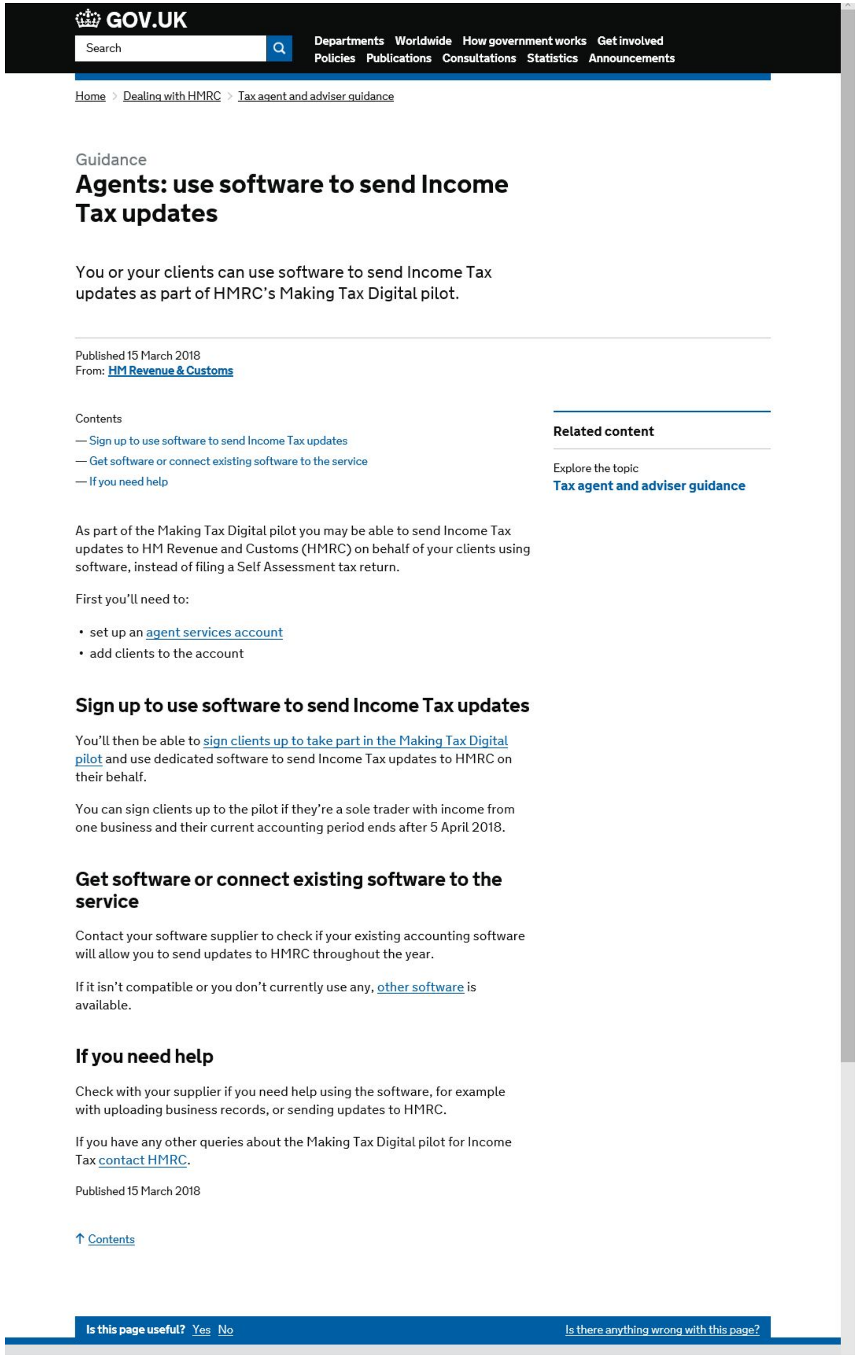
Income Tax business/agent E2E journey roadmap

1 GOV.UK guidance available

New MTD guide for Agents

https://www.gov.uk/guidance/agents-use-software-to-send-income-tax-updates


GOV.UK

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Home > Dealing with HMRC > Tax agent and adviser guidance

Guidance

Agents: use software to send Income Tax updates

You or your clients can use software to send Income Tax updates as part of HMRC's Making Tax Digital pilot.

Published 15 March 2018
From: HM Revenue & Customs

Contents
— Sign up to use software to send Income Tax updates
— Get software or connect existing software to the service
— If you need help

Related content

Explore the topic
Tax agent and adviser guidance

As part of the Making Tax Digital pilot you may be able to send Income Tax updates to HM Revenue and Customs (HMRC) on behalf of your clients using software, instead of filing a Self Assessment tax return.

First you'll need to:

- set up an agent services account
- add clients to the account

Sign up to use software to send Income Tax updates

You'll then be able to sign clients up to take part in the Making Tax Digital pilot and use dedicated software to send Income Tax updates to HMRC on their behalf.

You can sign clients up to the pilot if they're a sole trader with income from one business and their current accounting period ends after 5 April 2018.

Get software or connect existing software to the service

Contact your software supplier to check if your existing accounting software will allow you to send updates to HMRC throughout the year.

If it isn't compatible or you don't currently use any, other software is available.

If you need help

Check with your supplier if you need help using the software, for example with uploading business records, or sending updates to HMRC.

If you have any other queries about the Making Tax Digital pilot for Income Tax contact HMRC.

Published 15 March 2018

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Is this page useful? Yes No   Is there anything wrong with this page?

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Income Tax business/agent E2E journey roadmap

1 GOV.UK guidance available

New generic guide for getting an agent services account

https://www.gov.uk/guidance/get-an-hmrc-agent-services-account

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Home > Dealing with HMRC > Tax agent and adviser guidance

Guidance

Get an HMRC agent services account

Find out when and how to set up an agent services account to use new HM Revenue and Customs (HMRC) online services on behalf of your clients.

Published 15 March 2018
From: HM Revenue & Customs

Contents

Related content

Explore the topic
Tax agent and adviser guidance

What the account does

As a professional tax agent firm you need an agent services account to access new HMRC online services and use software to communicate directly with HMRC.

You can use it to act on behalf of your clients and:

- send Income Tax updates as part of HMRC's Making Tax Digital pilot
- register a trust online
- register an estate online for someone who has died

This list will be updated as more online services become available.

How to set up an account

To set up an account as an agent you need to log in to the Government Gateway using any of the credentials you currently use to access other HMRC online services for agents.

You need to be the person responsible for your agent firm's tax or administrative matters. The account gives you administrative control over

To set up an account as an agent you need to log in to the Government Gateway using any of the credentials you currently use to access other HMRC online services for agents.

You need to be the person responsible for your agent firm's tax or administrative matters. The account gives you administrative control over your agent firm accessing new HMRC services online.

You'll need:

- your agent firm's Unique Taxpayer Reference (UTR) or Corporation Tax reference
- the postcode associated with that reference

You'll get a new agent Government Gateway ID when you set up an agent services account. You'll need this ID to access new online services even if you already use a different one for other activities.

Add clients to your agent services account

Once you've set up your account you can then add your clients.

To do this:

- add each of your agent Government Gateway IDs to the account - this will include all your existing clients connected with each ID
- invite additional clients one by one - this will include new clients, and existing clients who've not yet signed up to use an HMRC online service

You may need to do both of these, depending on your clients' choices.

When to use your agent services account

Use your agent services account to access new HMRC online services.

Continue to use your other Government Gateway IDs to:

- access other HMRC online services (which aren't covered by the agent services account)
- use the agent services dashboard (previously known as Agent Online Self Service)

Published 15 March 2018

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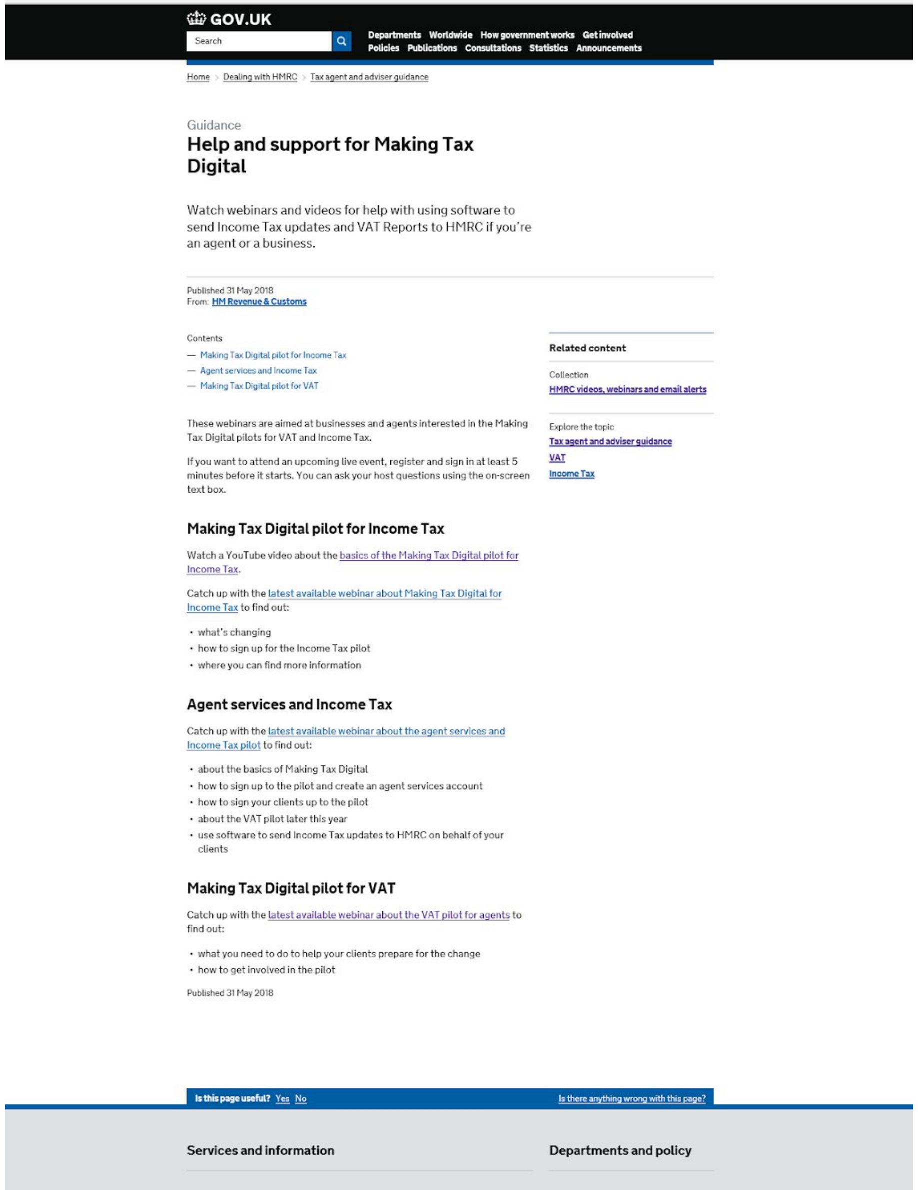
Income Tax business/agent E2E journey roadmap

1 GOV.UK guidance available

https://www.gov.uk/guidance/help-and-support-for-making-tax-digital

New help and support guide which hosts all digital support products for MTD (VAT and ITSA)

https://www.gov.uk/guidance/help-and-support-for-making-tax-digital



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Income Tax agent E2E journey roadmap

2 - Create an Agent services account

2 Create an Agent services account

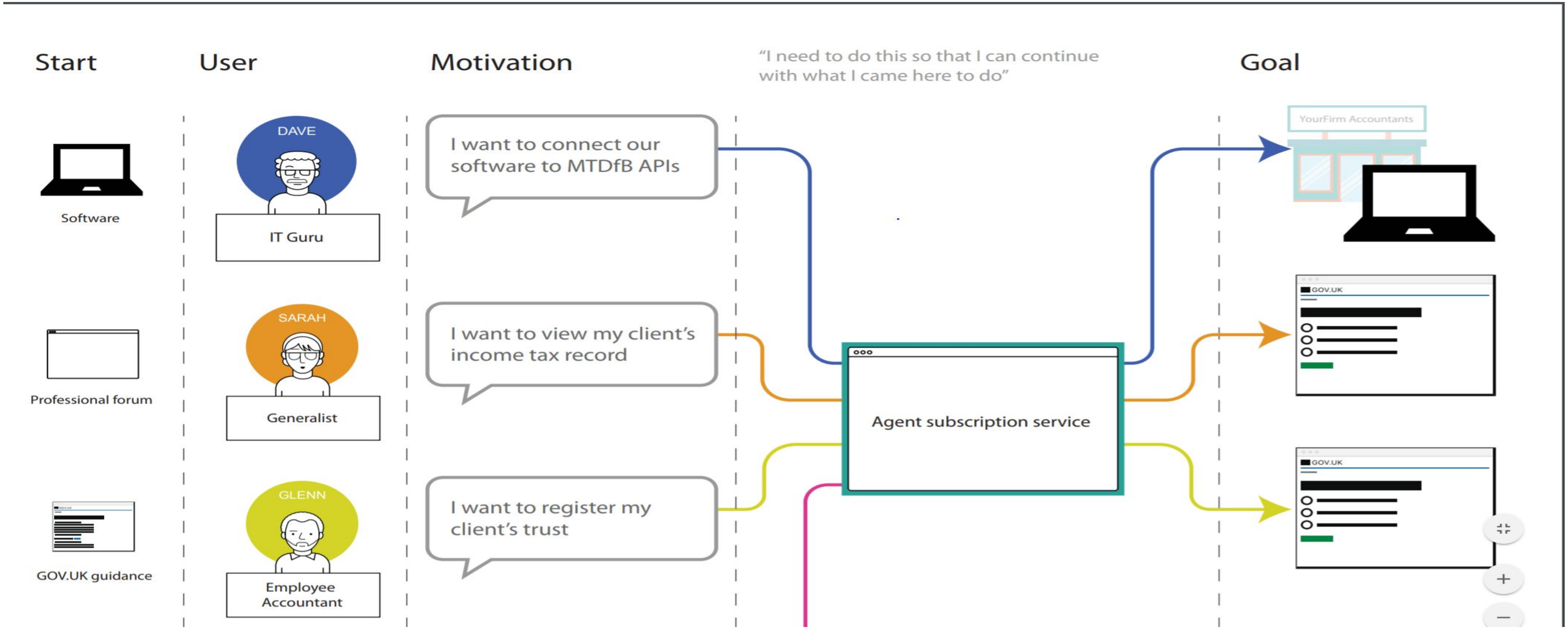
An agent firm will need to create a single agent services account and connect it to their accounting software. The creation of the account is a one off process that an agent firm will need to complete to enable the firm and its staff to access MTD through this one account and act for their clients.

The user journey will be a web screen journey that will be accessible from commercial software or from GOV.UK. The user will be asked to:

- Create a new Government Gateway (GGW) Agent Services Account which will be the firm's new GGW user Agent ID and password. This will become an agent firm's user ID and password that will be used to access all new HMRC services via accounting software
- Providing some designatory data about the agent firm, which will held by HMRC
- Receiving an Agent Service Account Number which is the number that all existing and new clients will be assigned

Income Tax business/agent E2E journey roadmap

2 Create an Agent services account



2

Create an Agent services account

Live page https://www.gov.uk/guidance/get-an-hmrc-agent-services-account

Agent services account: sign in or set up

The Agent services account is for professional tax agents. It allows agencies to:

- connect to HMRC using commercial accounting software
- access new HMRC online services

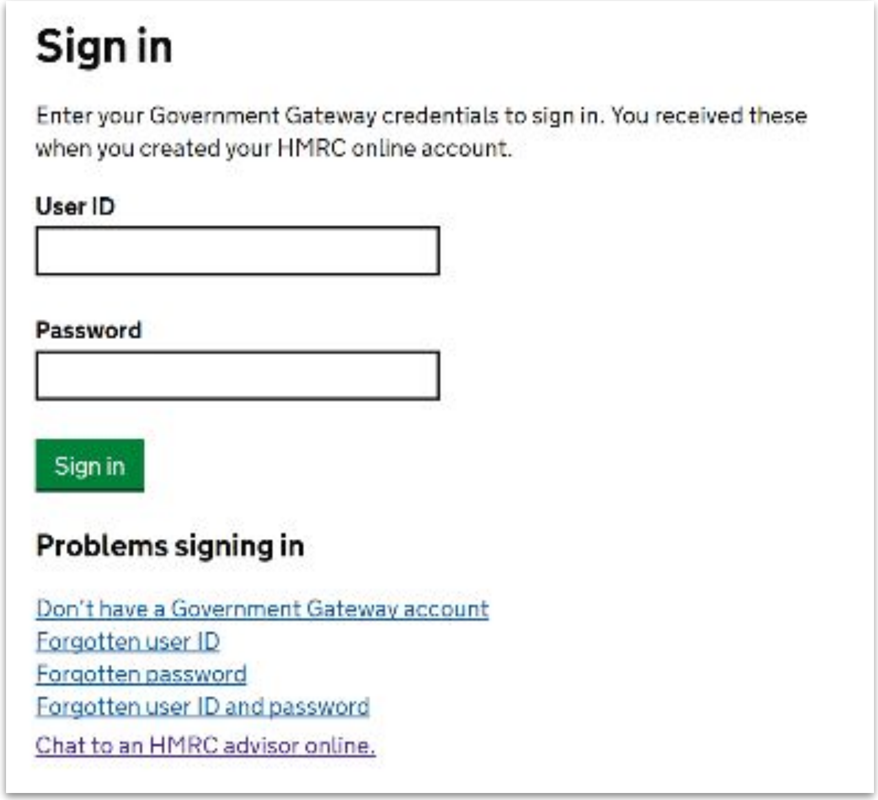
Setting up an account creates a new agent Government Gateway ID. You need this new ID, even if your agency already has one or more.

To set up an account you need:

- an existing agent Government Gateway ID - you will have at least one if you have used any HMRC agent services online before
- your agency's unique tax reference (sometimes called a UTR) and associated postcode, if you are a sole trader or a member of a partnership
- your agency's Corporation Tax reference number and associated postcode,

2

Create an Agent services account



Sign in

Enter your Government Gateway credentials to sign in. You received these when you created your HMRC online account.

User ID

Password

Sign in

Problems signing in

Don't have a Government Gateway account
Forgotten user ID
Forgotten password
Forgotten user ID and password
Chat to an HMRC advisor online.

2 Create an Agent services account

Identify your business

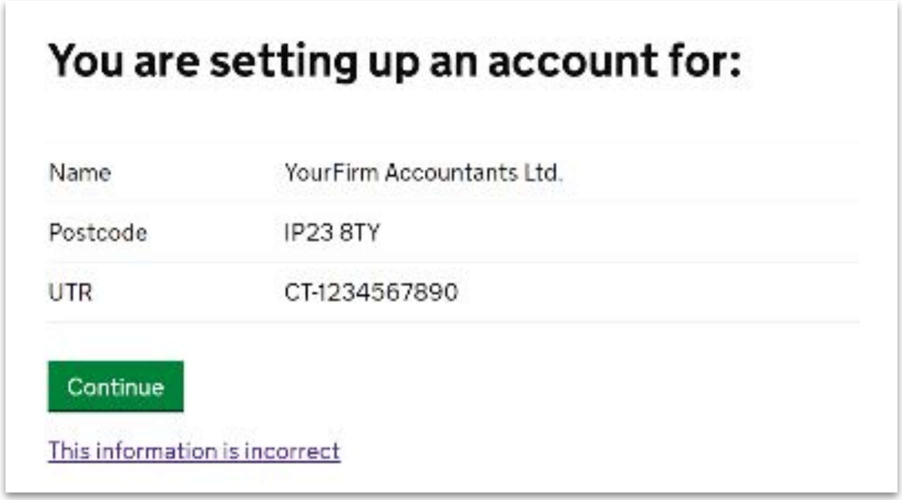
To help us find your business we need its Self Assessment unique tax reference (UTR) or Corporation Tax reference number.

Self Assessment UTR or Corporation Tax reference

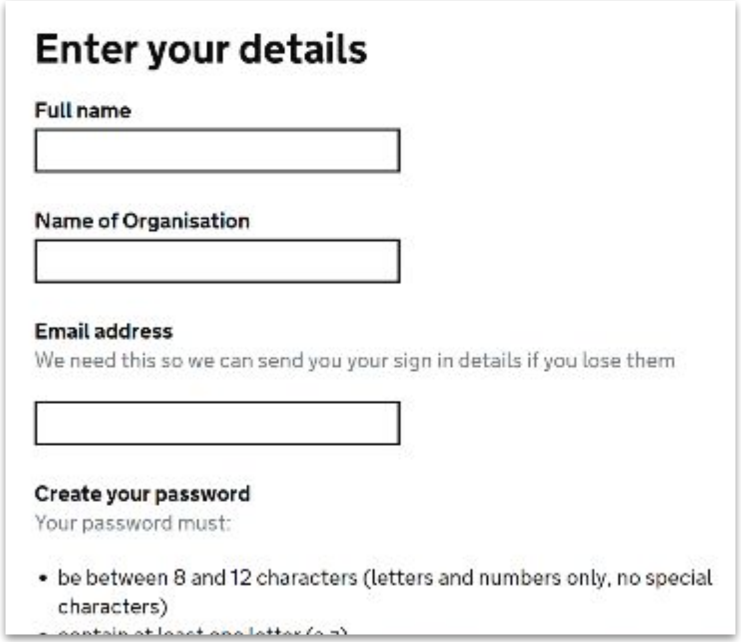
Postcode related to that UTR or reference

Continue

2 Create an Agent services account



2 Create an Agent services account



Enter your details

Full name

Name of Organisation

Email address

We need this so we can send you your sign in details if you lose them

Create your password

Your password must:

- be between 8 and 12 characters (letters and numbers only, no special characters)

2 Create an Agent services account

Make a note of your User ID

Your User ID
279544556399

Your Gateway Agent ID
YourFirm-498AASIBSCN7

Print your User ID

Your Government Gateway account has been created. You'll need your User ID whenever you sign in.

Continue

2 Create an Agent services account

Add your agency address

House name or number (optional)

Postcode

Search address

Enter address manually

2 Create an Agent services account

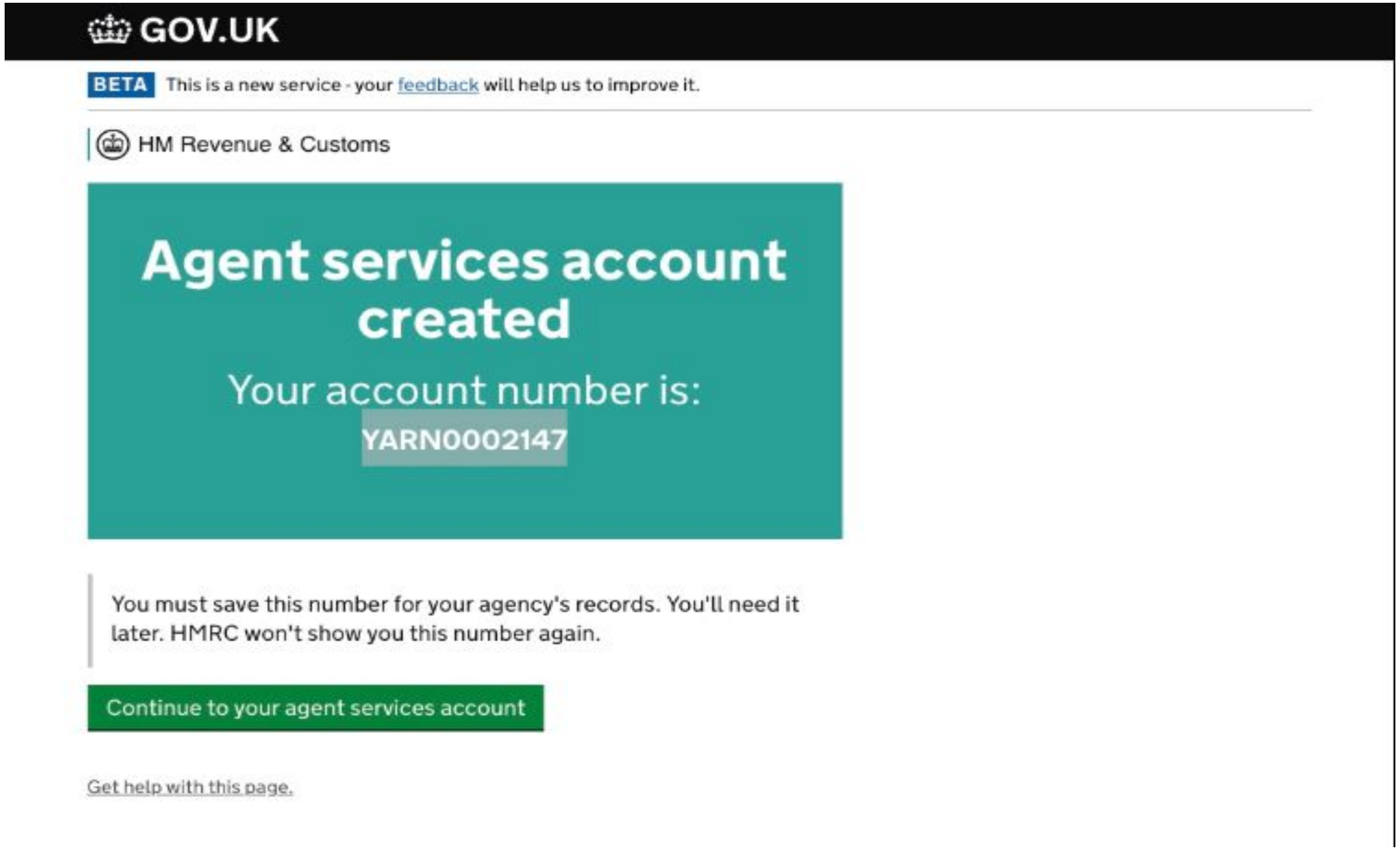
Check your details and create your account

Agency details	Agency name: YourFirm Accountants Ltd Email address: sam@yourfirm.com	Change
Agency address	10 King Road Ipswich Suffolk IP23 8TY	Change

By setting up this account you are confirming that, to the best of your knowledge, the details you are providing are correct.

Create account

2 Create an Agent services account



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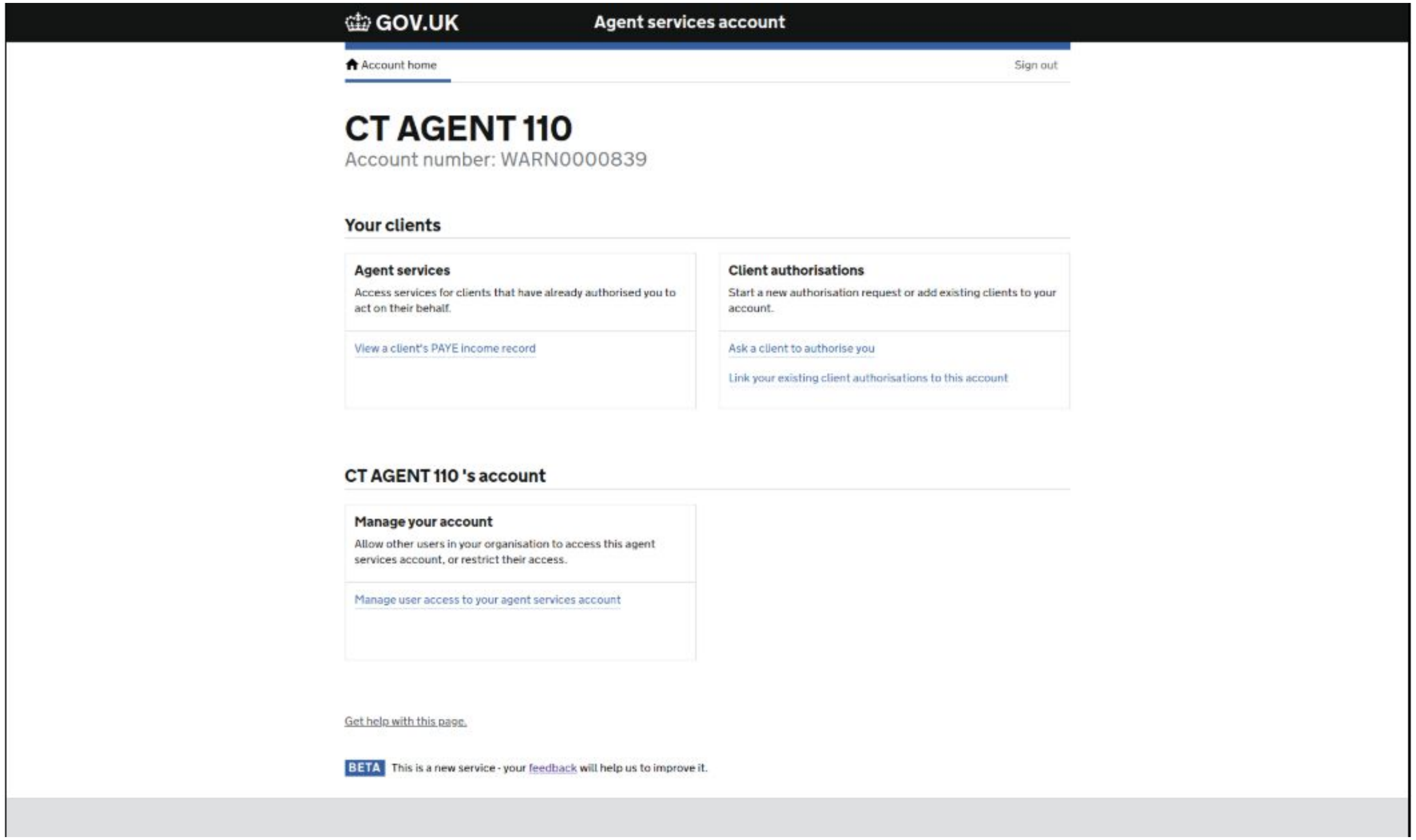
Income Tax agent E2E journey roadmap

2

Create an Agent services account



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Income Tax agent E2E journey roadmap

3 - Agent services map existing clients

3 Agent services map existing clients

Once an agent firm has created an agent service account, they will then link their existing Income Tax clients to the account, so they can view clients' data and submit updates to HMRC, once a client has been subscribed to MTD.

The user journey to link their existing Income Tax clients to the Agent Services Account will again be via web screens. The user will be asked to:

- Sign in with any GGW login details that are currently used to access HMRC online services, to note, if a firm currently has ten GGW login details they will need to complete the activity ten times
- Input their firm's self-assessment or corporation tax unique tax reference number and the Agent Service Account number and submit. This will then link existing Income Tax clients linked to a particular GGW credential to the new Agent Services Account

We would like your package to make users aware of the links to the service above if they have not already completed this step.

3 Agent services map existing clients

GOV.UK Agent services account

HM Revenue & Customs

Link your current Self Assessment and VAT clients to your agent services account

What you need to know

Use this service to allow your agent services account to access your current client relationships.

If your clients sign up to report their income and expenses, or their VAT returns, through software, you will then be able to:

- use software to access information about these clients
- act on your client's behalf for these services without having to ask for their authorisation again

▸ When to use this service

Before you start

You will need:

- your agent services account number (for example, XARN-123-4567) as shown on your account homepage - you will need this account number when you use the service
- your Self Assessment Unique Taxpayer Reference (UTR) as a sole trader or partnership, or your company UTR as a limited company
- login details for each of the agent Government Gateway accounts your business uses for your Income Tax Self Assessment and VAT clients.

On the next screen, sign in with one of these Government Gateway accounts to start linking your existing clients.

You will need to repeat this process for each Government Gateway account your business uses.

Sign in with another account >

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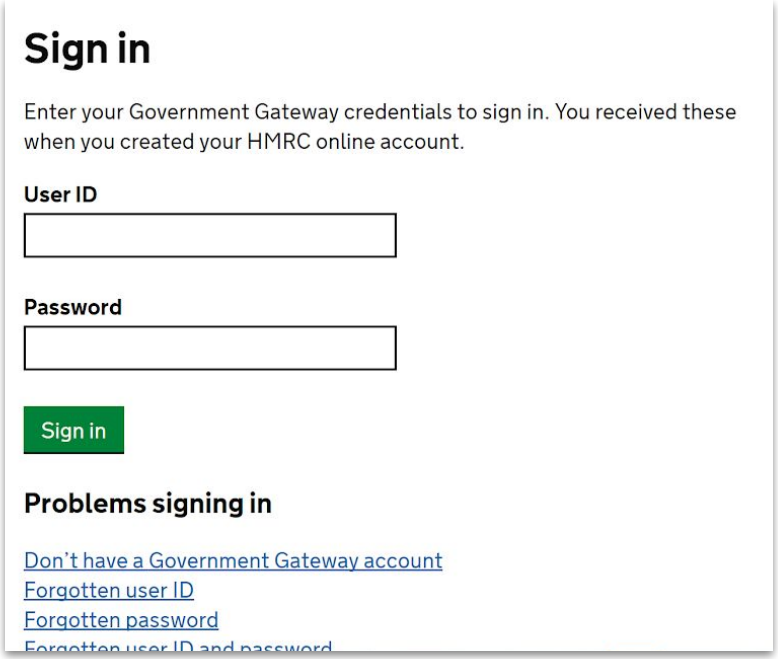
3 Agent services map existing clients



Sign in

Enter your Government Gateway credentials to sign in. You received these when you created your HMRC online account.

User ID

Password

Sign in

Problems signing in

Don't have a Government Gateway account
Forgotten user ID
Forgotten password
Forgotten user ID and password

3 Agent services map existing clients

GOV.UK Agent services account

HM Revenue & Customs

Back

What is your agent services account number?

For example, XARN-123-4567

Where to find your agent services account number

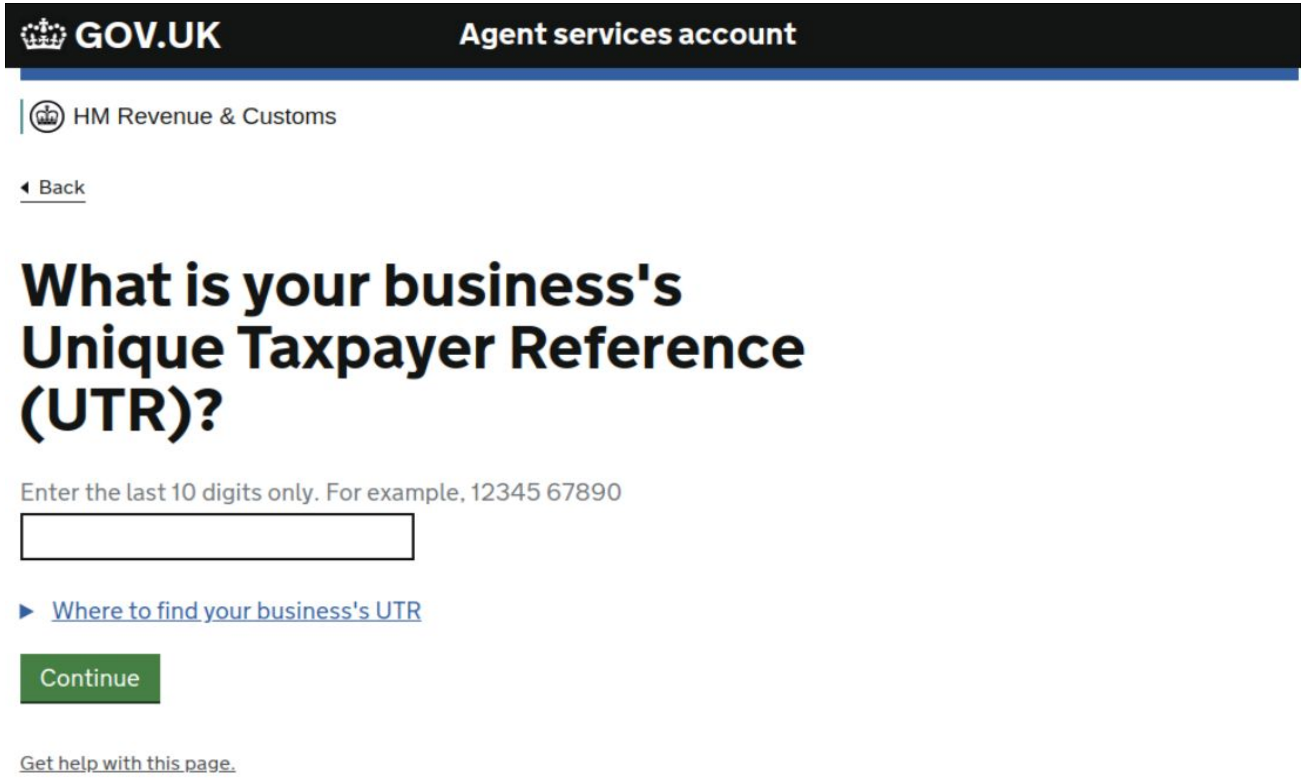
Continue

Get help with this page.

HM Revenue & Customs

Income Tax agent E2E journey roadmap

3 Agent services map existing clients


GOV.UK Agent services account

HM Revenue & Customs

Back

What is your business's Unique Taxpayer Reference (UTR)?

Enter the last 10 digits only. For example, 12345 67890

Where to find your business's UTR

Continue

Get help with this page.

3

Agent services map existing clients

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Government Gateway account

000000086256 1765

is now linked to your agent services account

QARN0000887

What you can do next

Your agent services account can now access your current client relationships linked to this Government Gateway account.

So if your clients are signed up to report their income and expenses, or their VAT returns, through software, you can now:

- use software to access information about these clients
- act on your client's behalf for these services without having to ask for their authorisation again

You will still need to use your software or Government Gateway accounts to manage your client lists.

If you use more than one Government Gateway account

You will need to repeat this process for each Government Gateway account your business uses.

Sign in using a different Government Gateway account to start linking it to your agent services account.

Sign in to link another account

Finish and sign out

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Income Tax business/agent E2E journey roadmap

4 - Agent services get authority from new clients

4 Agent services get authority from new clients

Once a firm has created a new Agent Services Account, to represent a new client for making tax digital an agent will need to use the authorisation service. This works by allowing an agent to send a digital request to their client. The client will then have the opportunity to accept or reject the request digitally.

To add a client:

- The agent would need to select the URL for adding a client
- The agent will then need to input known facts about the client they wish to add
- The agent can then send a direct request to the client
- The client would then access a digital service, where they would see the pending request. The client would accept or reject the request
- The agent will be updated with the client's response. If the client has accepted HMRC will disclose the client's MTD data to the agency

We are also looking to deliver functionality to enable the deletion of a client (or the client delete an agency):

- The client would need to select the URL to delete a client from their client list. This would send an update to HMRC who would stop disclosing information to that agency
- Over time functionality will be available in a clients digital tax account

4 Agent services get authority from new clients

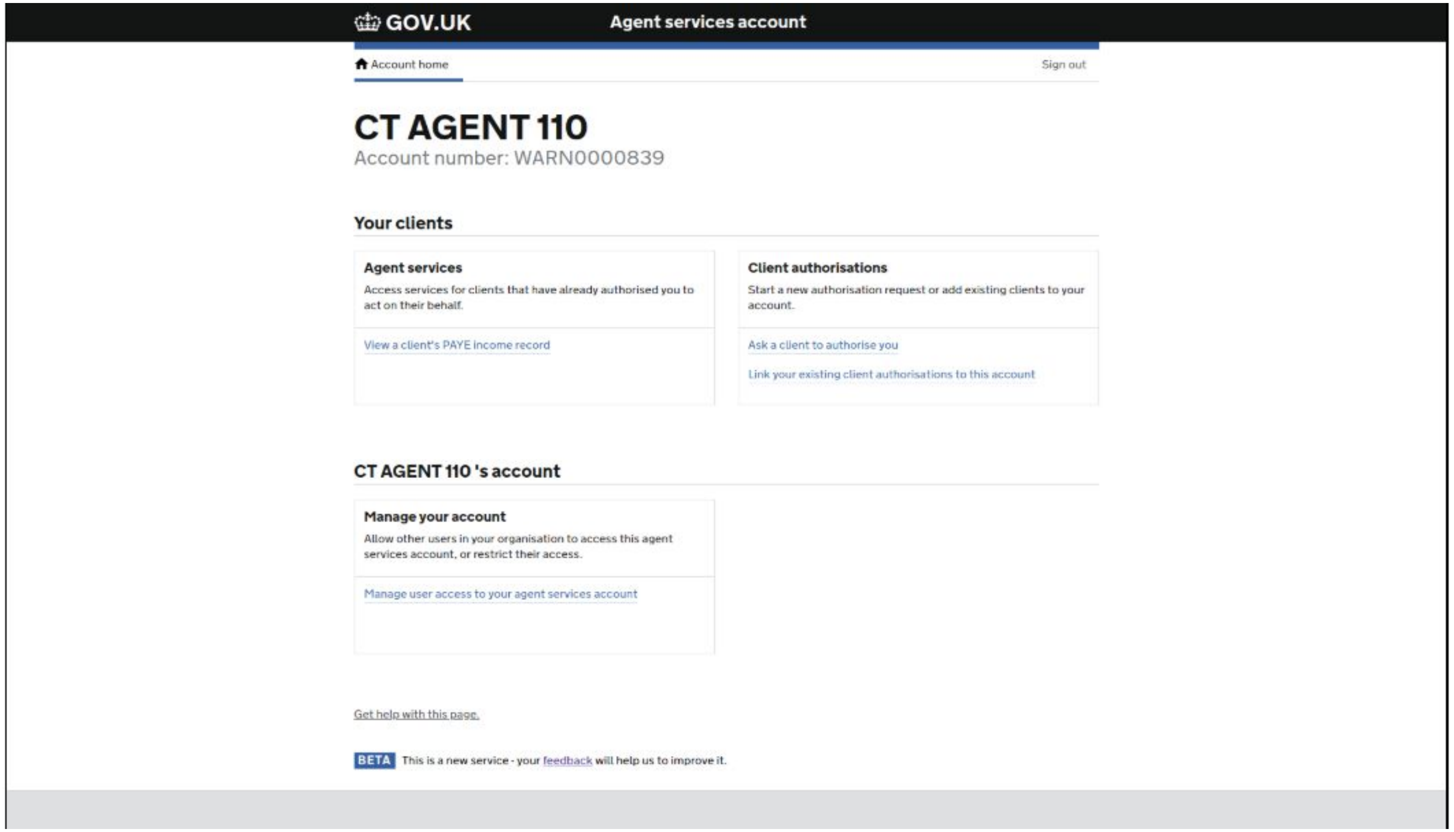
What do you want the client to authorise you to do?

- ○ View their PAYE income record
- ● Report their income and expenses through software
- ○ Report their VAT returns through software

Continue

Get help with this page.

4 Agent services get authority from new clients



HM Revenue & Customs

4 Agent services get authority from new clients

HM Revenue & Customs

Enter an individual's National Insurance number

National Insurance number

For example, VO 12 34 56 D

Continue

4 Agent services get authority from new clients

HM Revenue & Customs

We need more information about this individual

Postcode

This must match our records

Continue

4 Agent services get authority from new clients

HM Revenue & Customs

Send your client this link

http://tax.service.gov.uk/agent-services/invitation/238712387163

What to do next

You must **share this unique link** with your client and they must respond by 26 July 2018. Copy and paste the link into an email.

If your client does not respond in time, you will need to request authorisation again and send them the new link.

This is the only way your client can authorise you. **HMRC will not share the link for you**.

Return to your account

4 Agent services get authority from new clients

HM Revenue & Customs

Accept or decline a tax agent's request for authorisation

You need to authorise your tax agent if you want them to report your income and expenses through software.

You will need to create or use a Government Gateway account for an **individual** to continue.

What this means

The tax agent who sent you the request will have access to your income and expense information through software. Sometimes HMRC will contact you as well as the agent, or instead of them.

Accept invitation

Decline invitation

4 Agent services get authority from new clients

HM Revenue & Customs

Sign in

Enter your Government Gateway credentials to sign in. You received these when you created your HMRC online account.

User ID

Password

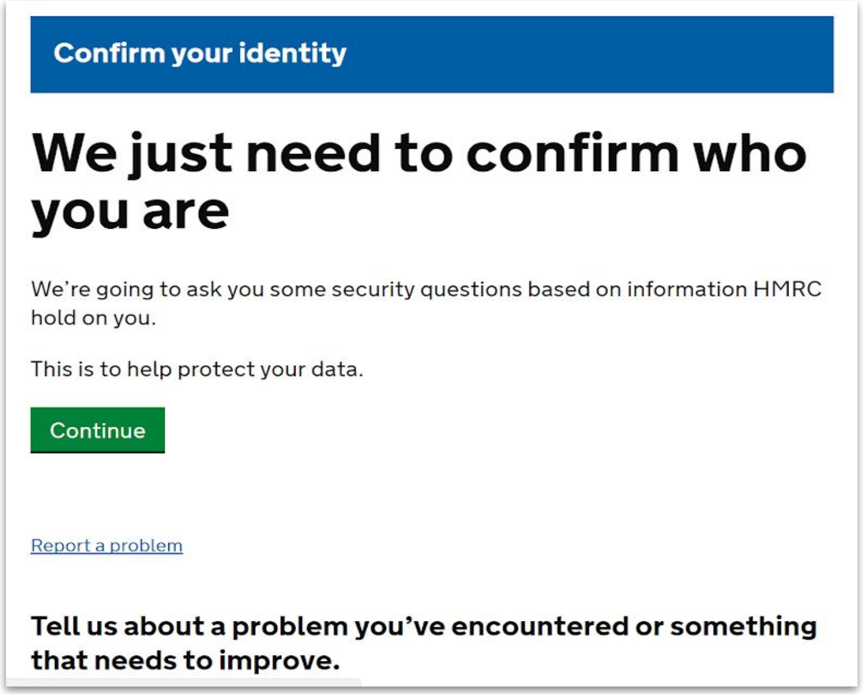
Sign in

Problems signing in

Trying to file Self Assessment using GOV.UK Verify?
Don't have a Government Gateway account
Forgotten user ID
Forgotten password
Forgotten puser ID and password

Get help from HMRC's automated assistant

4 Agent services get authority from new clients


Confirm your identity

We just need to confirm who you are

We're going to ask you some security questions based on information HMRC hold on you.

This is to help protect your data.

Continue

Report a problem

Tell us about a problem you've encountered or something that needs to improve.

4 Agent services get authority from new clients

HM Revenue & Customs

Agency Name has wants to represent you to HMRC

Do you authorise Agency Name to report your income and expenses through software?

Yes No

Continue

4 Agent services get authority from new clients

HM Revenue & Customs

By accepting the invitation, you are agreeing that Agency Name will

- use accounting software to record your income and expenses, then submit a report once every 3 months from the start of your accounting period
- allow HMRC to calculate your Income Tax estimate using the information from your reports
- present back to the agency firm the calculation for your Income Tax estimate
- send HMRC your summary report for the 2017 to 2018 tax year by 31 January 2019
- declare any other income sources and reliefs
- let HMRC know if you start a new business or your current business stops trading

You have responsibility for any information a third party gives to HMRC on your behalf

☐ I understand Agency Name will be granted access to my income and expense information

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

5 - Customer/agent signs up to MTD for Income Tax

5a - Sole trader and/or landlord signs up to MTD for Income Tax

5b - Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax

5 Customer/agent signs up to MTD for SA

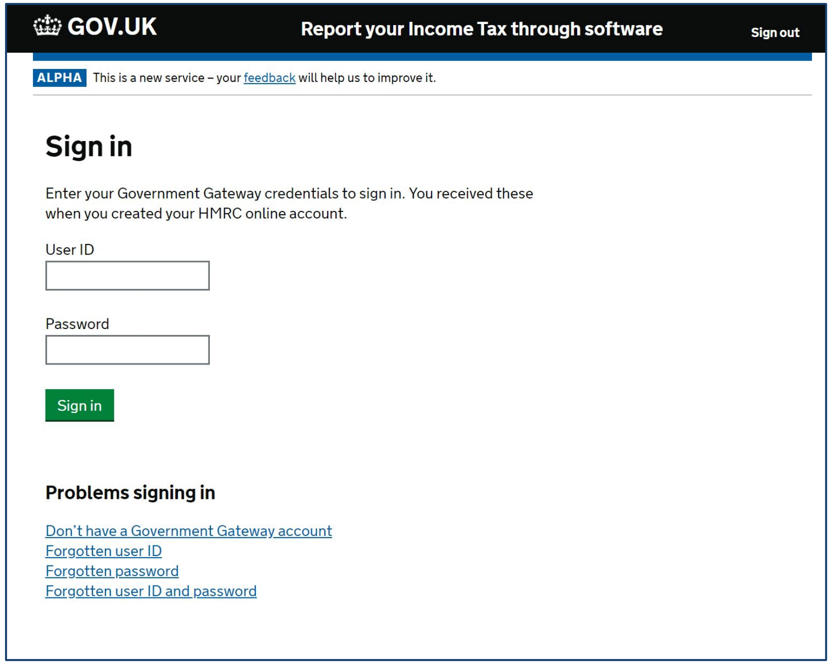
We have delivered a sign up service enabling existing Income Tax Service users to move into the MTD Service. Any taxpayer wanting to use the software reporting service will have to sign up before first use. Agents are able to sign up an existing client's business.

We will develop supporting content that allows a customer to identify whether they need to first register for income tax and then sign up for MTD or just sign up only.

The sign up service requests minimal information from the taxpayer (email address, accounting period), reusing information provided as part of identity checking.

If an agent has registered for MTD Agent Services and has mapped their relationship to their client then they can sign up a client to the MTD service for income tax.

5a Sole trader and/or landlord signs up to MTD for Income Tax



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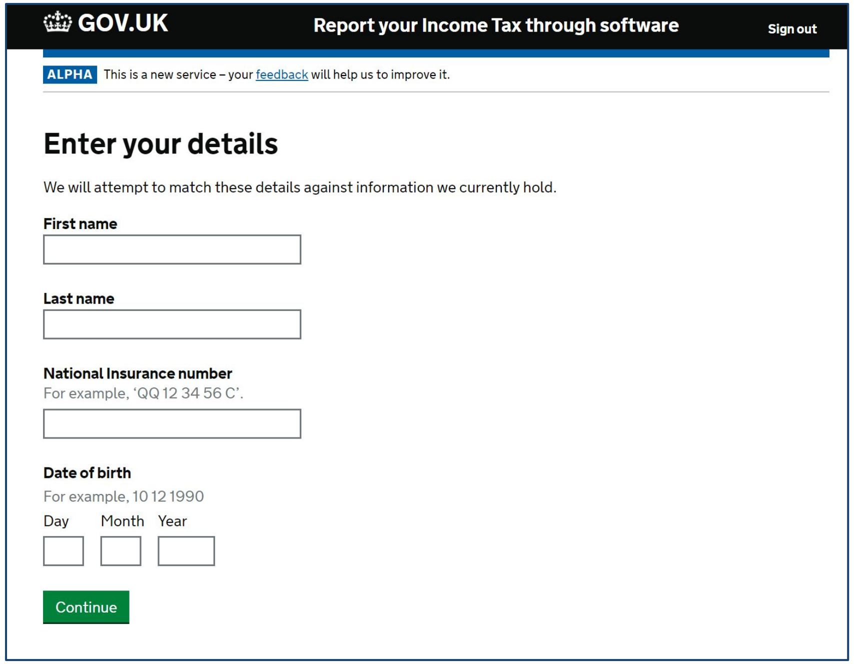

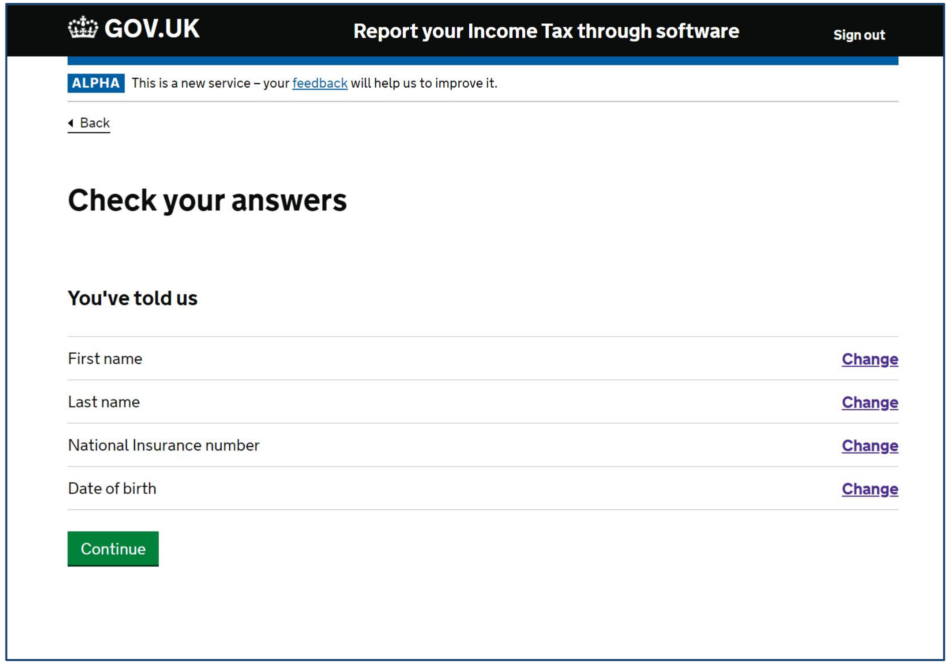

Only if you have not used your GGW credentials for Self Assessment

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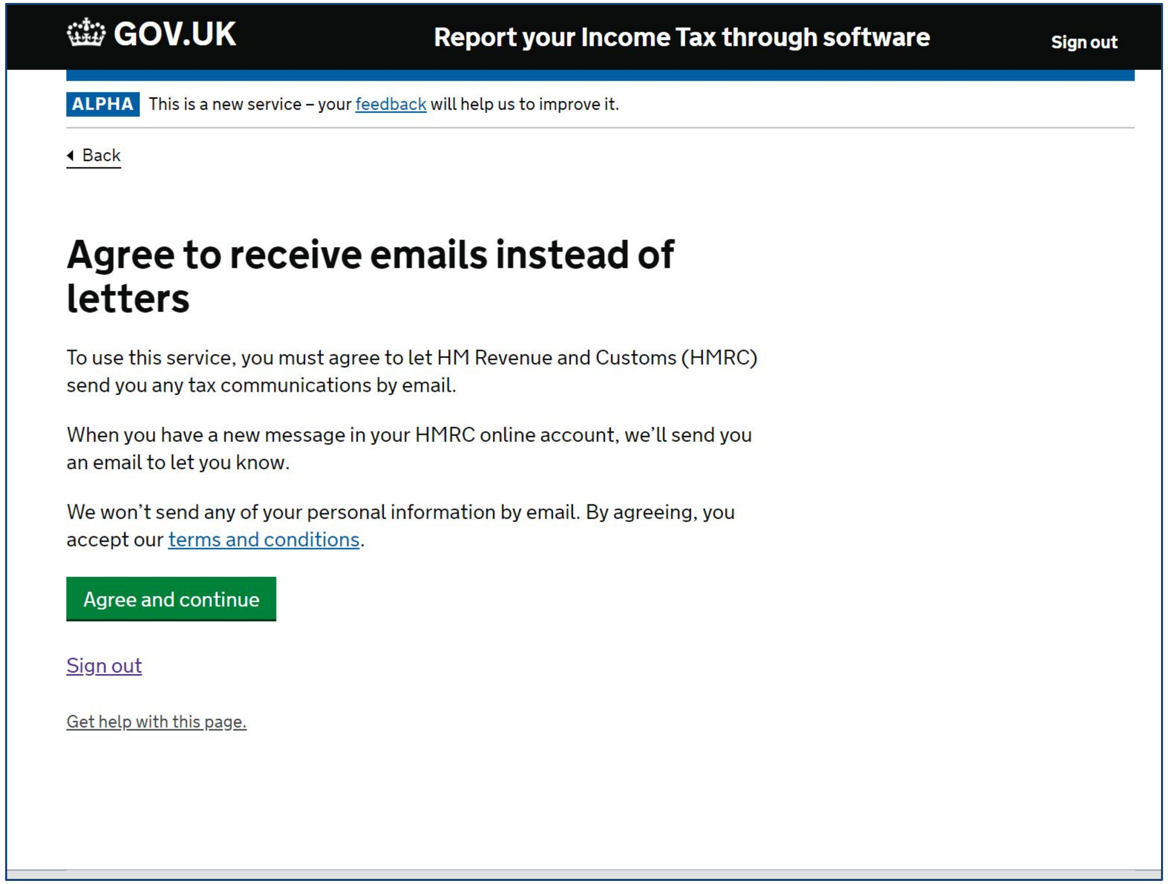

HM Revenue & Customs

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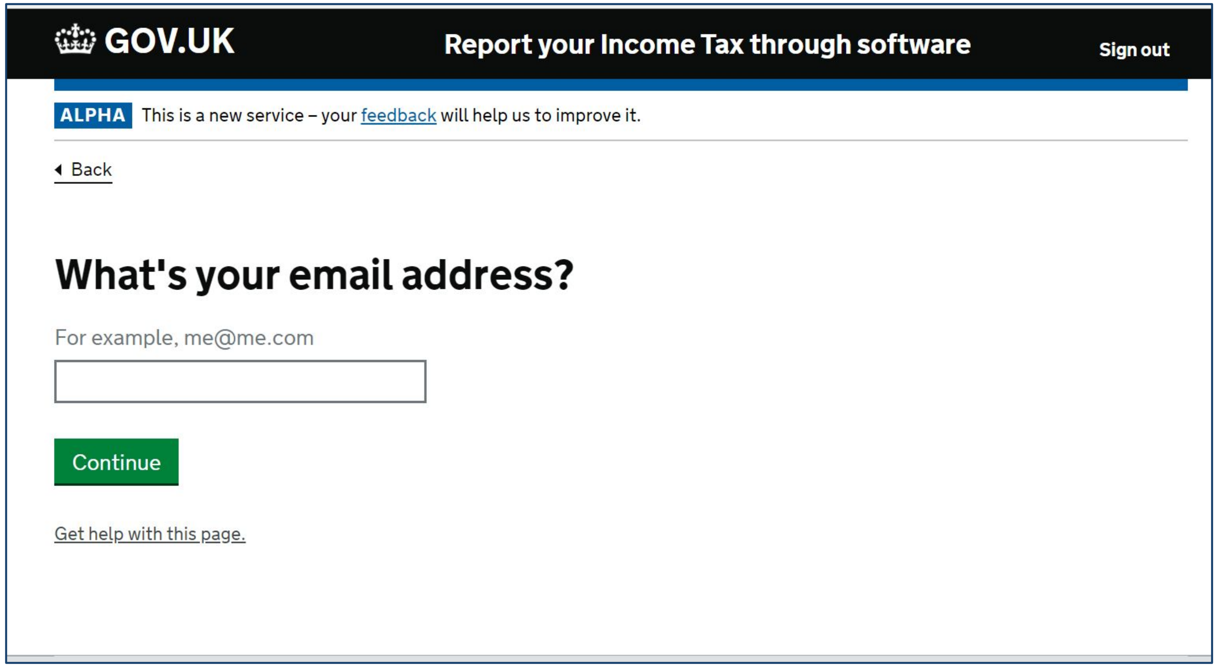

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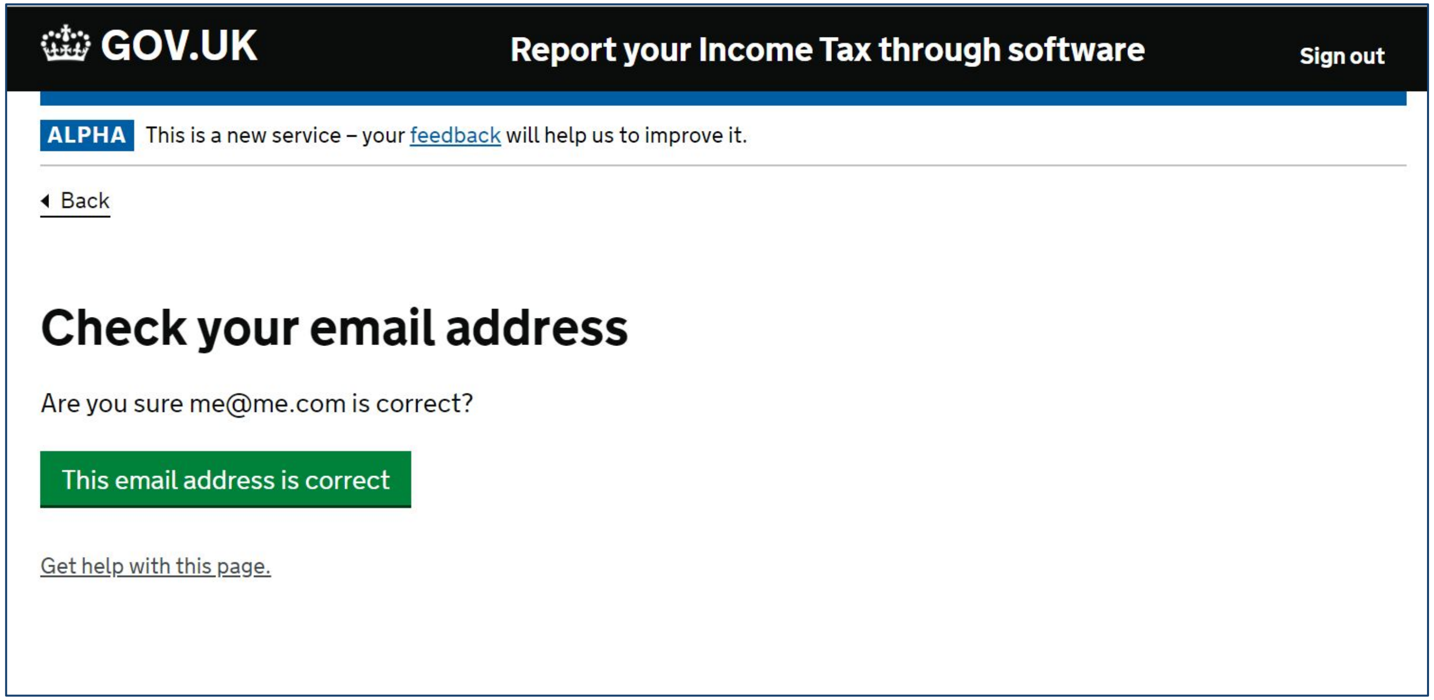

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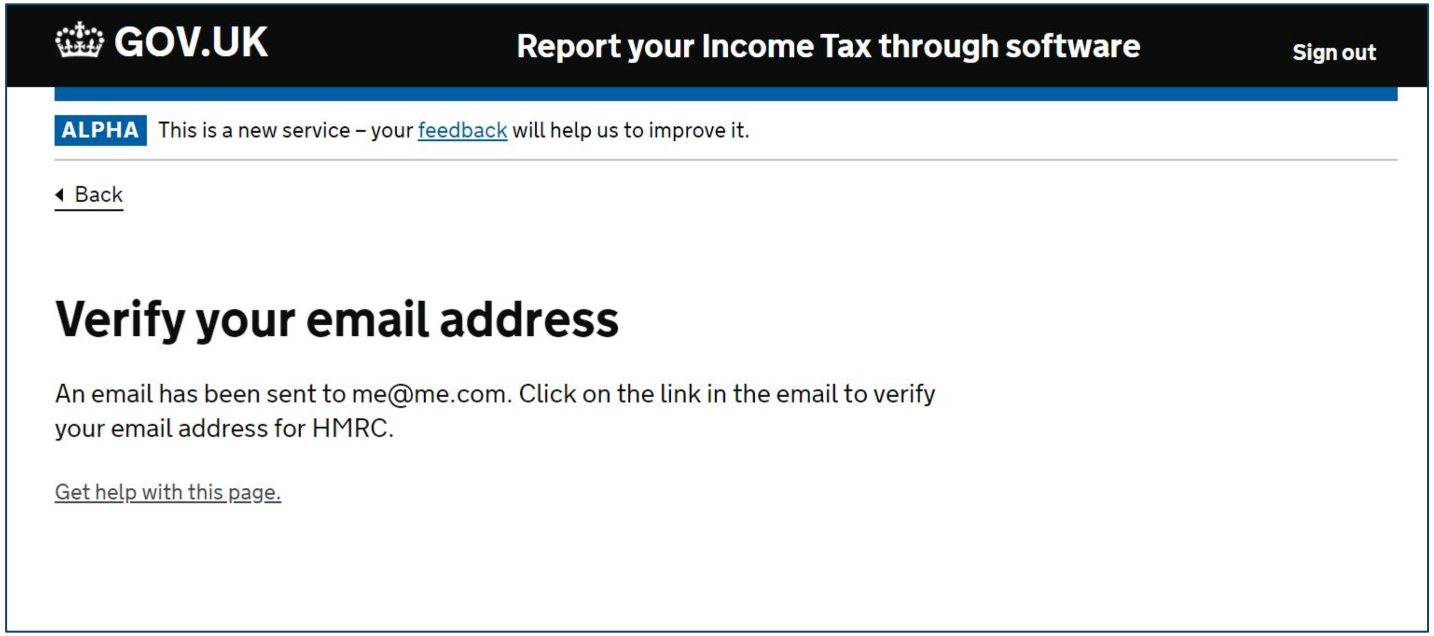

HM Revenue & Customs

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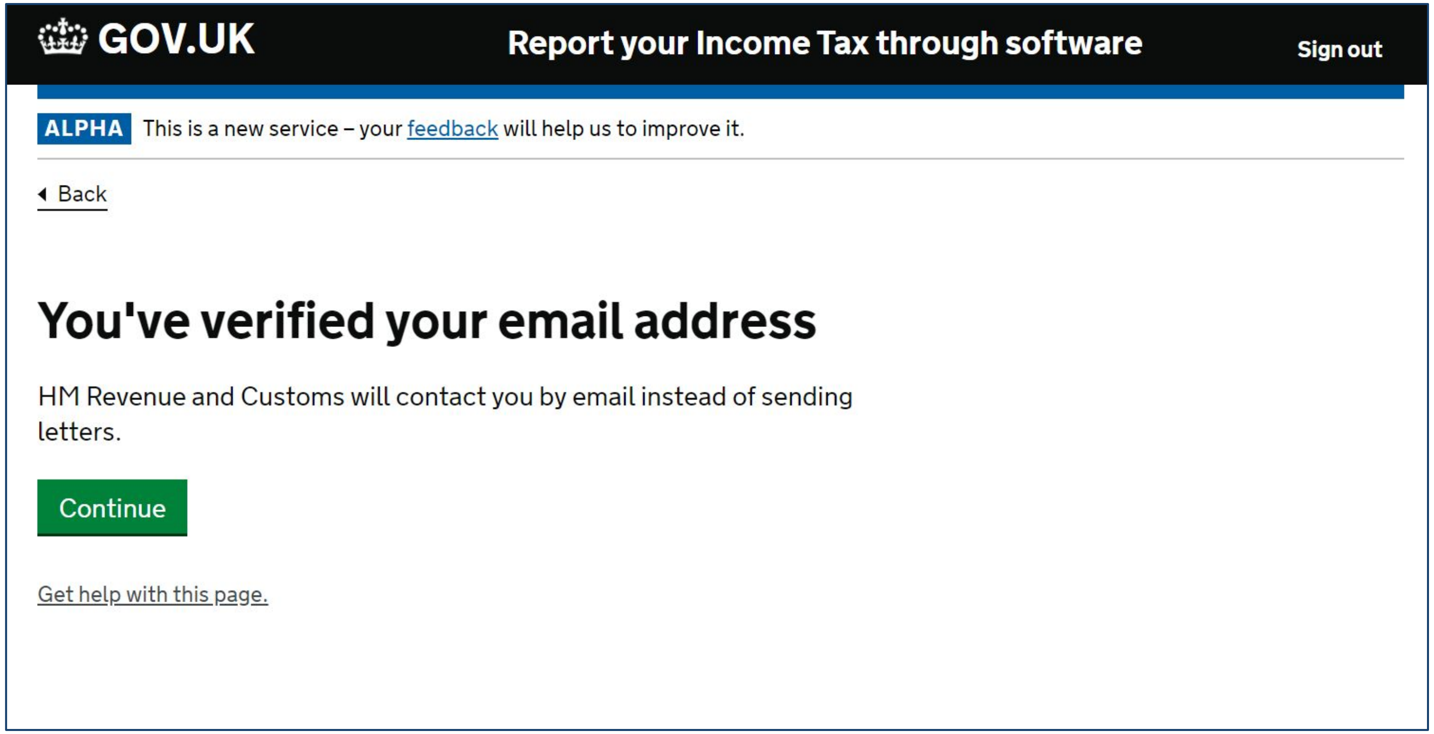

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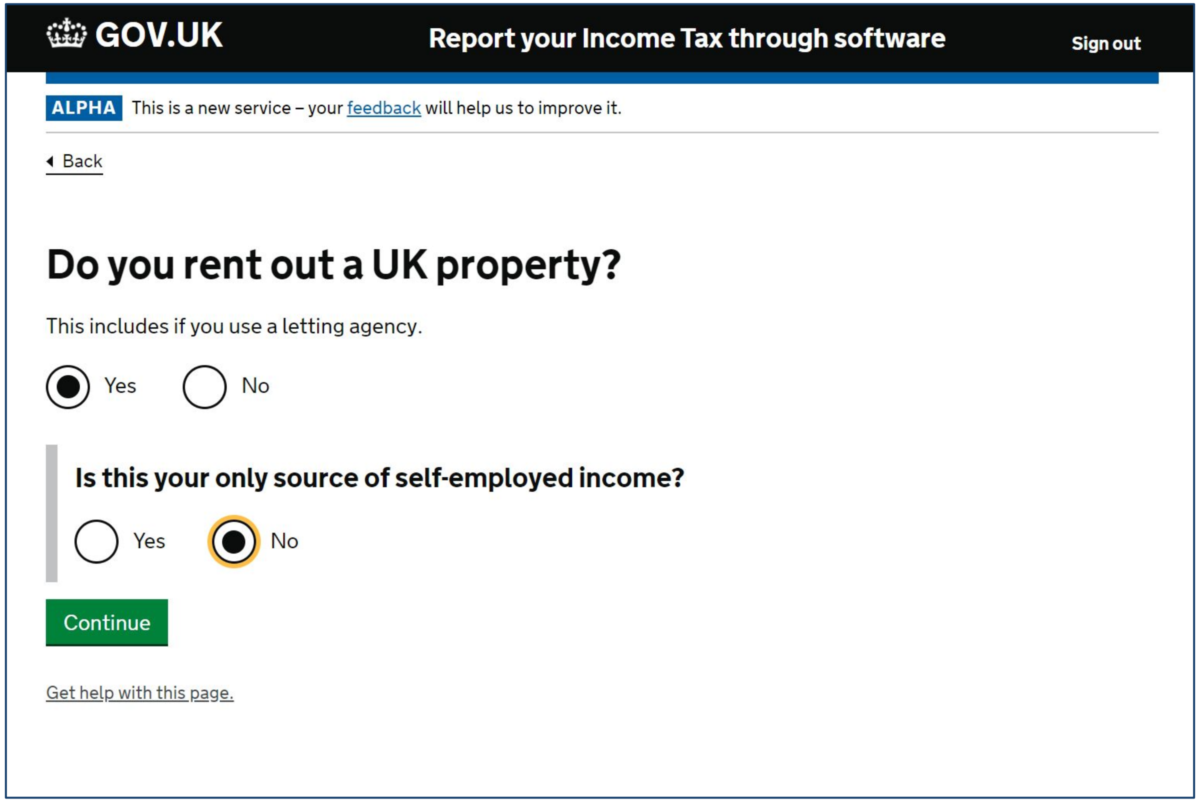

If you answer yes to "is this your only source of self employed income" you see "Do you have any other sources of income?" and then go to Terms of Participation.

HM Revenue & Customs

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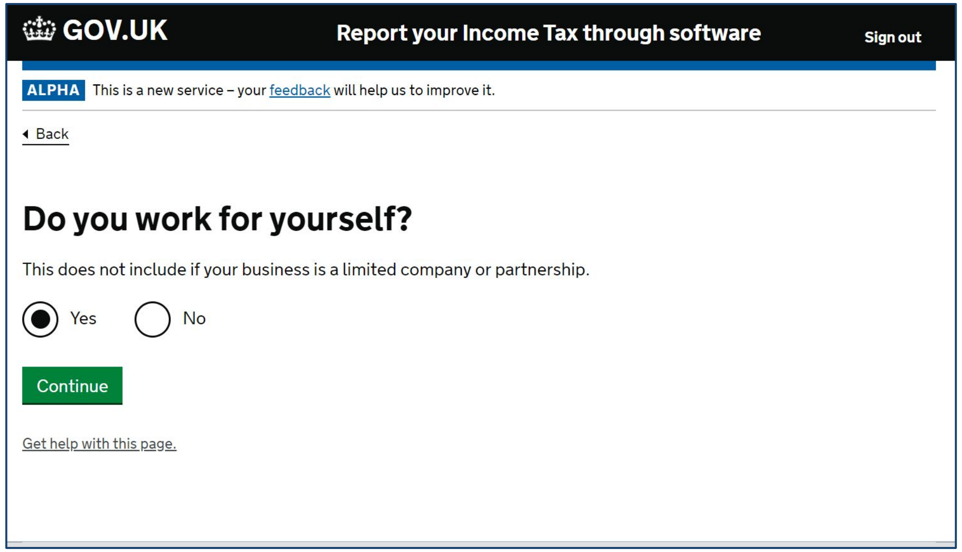
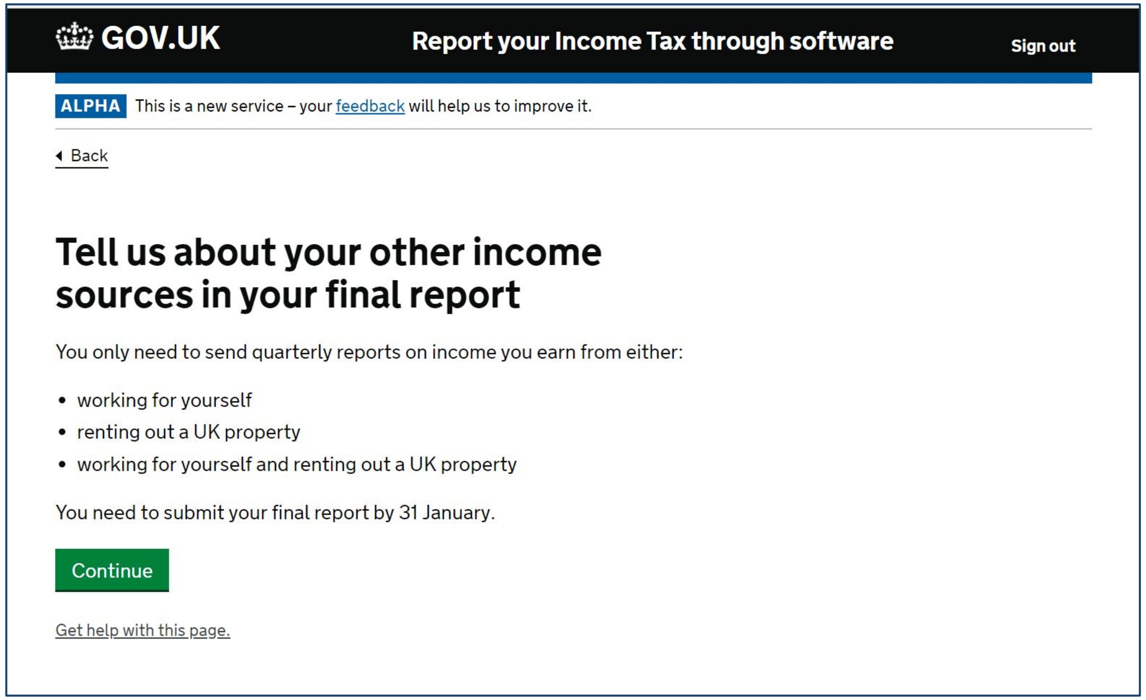


If you answer No you continue in the journey but are not asked for any information related to sole trader income

5a Sole trader and/or landlord signs up to MTD for Income Tax

If you answer No you go to "What's the name of your business?"

5a Sole trader and/or landlord signs up to MTD for Income Tax



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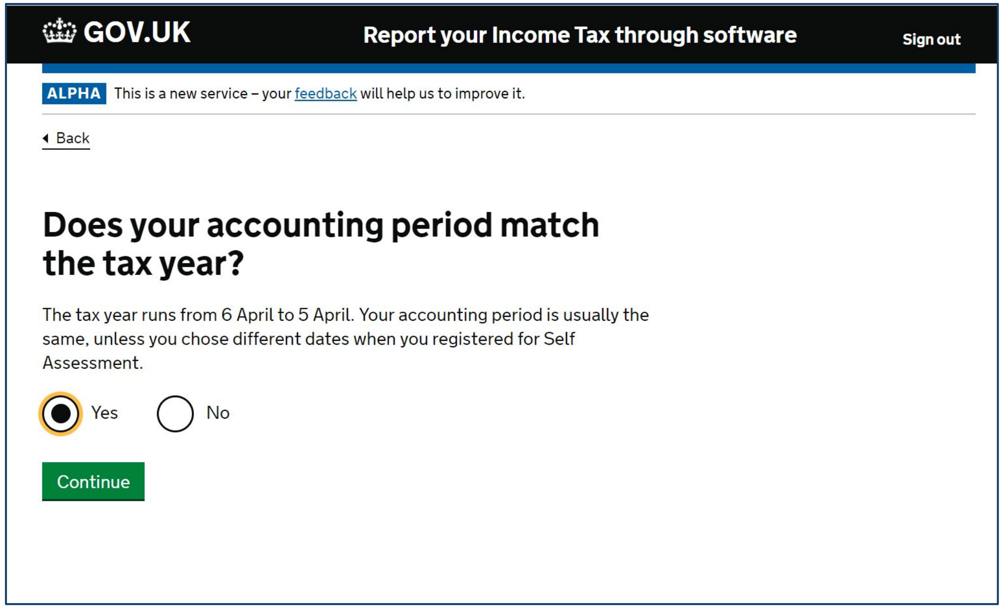

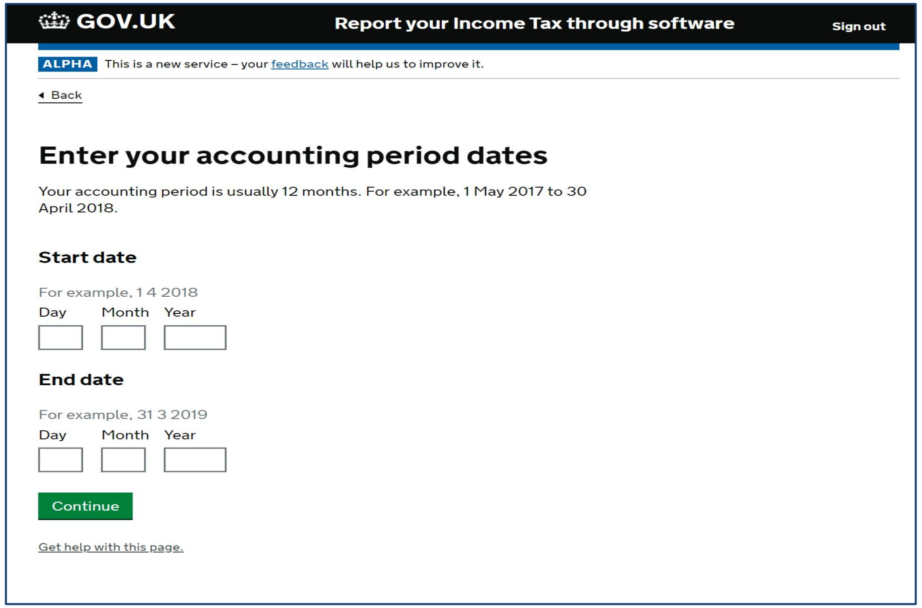

If you answer No then you manually input dates

HM Revenue & Customs

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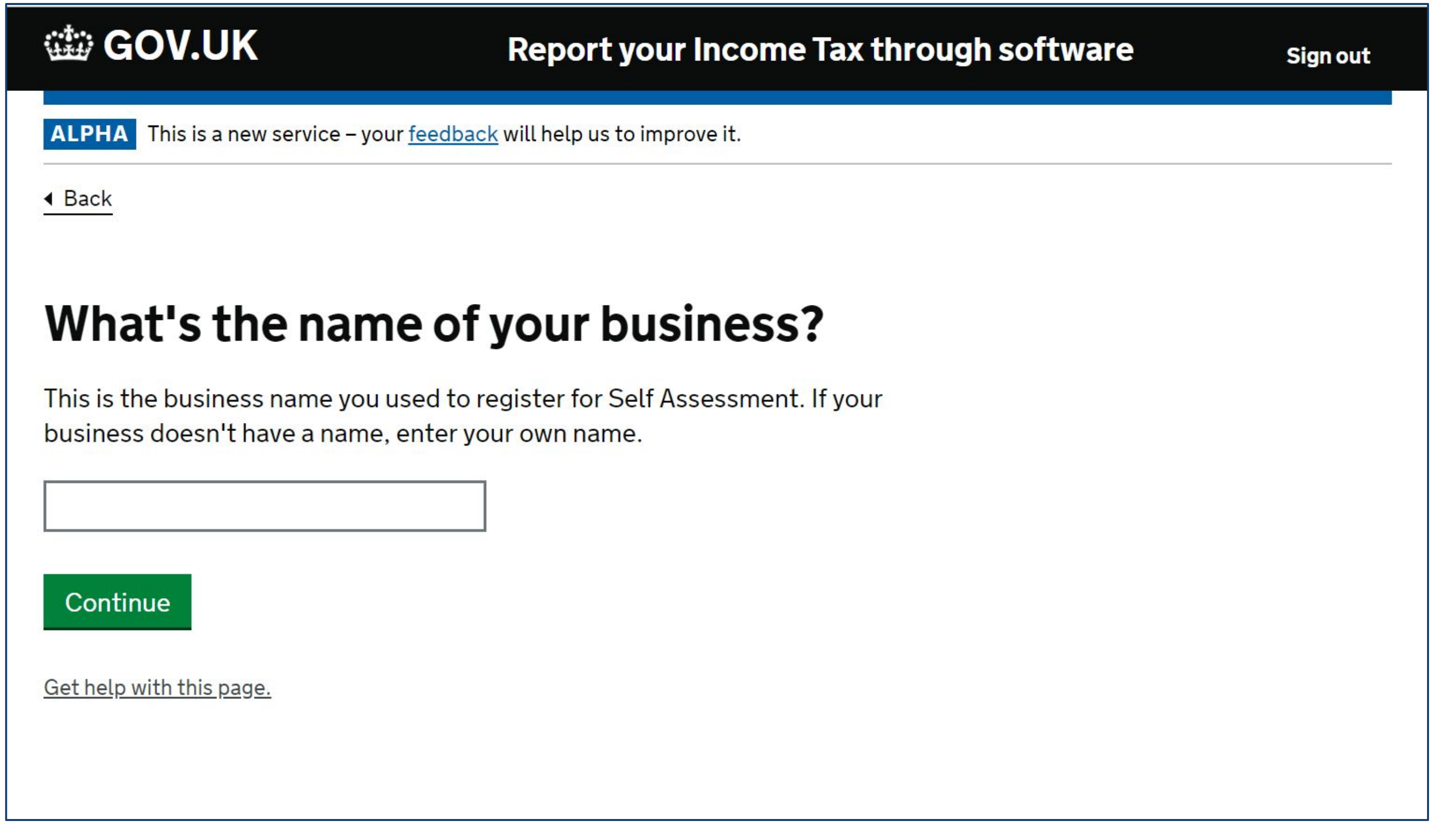

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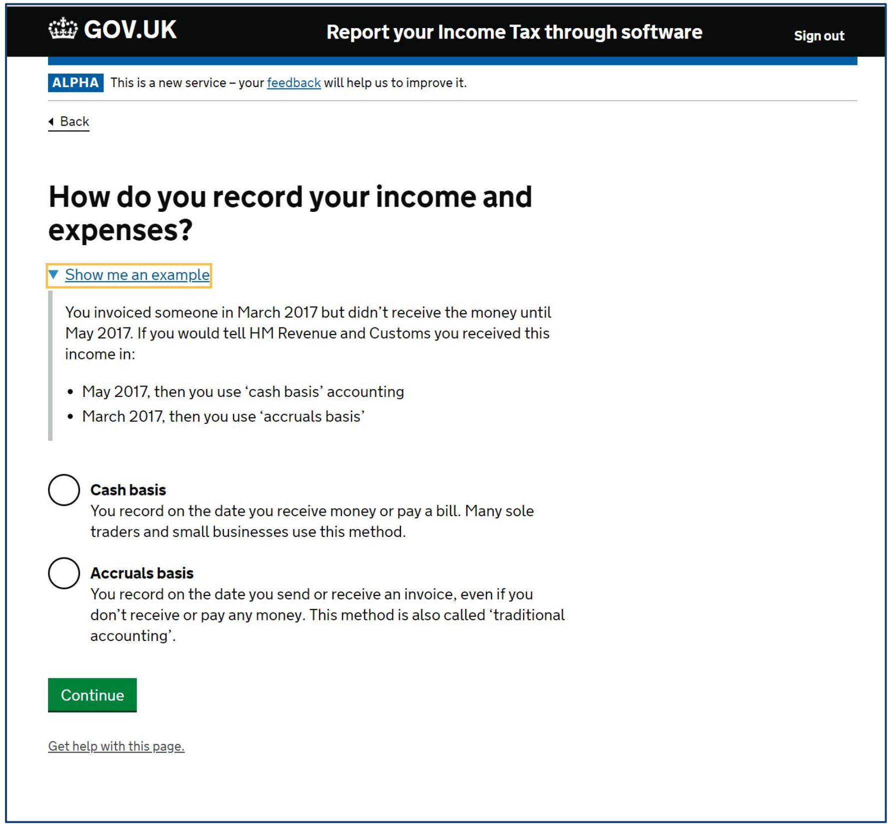

5a Sole trader and/or landlord signs up to MTD for Income Tax

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Terms of participation

By taking part in this trial, you agree to:

- use relevant software to record your income and expenses
- submit a report at least once every 3 months from the start of your accounting period
- send your final report for the 2017 to 2018 tax year by 31 January 2019
- declare any other income sources and reliefs
- authorise any third party you use (such as your accountant) and have responsibility for any information they give to HMRC on your behalf
- tell HMRC if you want to stop trading or start a new business
- tell HMRC if you want to leave this trial

These terms aren't contractual and you can stop taking part in the trial at any time.

Accept and continue

Get help with this page.

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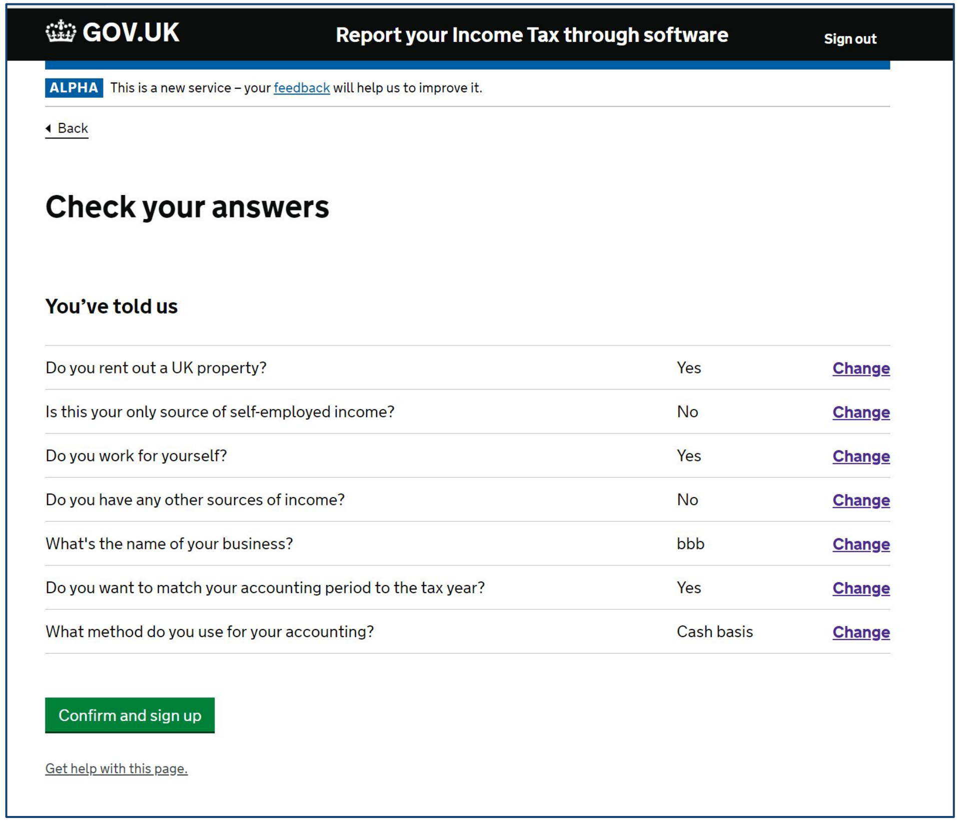

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Check your answers

You've told us

Do you rent out a UK property?	Yes	Change
Is this your only source of self-employed income?	No	Change
Do you work for yourself?	Yes	Change
Do you have any other sources of income?	No	Change
What's the name of your business?	bbb	Change
Do you want to match your accounting period to the tax year?	Yes	Change
What method do you use for your accounting?	Cash basis	Change

Confirm and sign up

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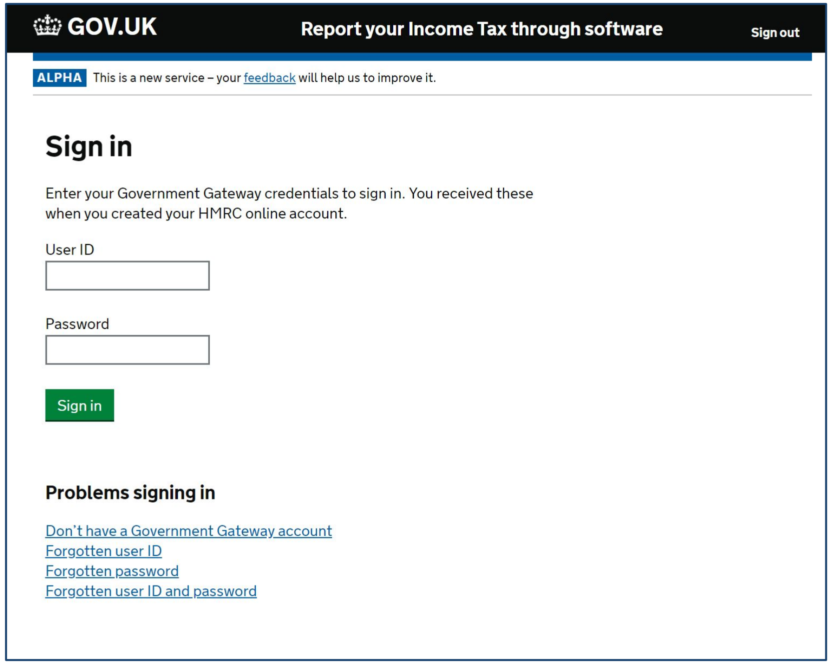

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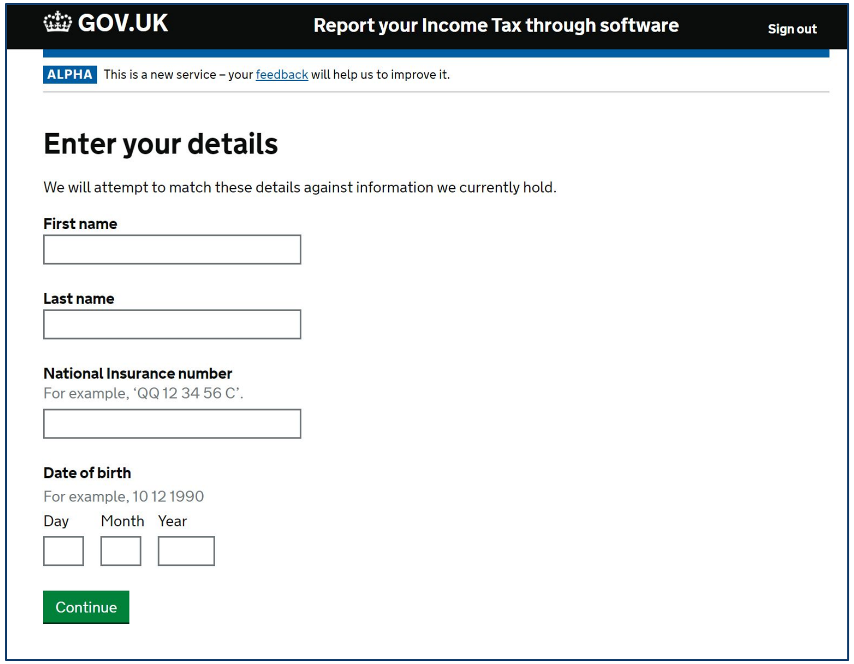

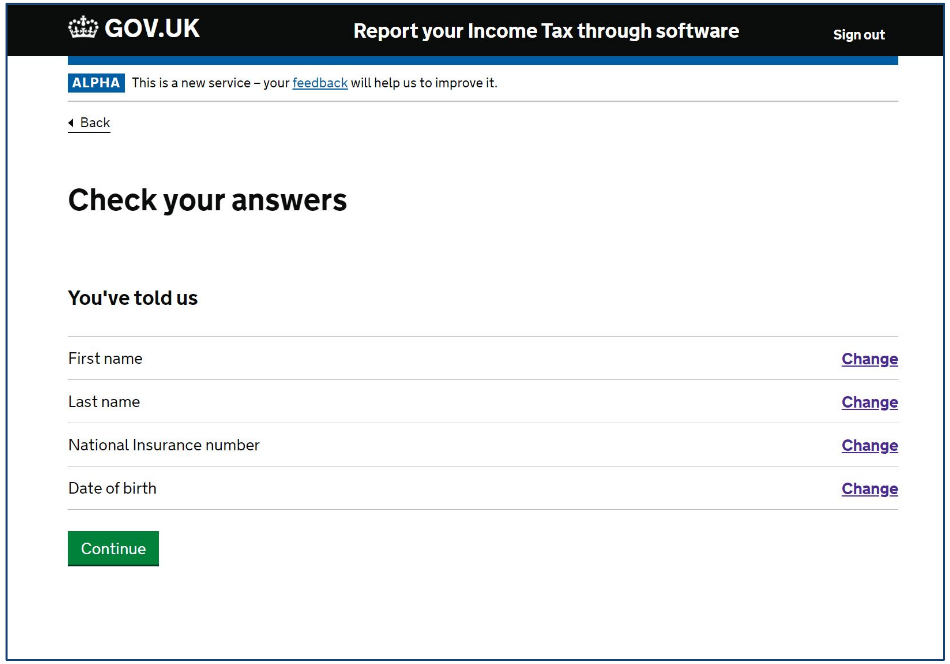

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HM Revenue & Customs

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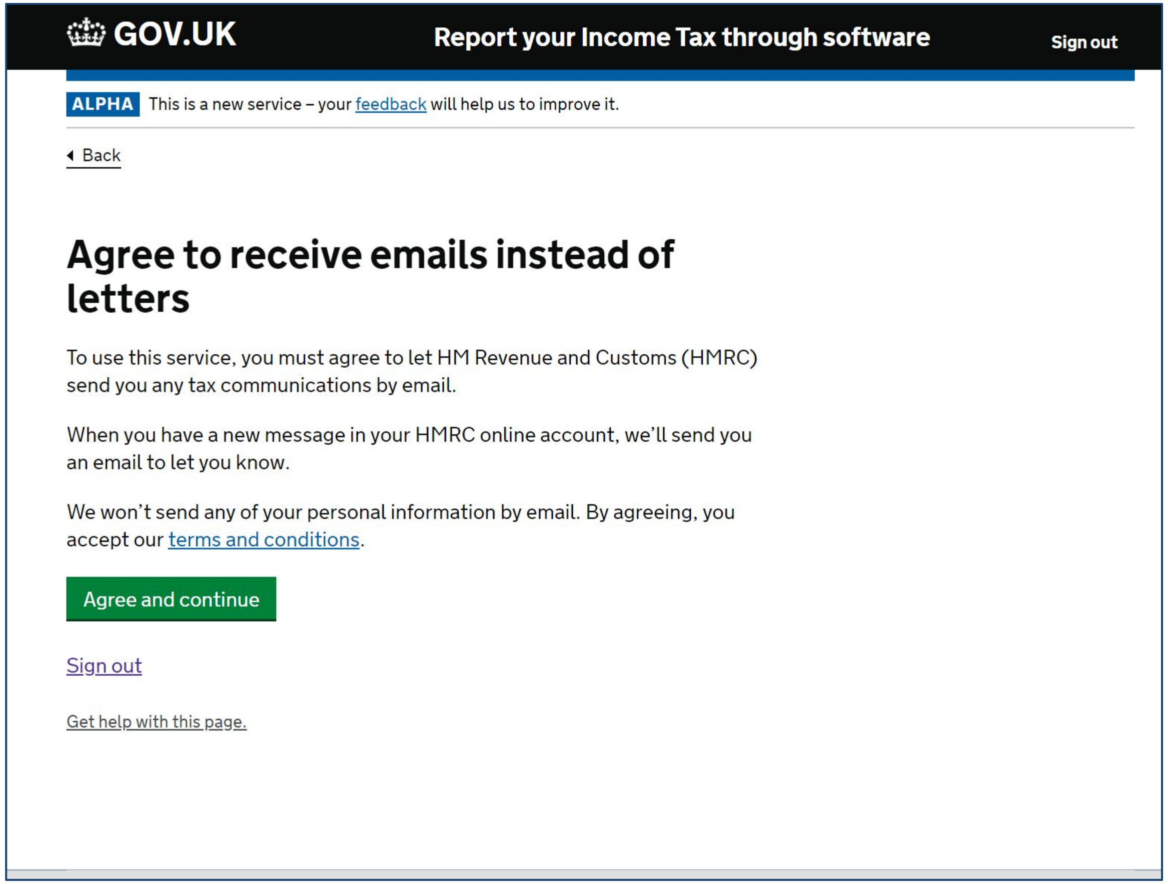

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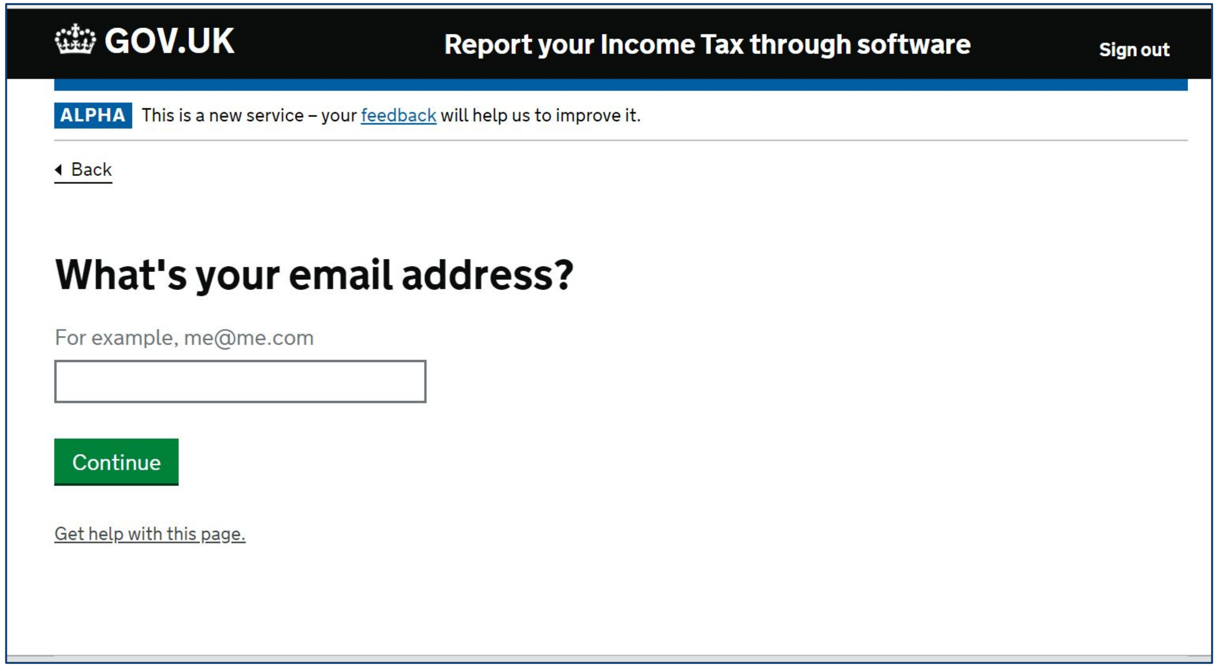

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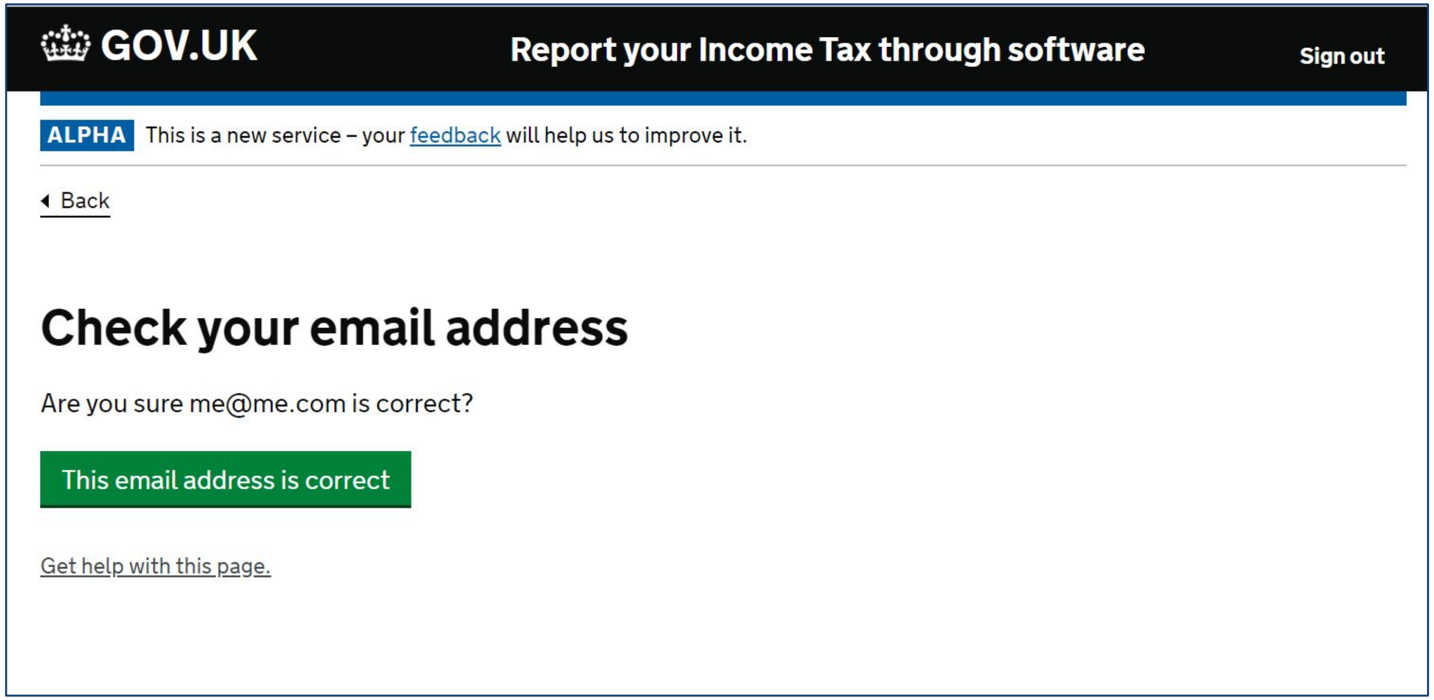

HM Revenue & Customs

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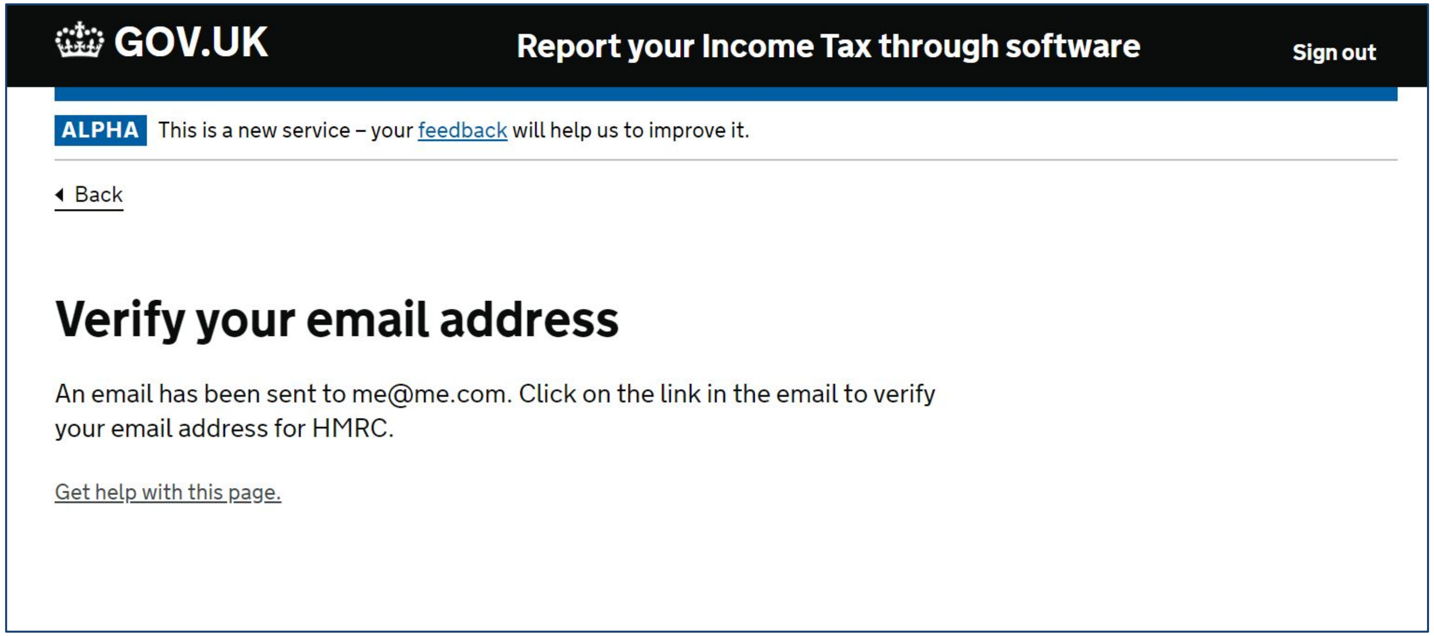
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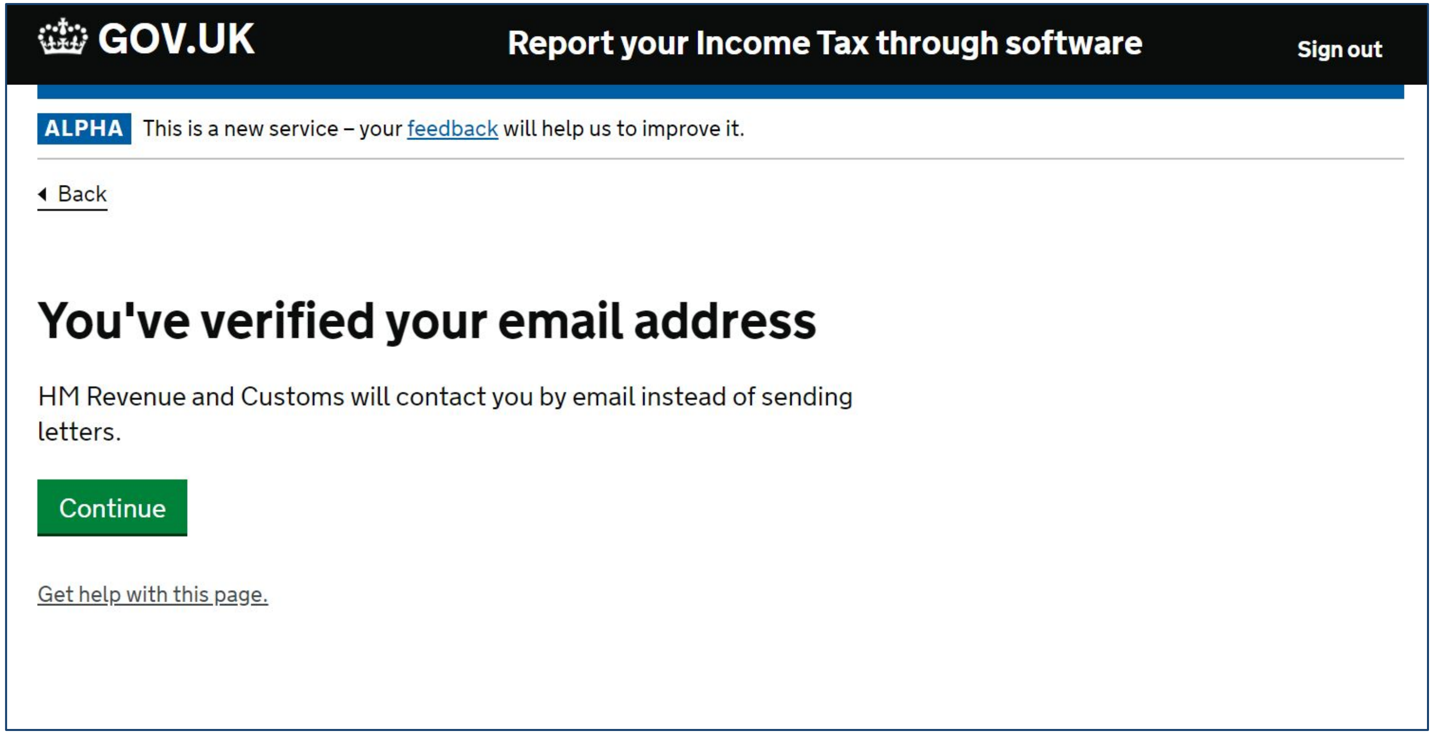
Verify your email address

An email has been sent to me@me.com. Click on the link in the email to verify your email address for HMRC.

Get help with this page.

HM Revenue & Customs

5a Sole trader and/or landlord signs up to MTD for Income Tax



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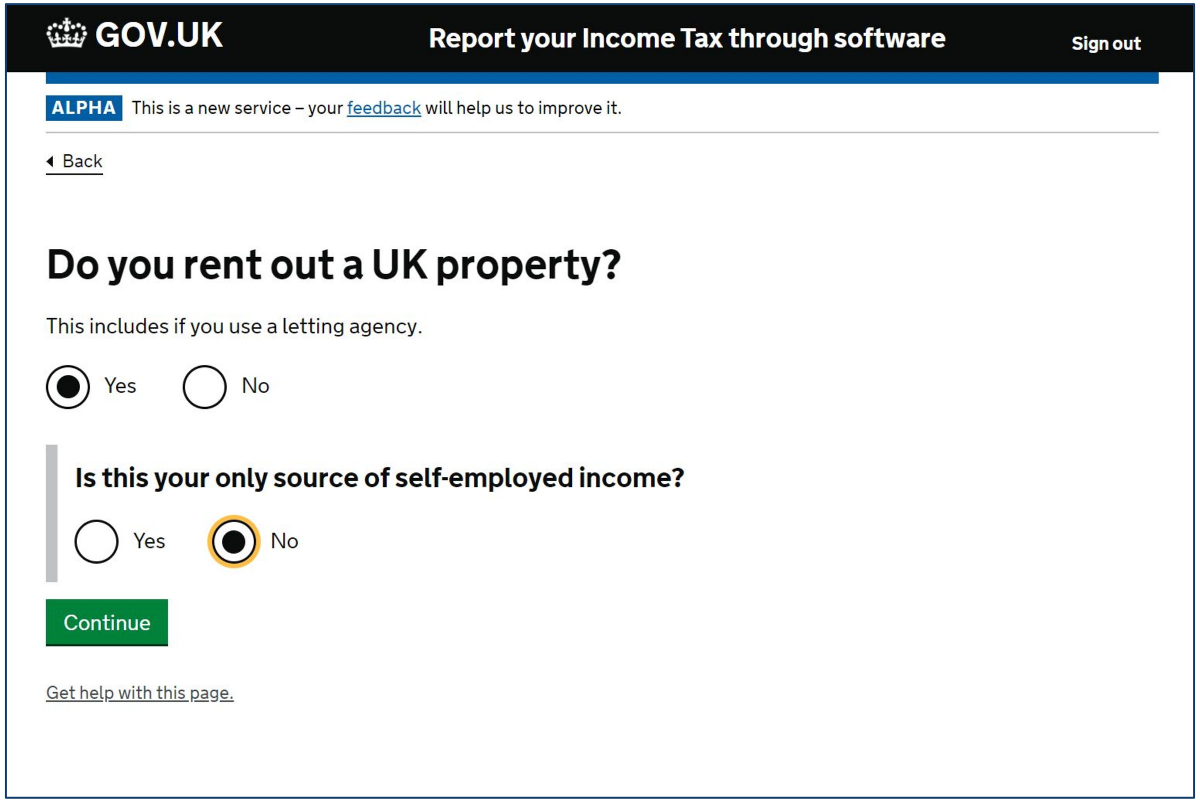

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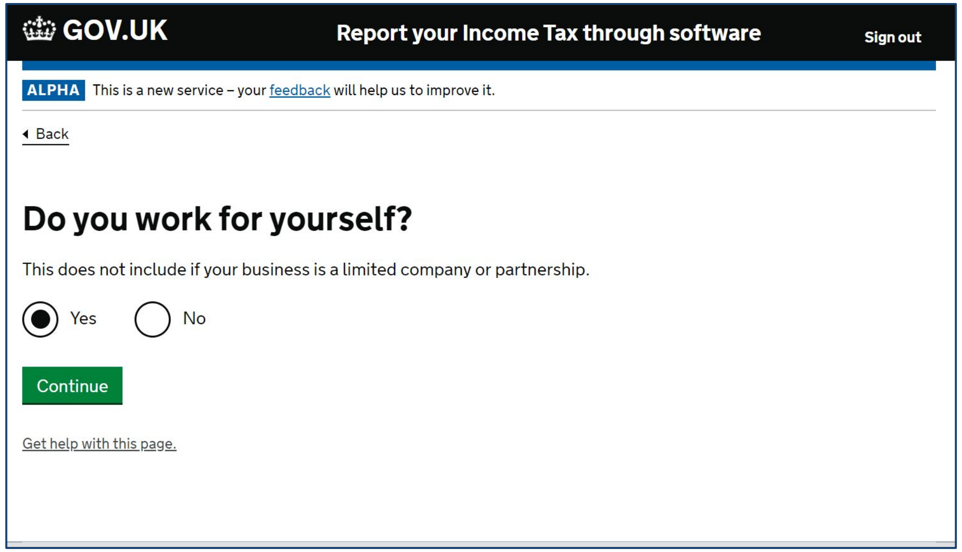

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5a Sole trader and/or landlord signs up to MTD for Income Tax


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Do you have any other sources of income?

This could include:

- as an employee for another business
- UK pensions or annuities
- investments from outside the UK
- capital gains
- taxable state benefits

Yes No

Continue

Get help with this page.

If you answer No you go to “What's the name of your business?”

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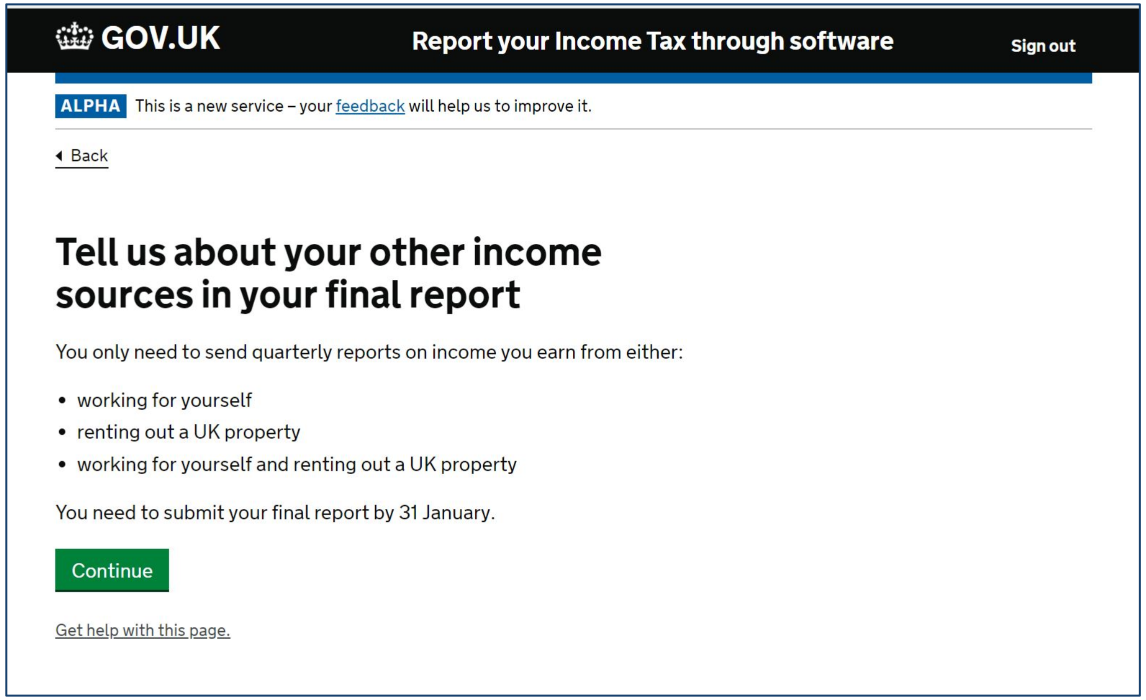

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Tell us about your other income sources in your final report

You only need to send quarterly reports on income you earn from either:

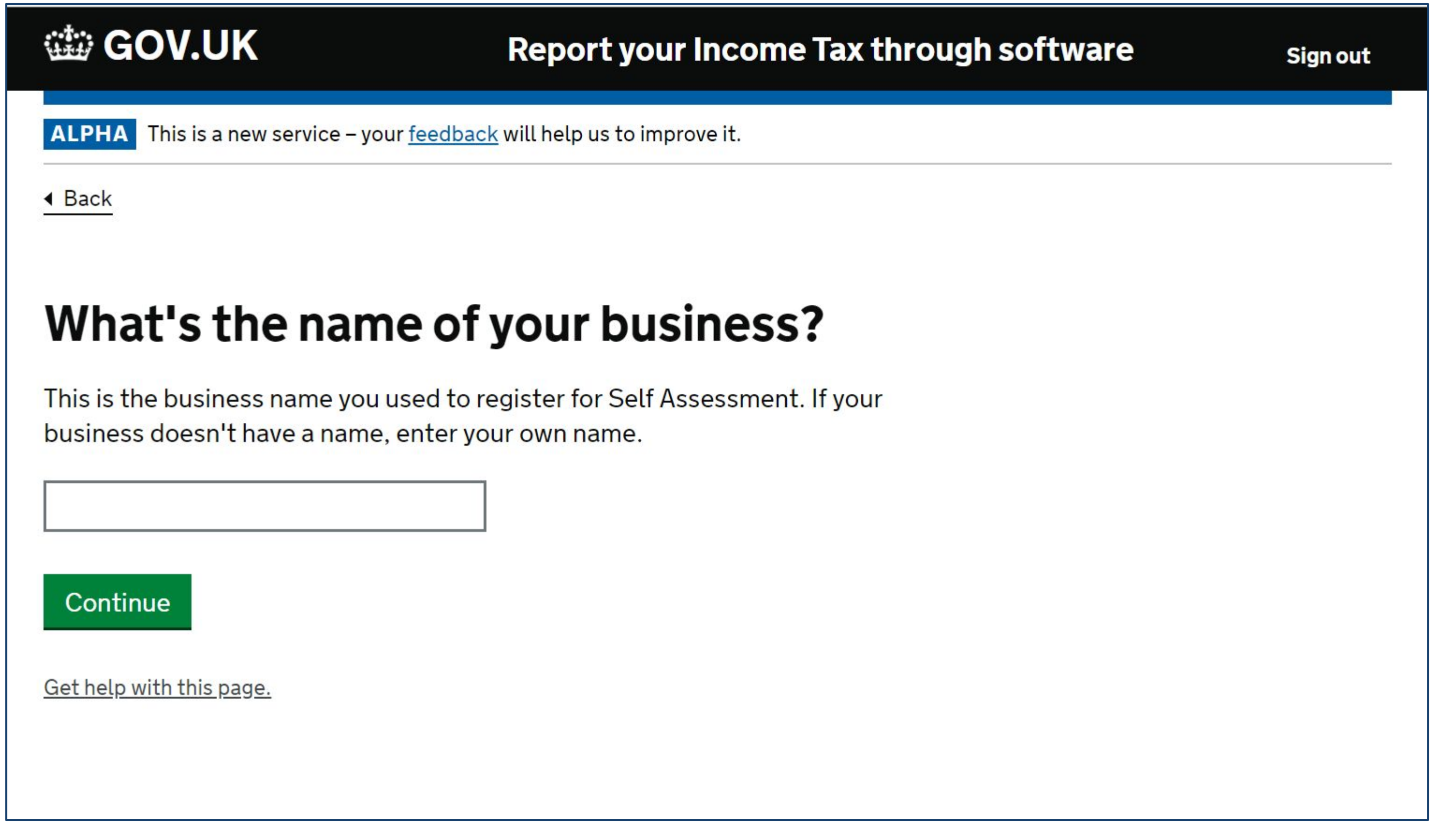
- working for yourself
- renting out a UK property
- working for yourself and renting out a UK property

You need to submit your final report by 31 January.

Continue

Get help with this page.

5a Sole trader and/or landlord signs up to MTD for Income Tax



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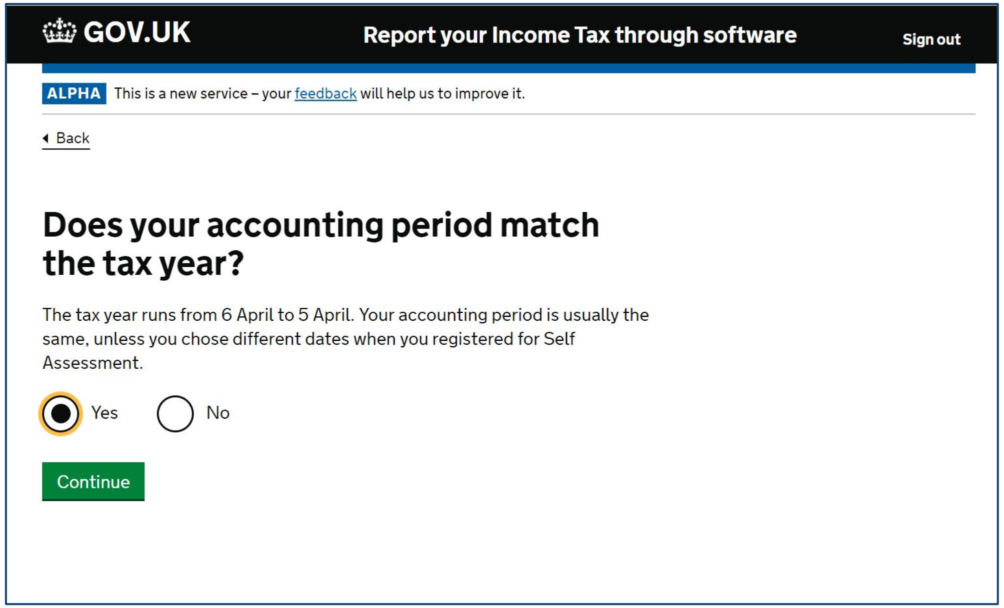

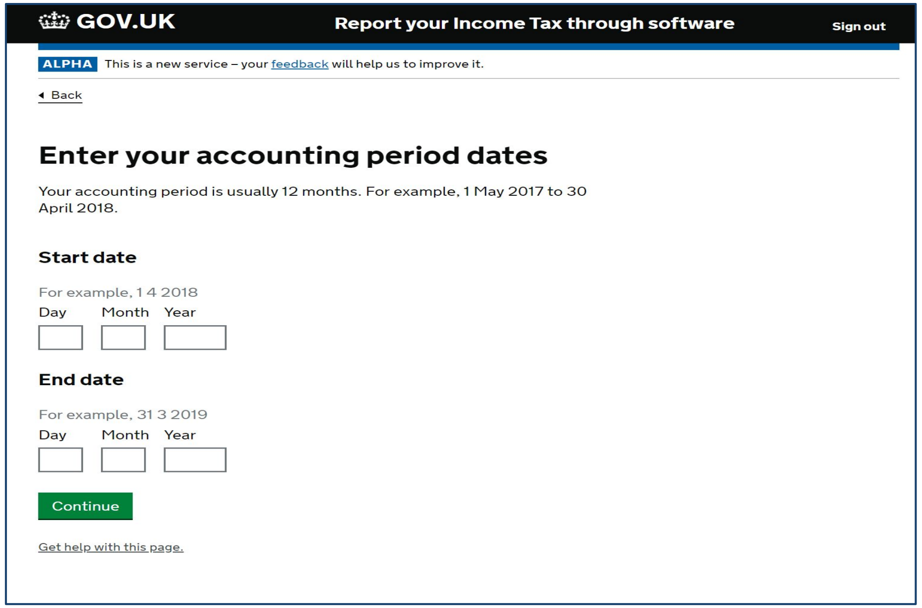

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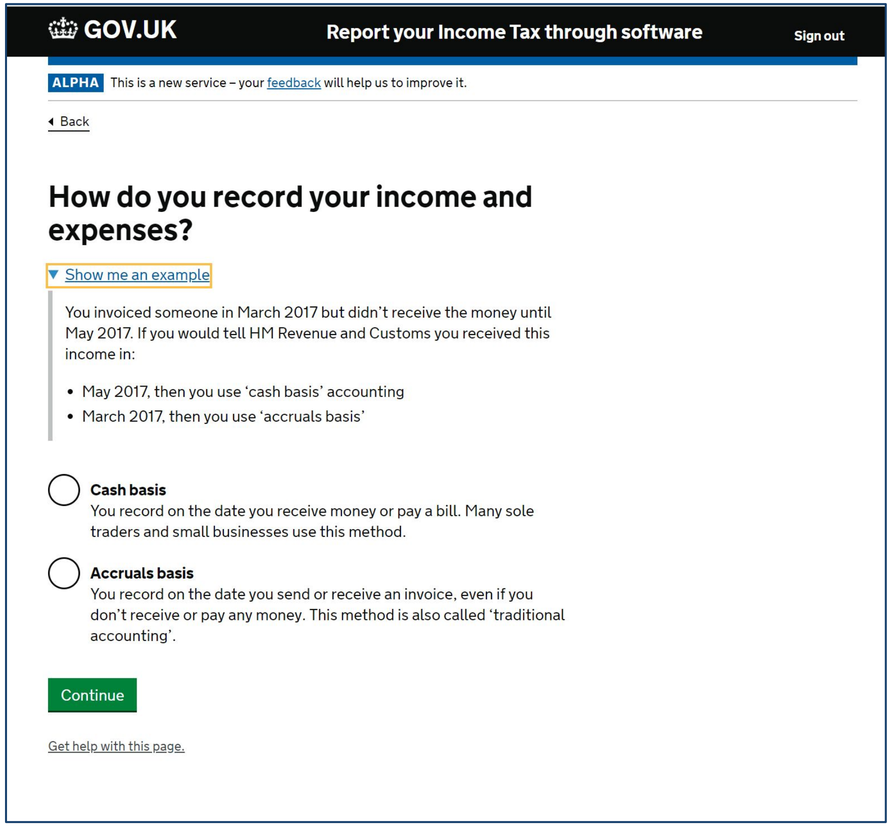
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How do you record your income and expenses?

▼ Show me an example

You invoiced someone in March 2017 but didn't receive the money until May 2017. If you would tell HM Revenue and Customs you received this income in:

- May 2017, then you use 'cash basis' accounting
- March 2017, then you use 'accruals basis'

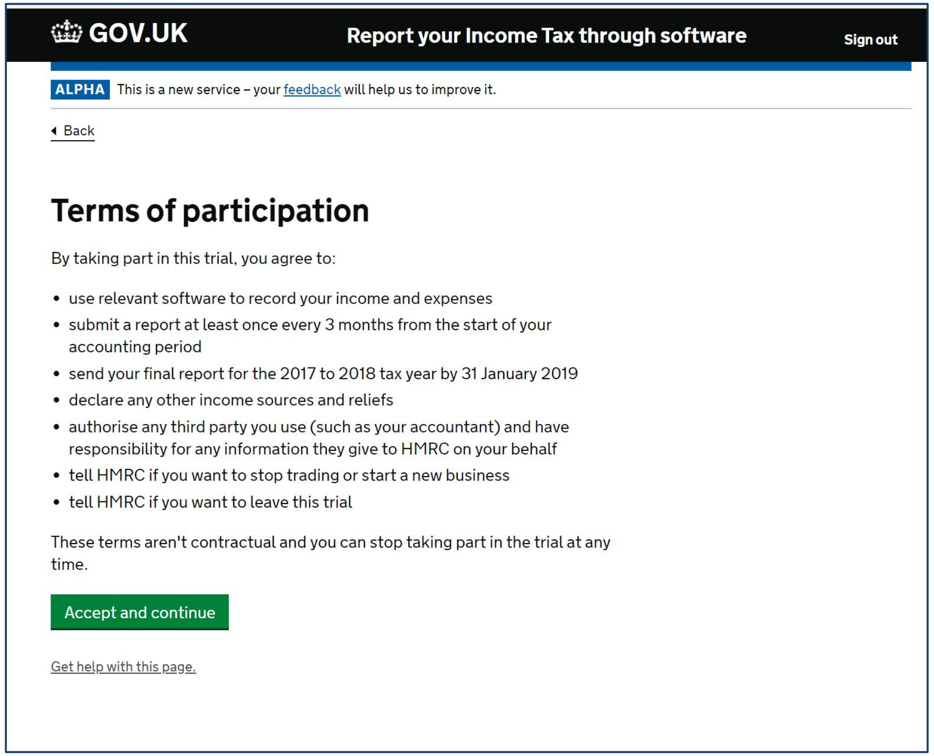
Cash basis
You record on the date you receive money or pay a bill. Many sole traders and small businesses use this method.

Accruals basis
You record on the date you send or receive an invoice, even if you don't receive or pay any money. This method is also called 'traditional accounting'.

Continue

Get help with this page.

5a Sole trader and/or landlord signs up to MTD for Income Tax



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- send your final report for the 2017 to 2018 tax year by 31 January 2019
- declare any other income sources and reliefs
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Accept and continue

Get help with this page.

HM Revenue & Customs

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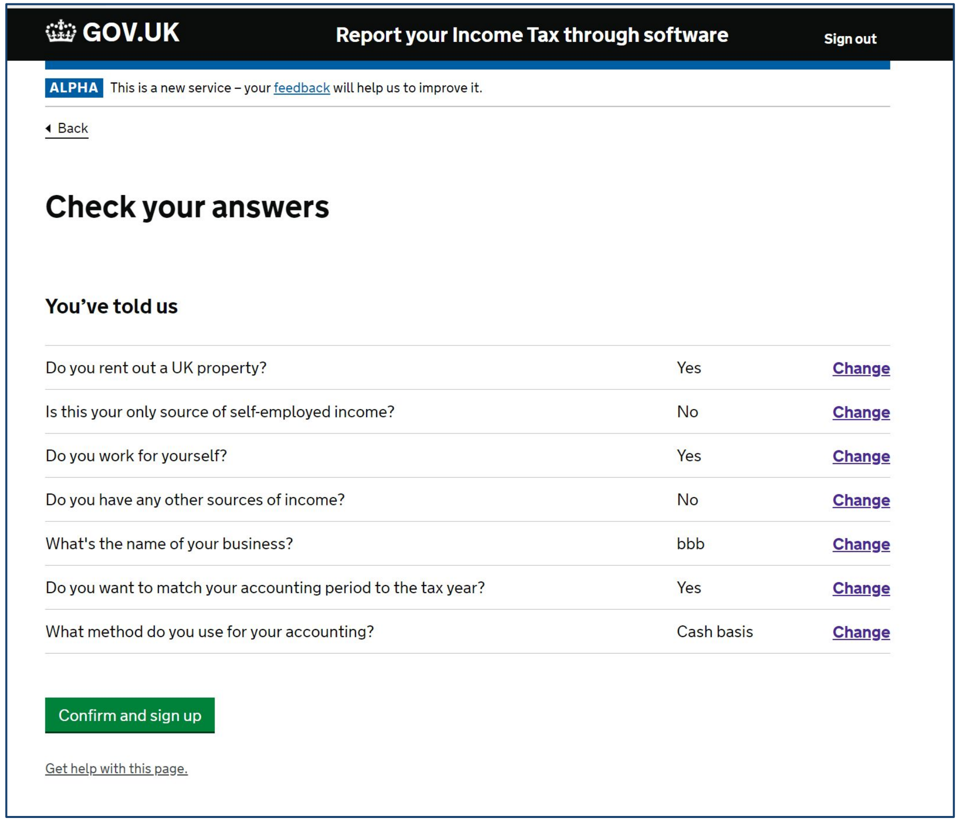

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Check your answers

You’ve told us

Do you rent out a UK property?	Yes	Change
Is this your only source of self-employed income?	No	Change
Do you work for yourself?	Yes	Change
Do you have any other sources of income?	No	Change
What's the name of your business?	bbb	Change
Do you want to match your accounting period to the tax year?	Yes	Change
What method do you use for your accounting?	Cash basis	Change

Confirm and sign up

Get help with this page.

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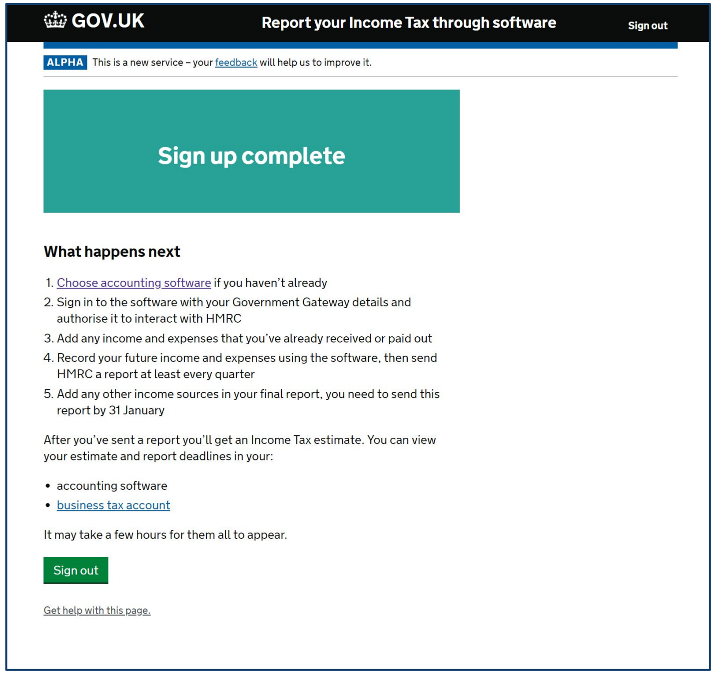
GOV.UK Report your Income Tax through software Sign out

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Sign up complete

What happens next

1. Choose accounting software if you haven't already
2. Sign in to the software with your Government Gateway details and authorise it to interact with HMRC
3. Add any income and expenses that you've already received or paid out
4. Record your future income and expenses using the software, then send HMRC a report at least every quarter
5. Add any other income sources in your final report, you need to send this report by 31 January

After you've sent a report you'll get an Income Tax estimate. You can view your estimate and report deadlines in your:

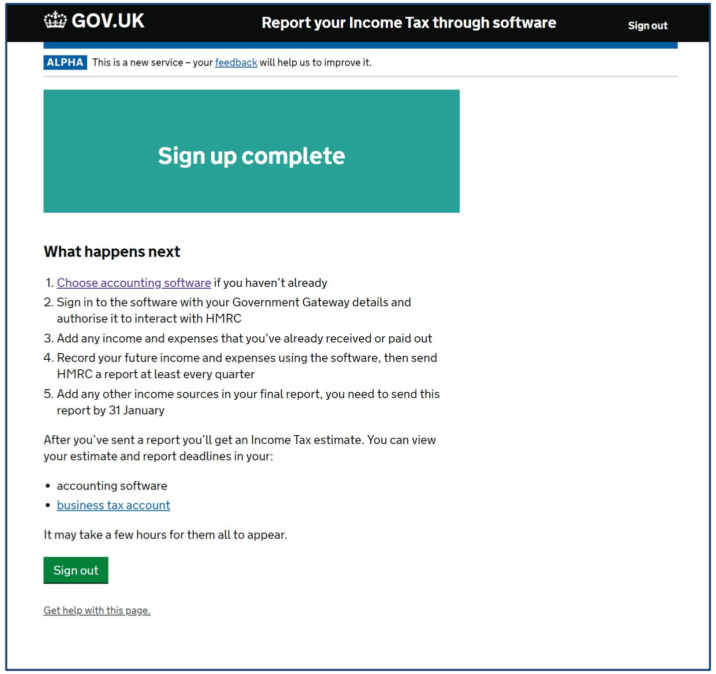
- accounting software
- business tax account

It may take a few hours for them all to appear.

Sign out

Get help with this page.

5a Sole trader and/or landlord signs up to MTD for Income Tax



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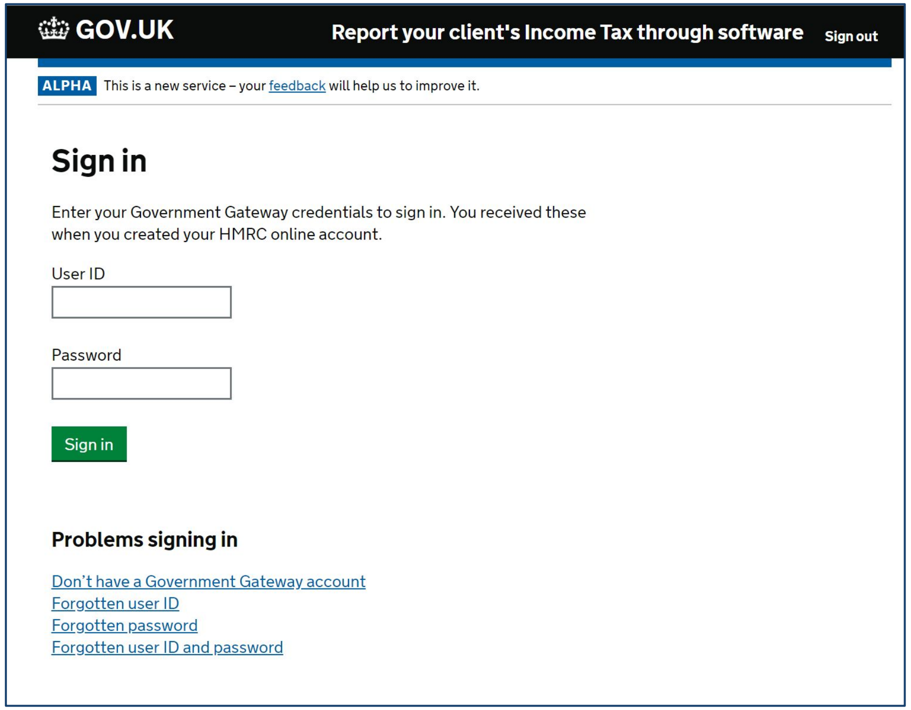
5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



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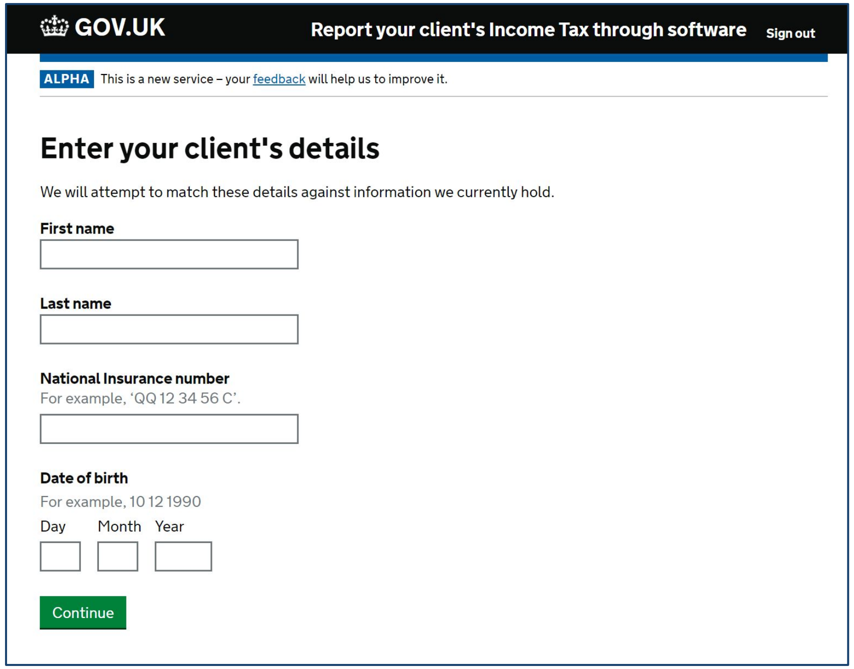

HM Revenue & Customs

5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax

GOV.UK Report your client's Income Tax through software Sign out

ALPHA This is a new service – your feedback will help us to improve it.

Back

Check your answers

You've told us

First name	Joe	Change
Last name	Bloggs	Change
National Insurance number	QQ123456C	Change
Date of birth	10 Dec 1990	Change

Continue

5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax

GOV.UK Report your client's Income Tax through software Sign out

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Does your client rent out a UK property?

This includes if they use a letting agency.

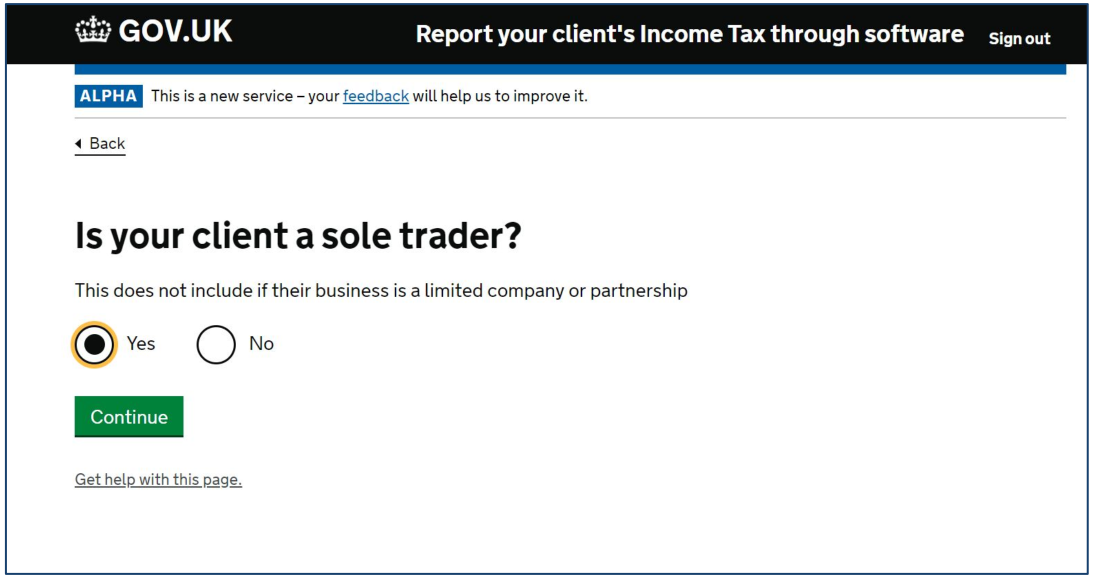
(•) Yes ( ) No

Continue

Get help with this page.

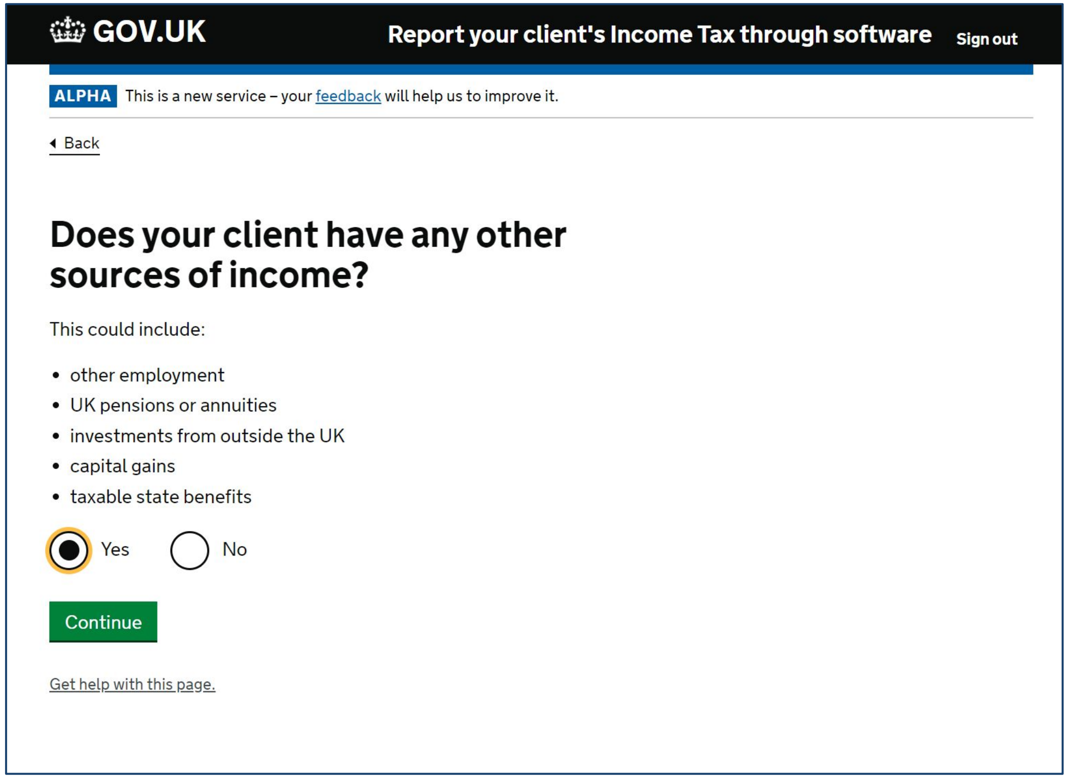
HM Revenue & Customs

5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



5b

Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



GOV.UK Report your client's Income Tax through software Sign out

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Does your client have any other sources of income?

This could include:

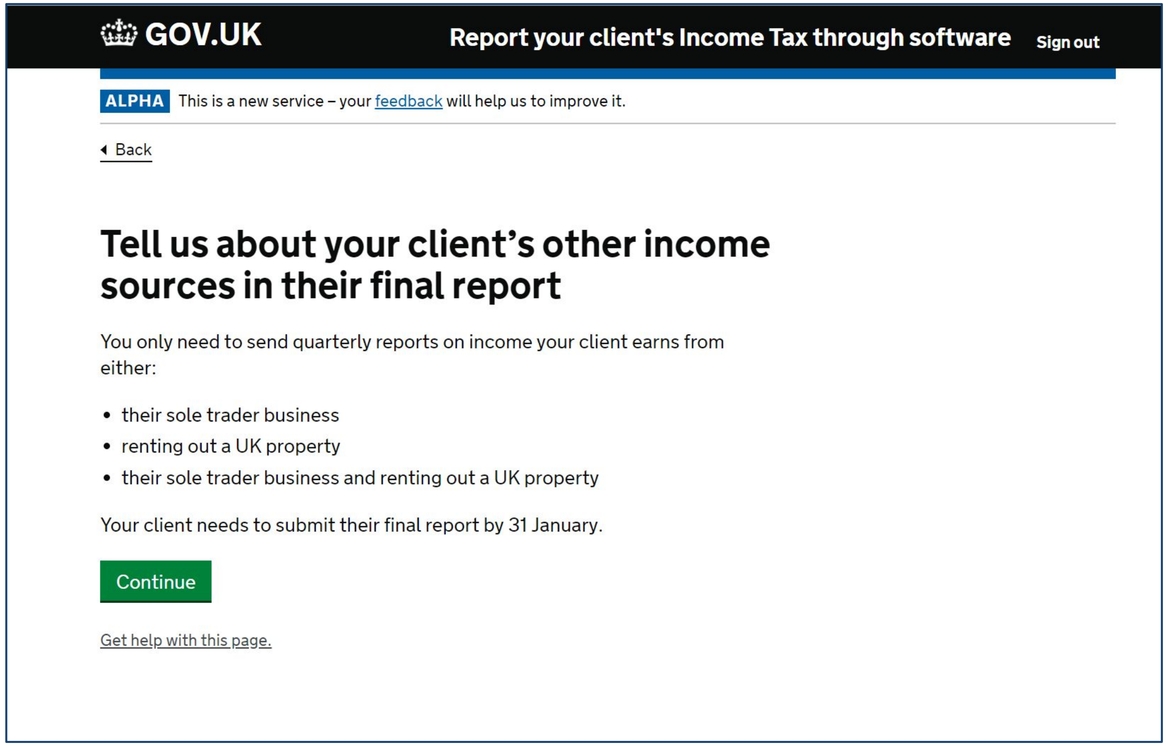
- other employment
- UK pensions or annuities
- investments from outside the UK
- capital gains
- taxable state benefits

Yes No

Continue

Get help with this page.

5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



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Tell us about your client’s other income sources in their final report

You only need to send quarterly reports on income your client earns from either:

- their sole trader business
- renting out a UK property
- their sole trader business and renting out a UK property

Your client needs to submit their final report by 31 January.

Continue

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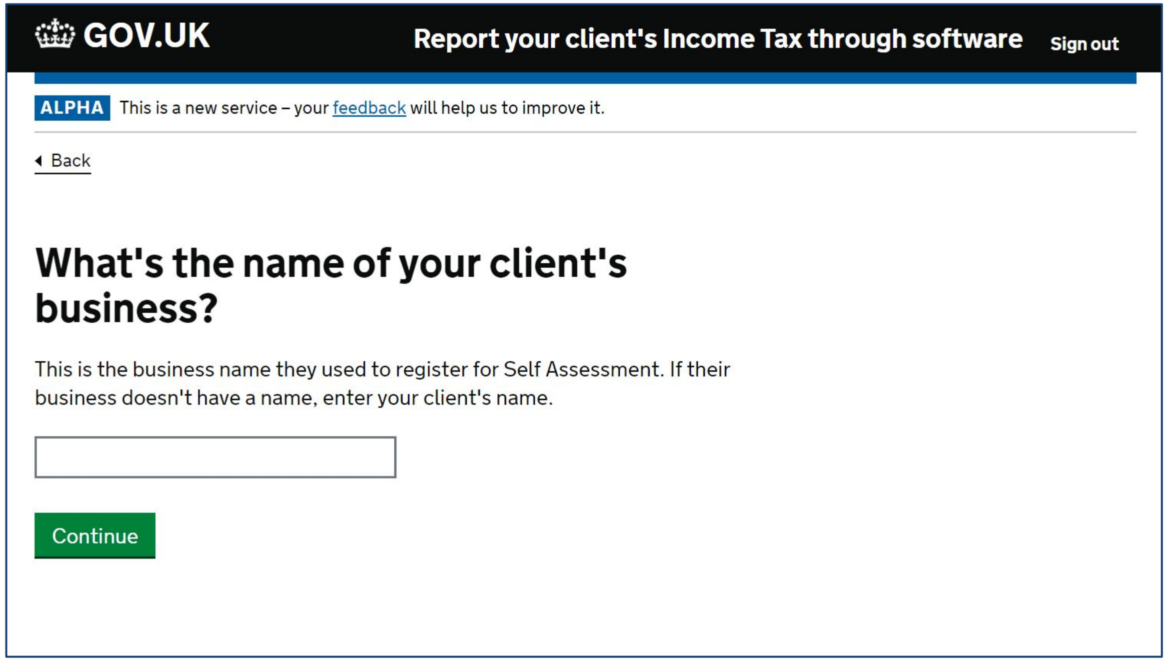
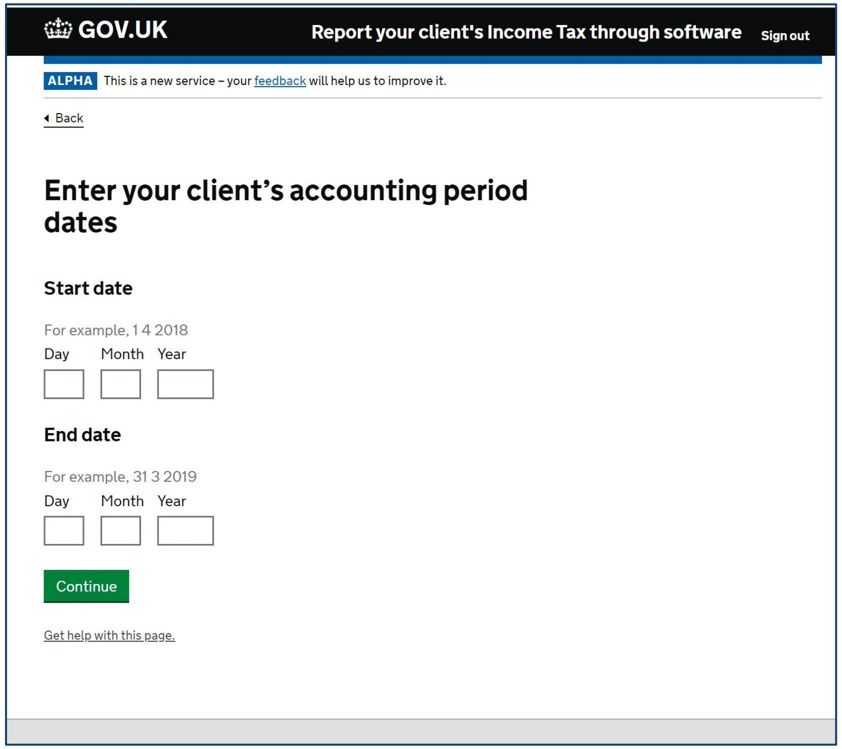
5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax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Enter your client's accounting period dates

Start date

For example, 1 4 2018

Day Month Year

End date

For example, 31 3 2019

Day Month Year

Continue

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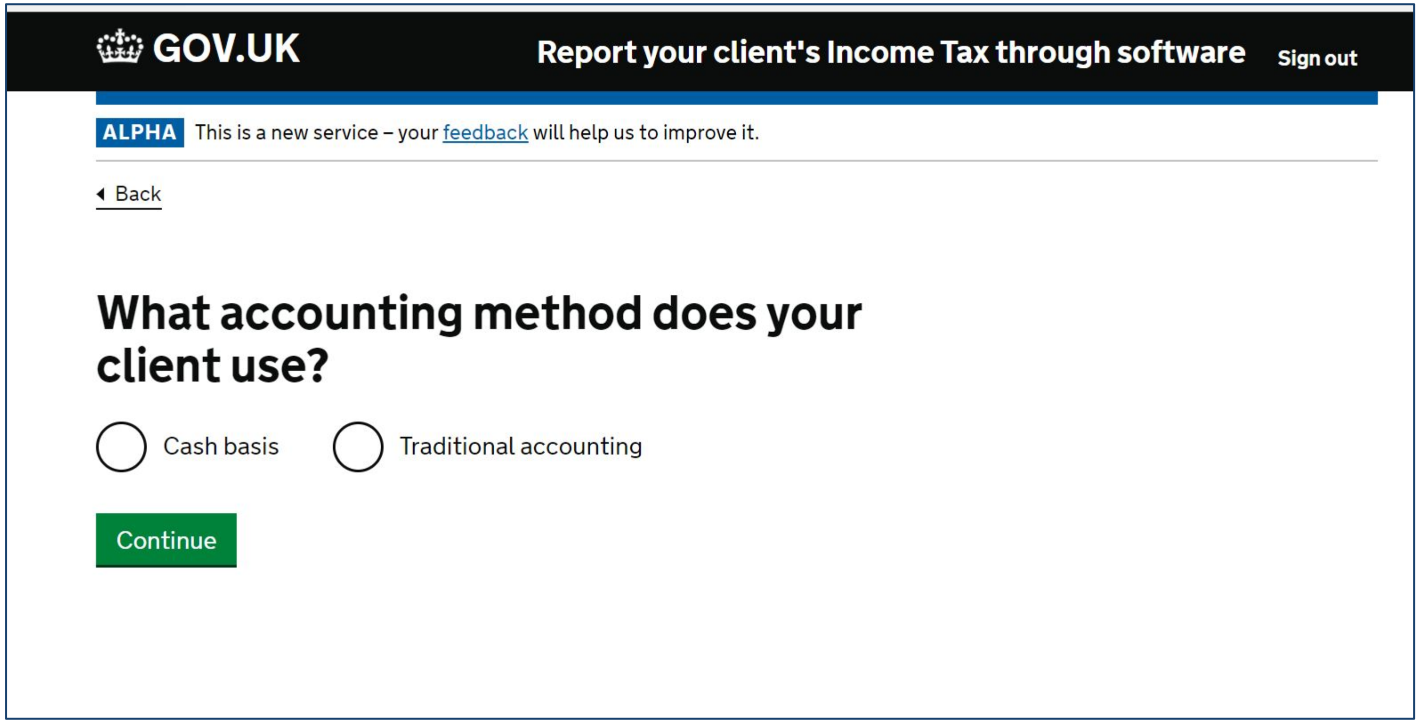
5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



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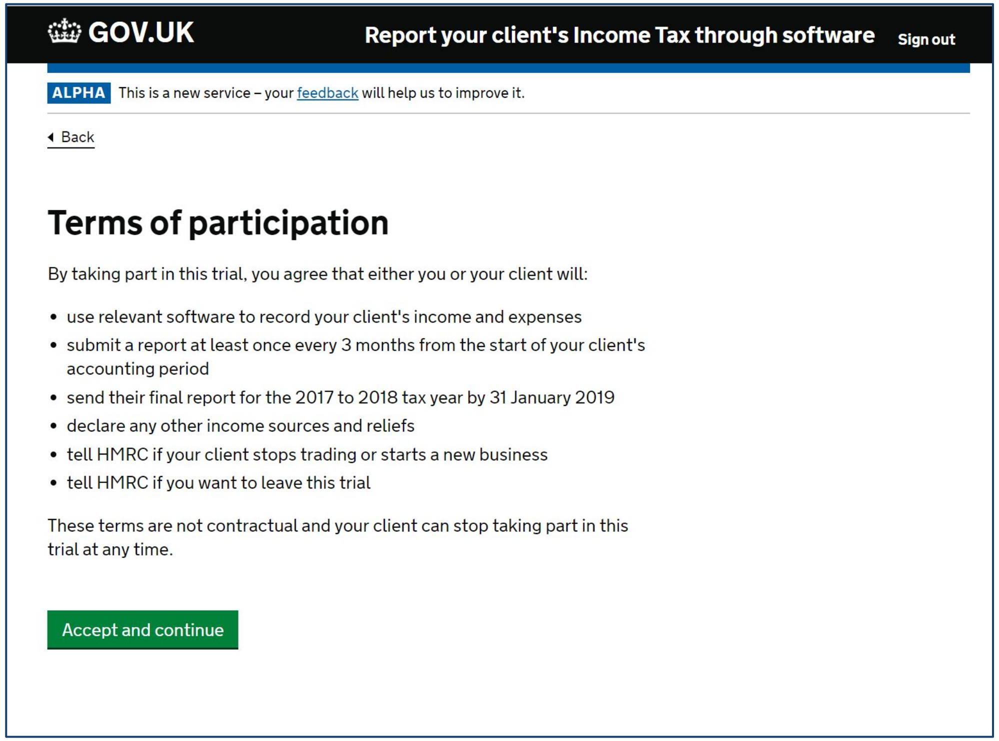
5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax



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Terms of participation

By taking part in this trial, you agree that either you or your client will:

- use relevant software to record your client's income and expenses
- submit a report at least once every 3 months from the start of your client's accounting period
- send their final report for the 2017 to 2018 tax year by 31 January 2019
- declare any other income sources and reliefs
- tell HMRC if your client stops trading or starts a new business
- tell HMRC if you want to leave this trial

These terms are not contractual and your client can stop taking part in this trial at any time.

Accept and continue

5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax

GOV.UK Report your client's Income Tax through software Sign out

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Check your answers

You've told us

Does your client rent out a UK property?	Yes	Change
Is your client a sole trader?	Yes	Change
Does your client have any other sources of income?	Yes	Change
What is the name of your client's business?		Change
Does your client's accounting period match the tax year?	No	Change
Your client's accounting period dates	to	Change
What accounting method does your client use?	Cash basis	Change

Confirm and sign up

Get help with this page.

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5b Agent acting for a Sole trader and/or landlord signs them up to MTD for Income Tax

GOV.UK — Report your client's Income Tax through software — Sign out

ALPHA This is a new service – your feedback will help us to improve it.

Sign up complete

What happens next

Either you or your client need to complete the steps below.

It's important for your client to choose a software package that can interact with yours.

1. Choose accounting software if you haven't already.
2. Sign in to the software with your Government Gateway details and authorise it to interact with HMRC.
3. Add any income and expenses that your client has already received or paid out.
4. Record your client's future income and expenses using the software, then send HMRC a report at least every quarter.
5. Add any other income sources in their final report, your client needs to send this report by 31 January.

After you've sent a report your client will get an Income Tax estimate. They can view their estimate and report deadlines in their:

- accounting software
- business tax account

Sign up another client

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Income Tax business/agent E2E journey roadmap

6 - Choose software GOV.UK page available

6 Choose software GOV.UK page available

HMRC provides information to highlight known software so that businesses and agents can choose the right software for them.

There will be a list of known software that are MTD-compatible published on GOV.UK.

A business or agent will need to complete authentication with HMRC within their chosen software to obtain their obligation dates from HMRC via an API call.

They will be able to enter transactional level information into their record-keeping software for anything relating to business income as a minimum.

Software can also provide users with the ability to provide information for non-business income (personal income).

HMRC only require that each package made available to customers complies with the Terms of Use
https://developer.service.hmrc.gov.uk/api-documentation/docs/terms-of-use

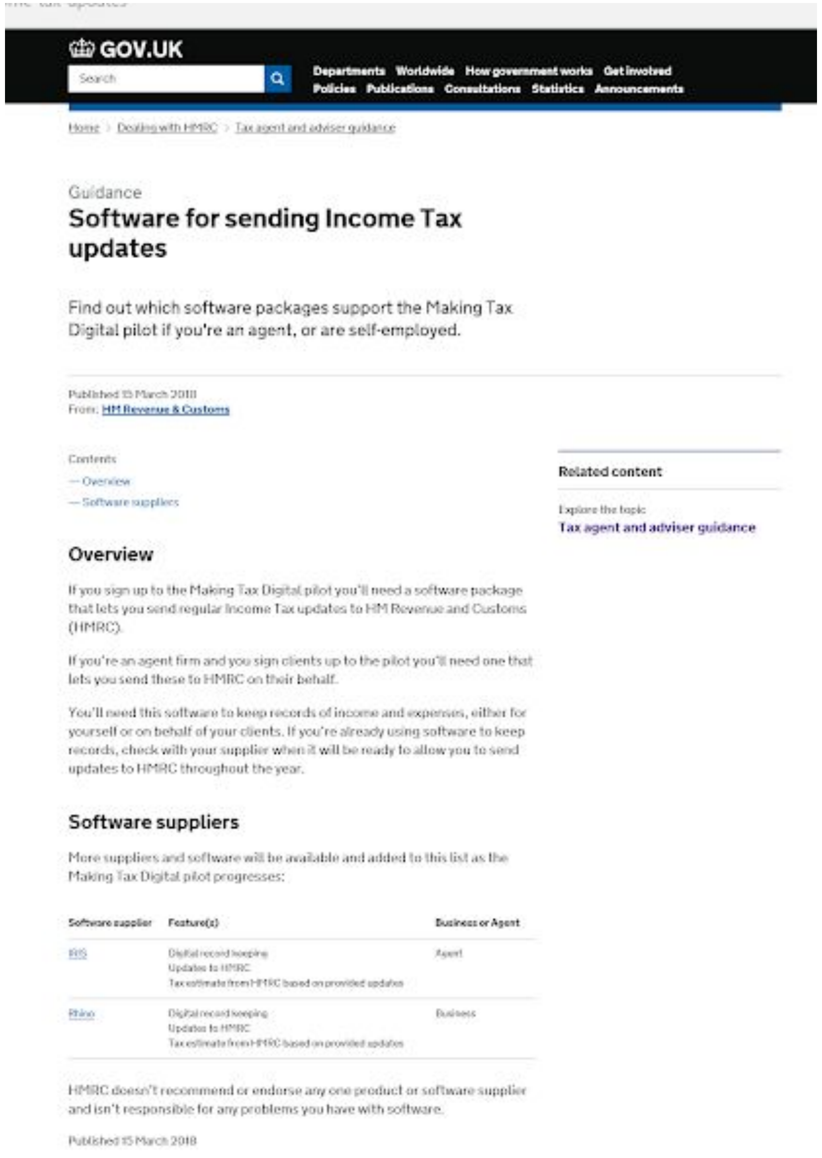
which have to be accepted before production credentials are issued.

Income Tax business/agent E2E journey roadmap

6 Choose software GOV.UK page available

New guide listing software suppliers for sending Income Tax updates

https://www.gov.uk/guidance/software-for-sending-income-tax-updates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Home > Dealing with HMRC > Tax agent and adviser guidance

Guidance

Software for sending Income Tax updates

Find out which software packages support the Making Tax Digital pilot if you're an agent, or are self-employed.

Published 15 March 2018
From: HM Revenue & Customs

Contents
— Overview
— Software suppliers

Related content

Explore the topic
Tax agent and adviser guidance

Overview

If you sign up to the Making Tax Digital pilot you'll need a software package that lets you send regular Income Tax updates to HM Revenue and Customs (HMRC).

If you're an agent firm and you sign clients up to the pilot you'll need one that lets you send these to HMRC on their behalf.

You'll need this software to keep records of income and expenses, either for yourself or on behalf of your clients. If you're already using software to keep records, check with your supplier when it will be ready to allow you to send updates to HMRC throughout the year.

Software suppliers

More suppliers and software will be available and added to this list as the Making Tax Digital pilot progresses:

Software supplier	Feature(s)	Business or Agent
IRIS	Digital record keeping Updates to HMRC Tax estimate from HMRC based on provided updates	Agent
Rhino	Digital record keeping Updates to HMRC Tax estimate from HMRC based on provided updates	Business

HMRC doesn't recommend or endorse any one product or software supplier and isn't responsible for any problems you have with software.

Published 15 March 2018

HM Revenue & Customs

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Income Tax business/agent E2E journey roadmap

7 - Customer/agent links software to HMRC

7 Customer/agent links software to HMRC

Users of software packages that connect to the HMRC Developer Hub APIs will be required to give their software permission to interact with their data and HMRC.

The software user grants the software the authority to interact with HMRC on their behalf - for a set of functions or 'API scopes'.

The software must include each scope for which the user must grant permission the authorise call. This is explained in the authorisation section of the Developer Hub: https://developer.service.hmrc.gov.uk/api-documentation/docs/authorisation

If the user grants permission the software will receive an authorisation code that can be used to gain an oAuth access token for that user and a refresh token. The access token expires periodically and must be refreshed. After 18 months the access token fully expires and the end user must grant authority again.

For an Agent, when connecting software to HMRC, the new GGW user Agent ID which was generated as part of the agent services account journey will be the GGW user Agent ID which needs to be connected. If another ID is attempted to be logged in with, an error message will be presented to the user.

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Income Tax business/agent E2E journey roadmap

8 - Customer/agent views previously submitted data in software

8 Customer/agent views previously submitted data in software

Software may want to retrieve previously submitted returns, for example before making a change software may want to request the last update provided before sending any changes, or if the customer has recently started using your software and you want to retrieve previous returns.

For periodic updates

Using the '**list self employment/property periodic updates'** software can retrieve the list of updates made for that income source, to find the period(s) IDs you are looking for.

Then use the period ID to call the **'Get a self employment/property (FHL or Non FHL) periodic update'** to retrieve information for that update.

For Annual updates

Even though you can provide the annual information throughout there is only one period a year for the annual information, You can use the **'get a self employment/property (FHL and Non FHL) annual summary)** providing the tax year for the annual period you are looking for.

8 Customer/agent views previously submitted data in software


```
{
  "id": "{periodId1}",
  "from": "2017-04-06",
  "to": "2017-07-04"
 },
 {
  "id": "{periodId2}",
  "from": "2017-07-05",
  "to": "2017-10-04"
```


Example response from List self employment update periods

Example response from get a self employment periodic summary


```
"from": "2017-04-06",
 "to": "2017-07-04",
 "incomes": {
  "turnover": { "amount": 100.25 },
  "other": { "amount": 100.25 }
 },
 "expenses": {
  "costOfGoodsBought": {
   "amount": 100.25,
   "disallowableAmount": 50.25
  },
  "cisPaymentsToSubcontractors": {
   "amount": 100.25,
   "disallowableAmount": 50.25
```


Please note the property responses follow the same format but data items may vary.

Please see API technical documentation for detail

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8 Customer/agent views previously submitted data in software


```
{
 "adjustments": {
  "includedNonTaxableProfits": 500.25,
  "basisAdjustment": 500.25,
  "overlapReliefUsed": 500.25,
  "accountingAdjustment": 500.25,
  "averagingAdjustment": 500.25,
  "lossBroughtForward": 500.25
```


Example response for requesting the self employment annual summary.

Property responses follow the same format but data items may vary

Please see API documentation on the developer hub for more detail


```
},
 "allowances": {
  "annualInvestmentAllowance":
500.25,

"businessPremisesRenovationAllowance"
: 500.25,
  "capitalAllowanceMainPool": 500.25,
  "capitalAllowanceSpecialRatePool":
500.25,

"zeroEmissionGoodsVehicleAllowance":
500.25,
  "enhancedCapitalAllowance": 500.25,
  "allowanceOnSales": 500.25,
```


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Income Tax business/agent E2E journey roadmap

9 - Customer/agent retrieves obligations in software

9 Customer/agent retrieves obligations in software

Once a business or agent has completed authentication and granted access to the software, the software can then use our APIs to request the information the user has provided at subscription and to find out the user's update obligation dates. The software should then make customers aware of their obligations within the package.

Actions to take are as follows

- List all self-employment businesses endpoint - which will provide a list of all the customer's self employment businesses, along with the Business ID which software will need to send anything to HMRC (this is currently limited to one but the functionality to add more will be available later and stated in the Roadmap)
- Get a self-employment business or Get a UK property Business - which will provide the information HMRC holds for a specific self employment or property business
- Customers can also find out their obligations for their income source, using the following endpoints
- Retrieve self-employment business obligations - which will provide obligation dates for all self-employment businesses, including grace period and whether obligations have been met or not (currently in production customers will only be able to see previous, current and next obligations not the obligations for the whole year)
- Retrieve all UK property business obligations - which will provide obligation dates for their UK property, including grace period and whether obligations have been met or not (currently in production customers will only be able to see, previous, current and next obligations not the obligations for the whole year)

9 Customer/agent retrieves obligations in software

Example response to the list all self employment businesses.


```
  "id": "{selfEmploymentId}",
   "accountingPeriod": {
     "start": "2017-04-06",
     "end": "2018-04-05"
   },
   "accountingType": "CASH",
   "commencementDate": "2016-01-01",
   "cessationDate": "2018-04-05",
   "tradingName": "Acme Ltd.",
   "businessDescription": "Accountancy services",
   "businessAddressLineOne": "1 Acme Rd.",
   "businessAddressLineTwo": "London",
   "businessAddressLineThree": "Greater London",
   "businessAddressLineFour": "United Kingdom",
   "businessPostcode": "A9 9AA"
 }
]
```

9 Customer/agent retrieves obligations in software

Example of the Obligation response that will be provided.

Please note at the moment in production the response only provides previous obligations and the next one it does not provide a full year but this will be available in the future.


```
"obligations": [
  {
    "start": "2017-04-06",
    "end": "2017-07-05",
    "due": "2017-08-05",
    "met": true
  },
  {
    "start": "2017-07-06",
    "end": "2017-10-05",
    "due": "2017-11-05",
    "met": true
  },
  {
    "start": "2017-10-06",
    "end": "2018-01-05",
    "due": "2018-02-05",
    "met": false
  },
  {
    "start": "2018-01-06",
    "end": "2018-04-05",
    "due": "2018-05-06",
    "met": false
```

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Income Tax business/agent E2E journey roadmap

10 - Customer/agent submits update in software

10 Customer/agent submits update in software

Businesses, and Agents who represent them, will be required to provide summary level information of their business income and expenses (transactional information to be kept digitally) on a quarterly basis or more often if they choose.

The software package will need to convert the transactional information into summary totals for each category (e.g. expenses by category).

HMRC has provided the API to enable software to be able to send the summary information to HMRC for each income source and allow HMRC to provide a calculation based on all the information we have received to date.

When the update is received, HMRC will check if the submission is coming from an Agent and if that agent is subscribed to agent services. If they are not subscribed to agent services an error will be returned.

If the agent is subscribed, HMRC will then check if the agent is authorised to act on behalf of that customer.

10 Customer/agent submits update in software

The service will include a number of business validation rules to ensure that all submissions are cross validated before being accepted. HMRC cannot however apply these rules without knowing that no further submission APIs will be sent by the customer (for the period being validated).

Therefore once all information has been submitted to HMRC for that period, software must use the trigger calculation API to inform HMRC that the user has finished submitting their information. As a response HMRC will provide a calculation ID.

Note that this does not mean the customer has to declare that the submissions are 'complete and correct' (i.e. there is no 'accuracy' statement required at this point), only that the customer must indicate that they don't intend to provide any additional information at this point. There is nothing to stop them providing additional information anytime by resubmitting the update period with any changes that have been made to the previous submission.

- Software will then need to use that calculation ID to use the retrieve calculation API, please note that at busy periods this may take a few minutes.

The calculation ID response:

- A 'Year to Date' estimated liability (which will total all period calculations to give an up to date view of the estimated liability)
- The Delta figure (which will be the difference between the current YTD and previous YTD figure.
- A breakdown of how the estimated liability has been reached, which will at a minimum be the equivalent to an SA302
- A forecast figure of what the customers liability is likely to be at the end of the year based on the information provided to date (Please note that customers will not be able to change this forecast figure as it is for information only.)

10 Customer/agent submits update in software

Software should use that Calculation ID to call the Retrieve a tax calculation API to get the result of the calculation.

Software can then call the relevant Get obligations APIs to establish whether or not the customer's' obligation has been met. **Please note the obligation can take up to an hour to be confirmed as met.**

When a customer wants to send an update for a self employment or property business, software will need to provide summary totals for any income or expenses by category (mandatory quarterly) and allowances and adjustments (mandatory annual). Software will need to use the following: endpoints for each relevant source of income.

For three monthly updates

- Create a self-employment update period - this creates the update period and enables software to provide the summary totals of income and expenses for that specific self employment business (this could be as little as a day or the whole 3 month obligation period)
- Create a Furnished Holiday Lettings (FHL) property period - this creates the update period and enables software to provide the summary totals of income and expenses for FHL property income
- Create a non FHL property update period - this creates the update period and enables software to provide the summary totals of income and expenses for non FHL property income

A customer can provide information as frequently as they like, however there are a couple of validation rules that apply

1. Each update period cannot overlap the previous one e.g.
    a. Update 1 - 6th April - 1st May - Accepted
    b. Update 2 - 2nd May - 31st May - Accepted
    c. Update 3 - 28th May - 6th June - Rejected

10 Customer/agent submits update in software

Example of the Create self employment periodic update with expense broken down.


```
"from": "2017-04-06",
 "to": "2017-07-04",
 "incomes": {
   "turnover": { "amount": 100.25 },
   "other": { "amount": 100.25 }
 },
 "expenses": {
   "costOfGoodsBought": {
     "amount": 100.25,
     "disallowableAmount": 50.25
   },
   "cisPaymentsToSubcontractors": {
     "amount": 100.25,
     "disallowableAmount": 50.25
   },
   "staffCosts": {
     "amount": 100.25,
     "disallowableAmount": 50.25
```


Example of the create self employment periodic update with consolidated expenses.


```
"from": "2017-04-06",
 "to": "2017-07-04",
 "incomes": {
   "turnover": {
     "amount": 100.25
   },
   "other": {
     "amount": 100.25
   }
 },
 "consolidatedExpenses": 100.25
```


For property the structure is the same but the fields required can be different

For full details see the documentation Income Tax (MTD) documentation on the developer hub.

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10 Customer/agent submits update in software

For annual updates these are mandatory annually but we have provided the functionality for customers to provide information more frequently if they choose.

- Update a self employment annual summary - this enables the customer to provide any information about allowances and adjustments they might want to provide during the year to get a more accurate calculation
- Update a non FHL property business annual summary - this enables the customer to provide any information about allowances and adjustments they might want to provide during the year to get a more accurate calculation
- Update a FHL property business annual summary - this enables the customer to provide any information about allowances and adjustments they might want to provide during the year to get a more accurate calculation

Checking if an obligation has been met

Once the customer has finished sending all the information for that period and you have retrieved the calculation. You can then check whether the customer's obligations have been met. **Please note it can take up to an hour for the results to be confirmed.**

Income Tax business/agent E2E journey roadmap

10 Customer/agent submits update in software


```
{
  "adjustments": {
    "includedNonTaxableProfits": 500.25,
    "basisAdjustment": 500.25,
    "overlapReliefUsed": 500.25,
    "accountingAdjustment": 500.25,
    "averagingAdjustment": 500.25,
    "lossBroughtForward": 500.25,
```

```
"allowances": {
   "annualInvestmentAllowance": 500.25,
   "businessPremisesRenovationAllowance": 500.25,
   "capitalAllowanceMainPool": 500.25,
```


Example of update a self employment business annual summary allowances and adjustments

Property follows the same structure but with some different data items

For more details please look at the Income Tax (MTD) API on the developer hub

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10 Customer/agent submits update in software

Example of trigger calculation request


```
{
 "taxYear": "2017-18"
}
```


Example of calculation response


```
{
 "incomeTaxYTD": 1000.25,
 "incomeTaxThisPeriod": 1000.25,
 "payFromAllEmployments": 200.22,
 "benefitsAndExpensesReceived": 200.22,
 "allowableExpenses": 200.22,
 "payFromAllEmploymentsAfterExpenses": 200.22,
 "shareSchemes": 200.22,
 "profitFromSelfEmployment": 200.22,
 "profitFromPartnerships": 200.22,
 "profitFromUkLandAndProperty": 200.22,
 "dividendsFromForeignCompanies": 200.22,
 "foreignIncome": 200.22,
 "trustsAndEstates": 200.22,
 "interestReceivedFromUkBanksAndBuildingSocieties": 200.22,
 "dividendsFromUkCompanies": 200.22,
 "ukPensionsAndStateBenefits": 200.22,
```

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Income Tax business/agent E2E journey roadmap

11 - Customer/agent changes and resubmits previously submitted data

11

Customer/agent changes data for a previously submitted period

If a customer wants to make an change to the data that was included in a previously submitted update software should use the following endpoints

- For quarterly updates - Amend a self-employment periodic update or Amend an (FHL or Non FHL) property periodic update
- For Annual updates - use the same endpoints - Amend a self-employment annual summary or Amend an (FHL or Non FHL) property business annual summary

For all quarterly updates including self employment, FHL property business and non-FHL property business -

- software will have to resubmit the new summary totals for the specific update period (i.e. the dates of the update period have to match exactly)
- When a business resubmits an update period, the software will have to use the trigger calculation API and follow the same process as the submitting an update period process.

Note: any changes that are made before the customer has crystallised is not a formal amendment.

For all changes to annual summary updates including Self employment, FHL property business and non-FHL property business -

- Software will have to resubmit any changes to the summary totals for income source. The nature of this obligation means there is no need to create separate update periods.
- Where a business resubmits an annual summary update, previous figures that have been submitted **must** be sent again as well as any additional information. A zero or Null will overwrite any information previously provided.
- the software will have to use the trigger calculation API and follow the same process.

11 Customer/agent changes data for a previously submitted period

No Examples as they are the same as the create an update period. However a couple of key points to remember for changing previously submitted updates

1. Changes to periodic updates - the update period you are trying to change **Must** match the original update period exactly or it will be rejected.

2. Changes to Annual updates - All figures previously supplied **must** be provided again, a Zero or a Null will over right any previously submitted information.

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Income Tax business E2E journey roadmap

12 - Customer views previously submitted data and filing obligations in BTA

12 Customer views previously submitted data and filing obligations in BTA

HMRC believe that some may wish on occasion to view information regarding their income tax for assurance purposes, this may also include any previous updates that have been submitted.

We would therefore encourage vendors to make available within software products as many suitable features as possible to meet user needs.

Vendors can also direct users to visit their Business Tax Account to view certain information. Please find the log in page below: https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account.

From 14 August 2017, a user who has signed up for MTD and agreed to report using their third party software, can choose to log into Business Tax Account and view information such as; obligation periods, year-to-date income tax calculation and end-of-year forecasted tax liability.

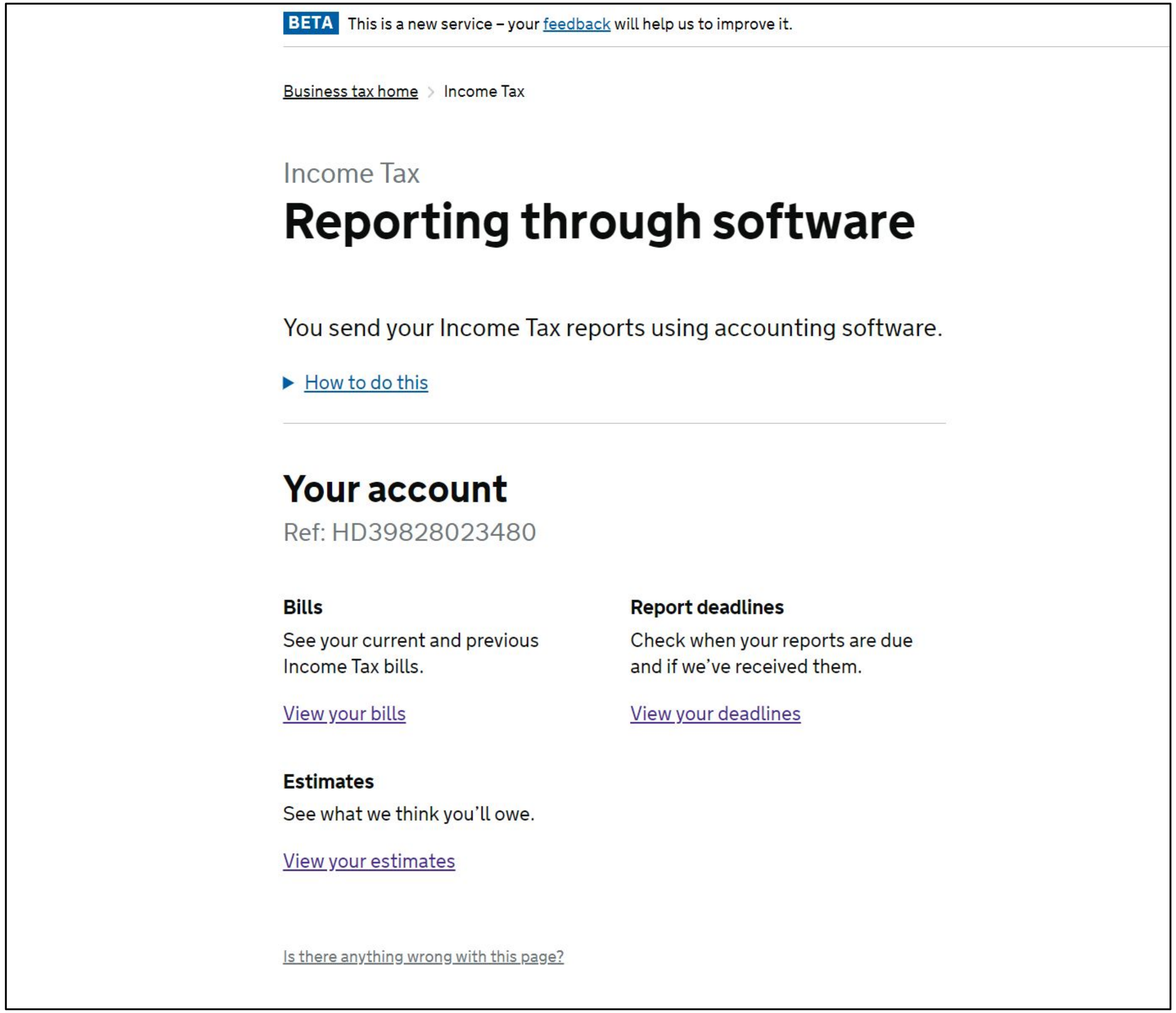
The vision is that the Business Tax Account will have have further features and iterations based on user feedback and needs. Future features will also enable users to have a statement view, view a change of circumstance, along with linking off to make a card payment.

The Business Tax Account uses public-facing API's to display the following information:

- Reporting obligations, and their status, per income source.
- Tax estimates
- Year-to-date income tax calculation
- End-of-year forecasted tax liability

User Research will continue and further iterations will be made, this will enhance the functionality of the Business Tax Account and help to improve the user's experience. This will mean using both micro services and API's.

12 Customer views bills, report deadlines and estimates within BTA



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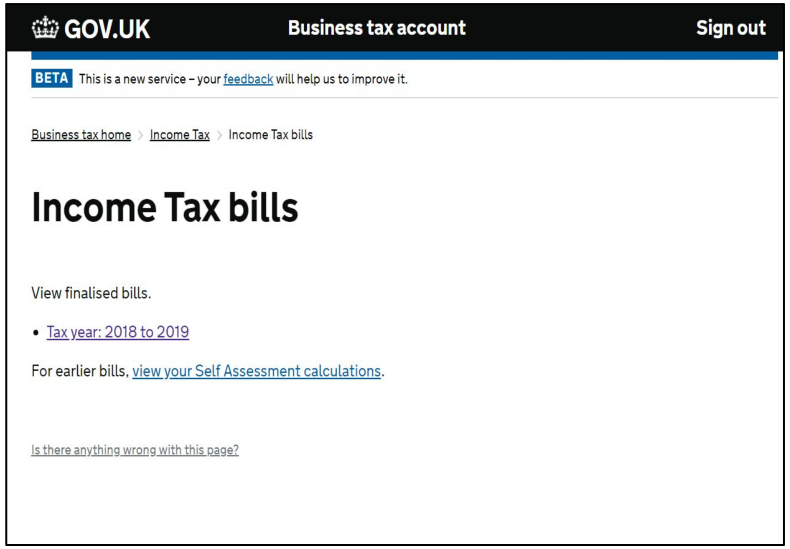
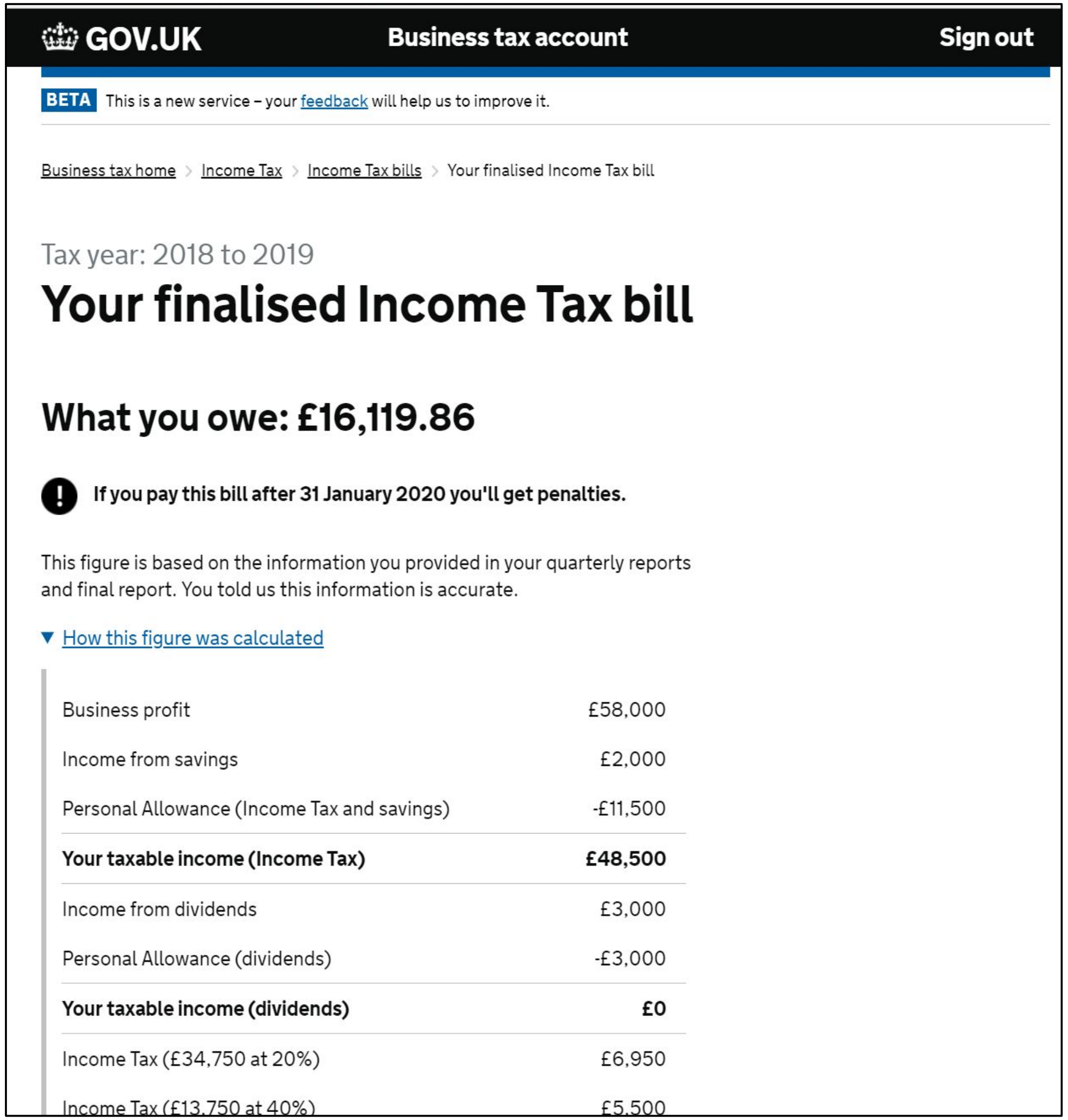
View Income Tax bills within BTA





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12

View report deadlines within BTA

Your Income Tax report deadlines

You must submit a report once every quarter using accounting software.

XYZ Sports

This business ceased trading on 22 June 2019.

Report period	Report due date
6 April 2019 to 30 June 2019	Overdue

XYZ Models

Report period	Report due date
6 April 2019 to 30 June 2019	Due by 31 July 2019

Property income

This covers all properties that you earn income from.

Report period	Report due date
6 April 2019 to 30 June 2019	Received

12

View Your Income Tax estimate within BTA

Tax year: 2018 to 2019

Your Income Tax estimate

Annual estimate: £15,628.26

This is an estimate of what you'll pay for the whole of this tax year, beginning 6 April 2018 and ending 5 April 2019.

It's based on your current estimate and is a total of all income tax, from any source that you report through accounting software.

Current estimate: £7,814.13

This is an estimate of the tax you owe from 6 April 2018 to 30 September 2018.

It's based on the information you report through accounting software.

How your current estimate was calculated

Business profit and income from savings	£24,836
Personal allowance, incl. Savings (for period reported)	-£5,750
Your taxable income (Income Tax)	**£24,065.50**
Income from dividends	£1,500
Personal Allowance (dividends)	-£1,500
Your taxable income (dividends)	**£0**
Income Tax (£17,375 at 20%)	£3,475
Income Tax (£6,690.50 at 40%)	£2,676.20

HM Revenue & Customs

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

13 - Customer/agent can receive penalties

13 Customer/agent can receive penalties

Existing penalties and notification methods will remain in place for service users. Further information can be found here https://www.gov.uk/self-assessment-tax-returns/penalties.

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

14 - Appeals process

14 Appeals process

The existing process for Appeals will remain in place. Further details can be found here https://www.gov.uk/tax-appeals/penalty.

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

15 - Customer/agent can unsubscribe from MTD Income Tax

15 Customer/agent can unsubscribe from MTD SA

There is currently a manual process in place whereby a Customer/Agent can contact the HMRC helpline to notify their requirement to unsubscribe from the service.

In the event that the customer continues to be Income Tax registered, if necessary Income Tax returns can be submitted manually.

In time the manual process will be replaced by a user interface.

Income Tax business/agent E2E journey roadmap

16 - Agent services Income Tax agent/client de-authorisation

16 Agent services Income Tax agent/client de-authorisation

HM Revenue & Customs

Sign in

Enter your Government Gateway credentials to sign in. You received these when you created your HMRC online account.

User ID

Password

Sign in

Problems signing in

Trying to file Self Assessment using GOV.UK Verify?
Don't have a Government Gateway account
Forgotten user ID
Forgotten password
Forgotten puser ID and password

Get help from HMRC's automated assistant

16 Agent services Income Tax agent/client de-authorisation

GOV.UK Manage your tax agents

HM Revenue & Customs

Manage your tax agents

Check which tax agents have permission to act on your behalf, and remove authorisations that you no longer need.

Your authorised agents

Agency name	Authorised services	Actions
Agency Name	Report income and expenses through software	Remove authorisation
Agency Name	Report VAT returns through software	Remove authorisation

16 Agent services Income Tax agent/client de-authorisation

GOV.UK Business tax account

HM Revenue & Customs

Remove authorisation from ABC Accountants

If you remove your authorisation, ABC Accountants will no longer be able to report your income and expenses through software.

Are you sure you want to remove your authorisation from ABC Accountants?

- (●) Yes
- ( ) No

Continue

16 Agent services Income Tax agent/client de-authorisation

GOV.UK

HM Revenue & Customs

Authorisation removed

ABC Accountants can no longer report your income and expenses through software

Made a mistake?

If you want to allow ABC Accountants to report your income and expenses through software, ask them to send you a new authorisation request.

Continue

HM Revenue & Customs

Income Tax Agent E2E journey roadmap

17 - Agent able to notify their own change of circumstances

17 Agent able to notify their own change of circumstances

This will initially be the usual process, which can be used to remove the agent reference number and Government Gateway (GGW) enrolment (HMRC-AS-AGENTS).

The scenario where this is needed is when an agency firm ceases trading.

If an agency no longer wants to participate in MTD they can stop using their GGW ID.

We are currently working to include a UI for this journey as part of the wider change of circumstances solution.

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

18 - Subscription service available for businesses and agents

18 Subscription service available for businesses and agents

We will deliver a subscription service that will allow new self-employed businesses and landlords to subscribe for income tax and sign up to the MTD Service; using software and providing quarterly updates from the start of their business lifecycle. This will not be mandatory and if not chosen, existing subscription services will remain.

The service will request information about the business (eg name, address, contact details, start of business) and the self-employed person or landlord running it (eg name, home address, date of birth, National Insurance number).

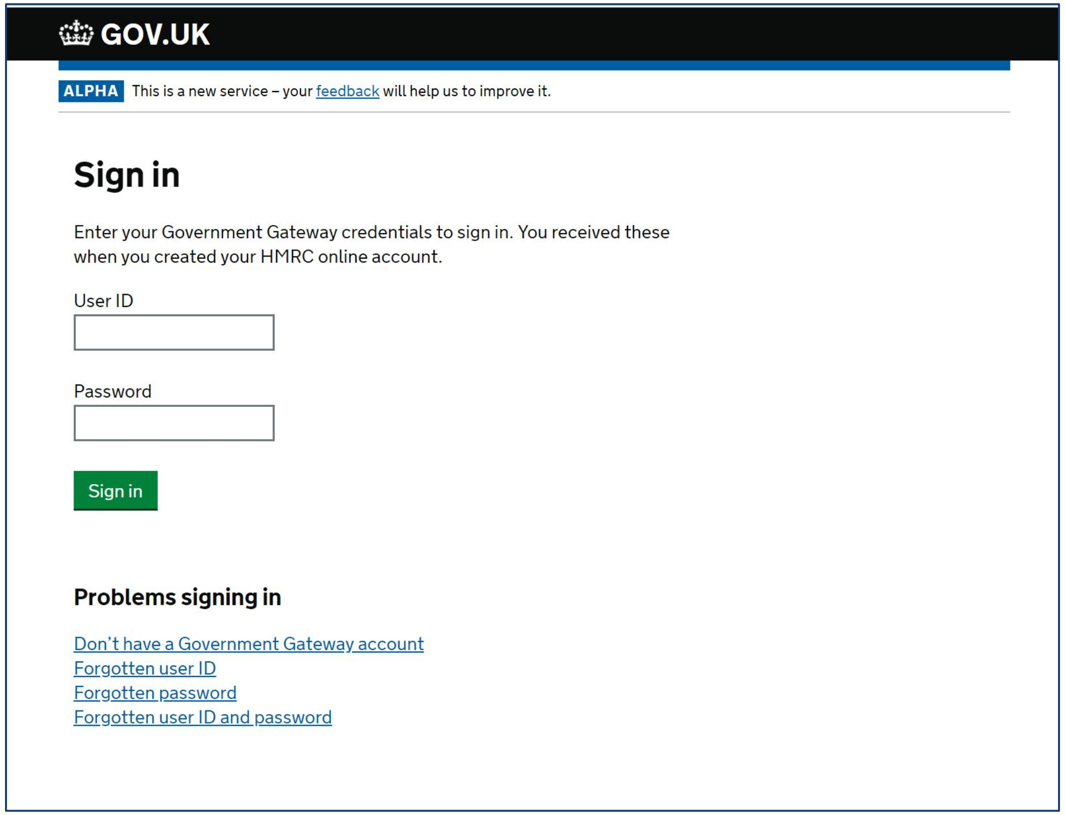
Following successful subscription the customer will be informed of their update deadlines.

For the MTD-Income Tax release this will mean that self-employed and landlords will have to go through the Personal Identity Check when subscribing. The Check is the same process shown to users on the Personal Tax Account today, and uses information HMRC holds on the individual.

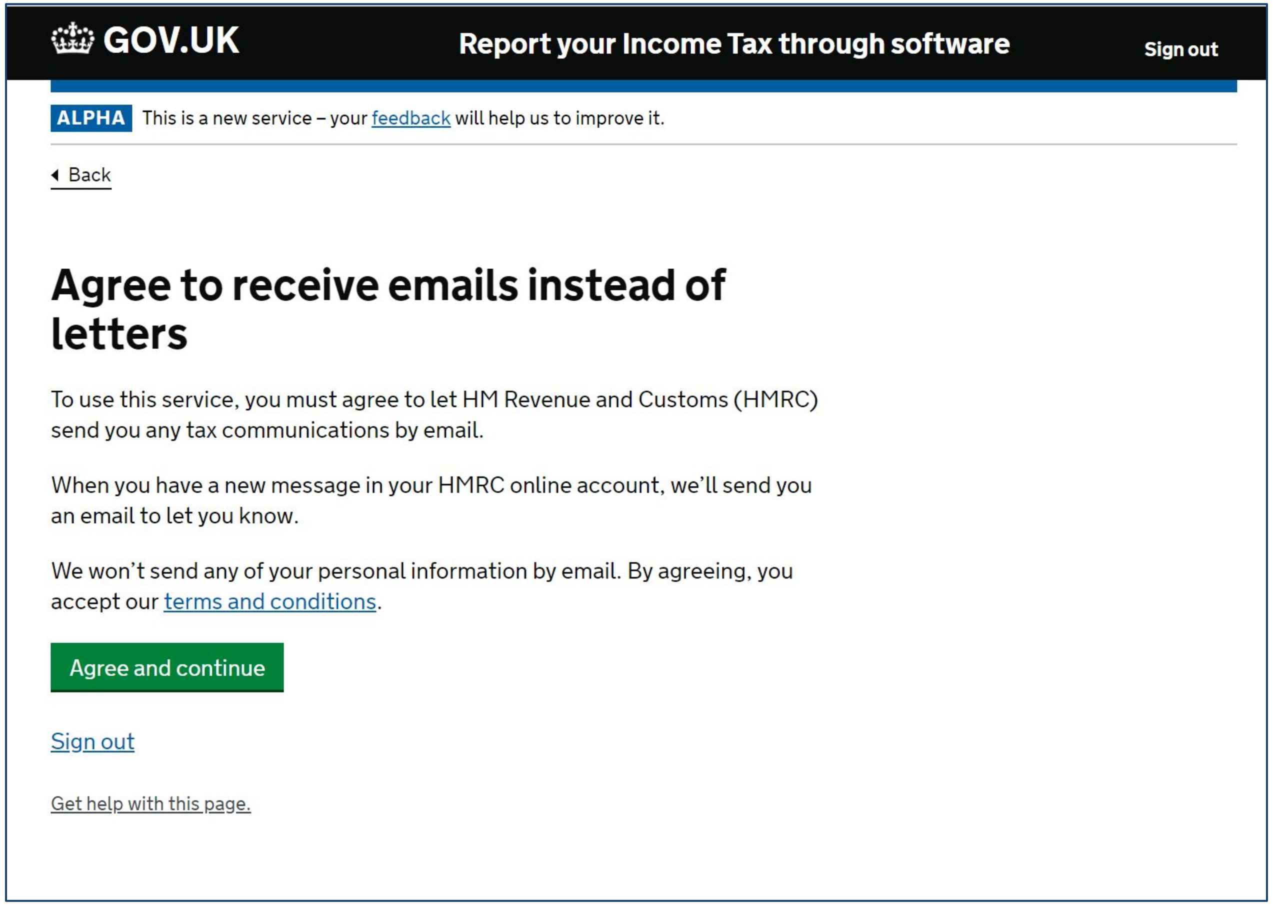
HMRC will provide subscription as an online service through Gov.uk, enabling software developers to provide links to the service in software.

Once an agent has subscribed for Agent Services and either linked an existing client or added a new one, they will be able to subscribe a new business as self employed or a landlord (or both) and sign them up to the MTD Income Tax service. This will be a service available on GOV.UK. The service is currently in development and is expected in the summer of 2018. It will be a relatively straightforward service that captures key data about the business e.g. name, address. As analysis completes we will provide details.

18 Subscription service available for businesses and agents



18 Subscription service available for businesses and agents


GOV.UK
Report your Income Tax through software
Sign out

ALPHA This is a new service – your feedback will help us to improve it.

Back

Agree to receive emails instead of letters

To use this service, you must agree to let HM Revenue and Customs (HMRC) send you any tax communications by email.

When you have a new message in your HMRC online account, we'll send you an email to let you know.

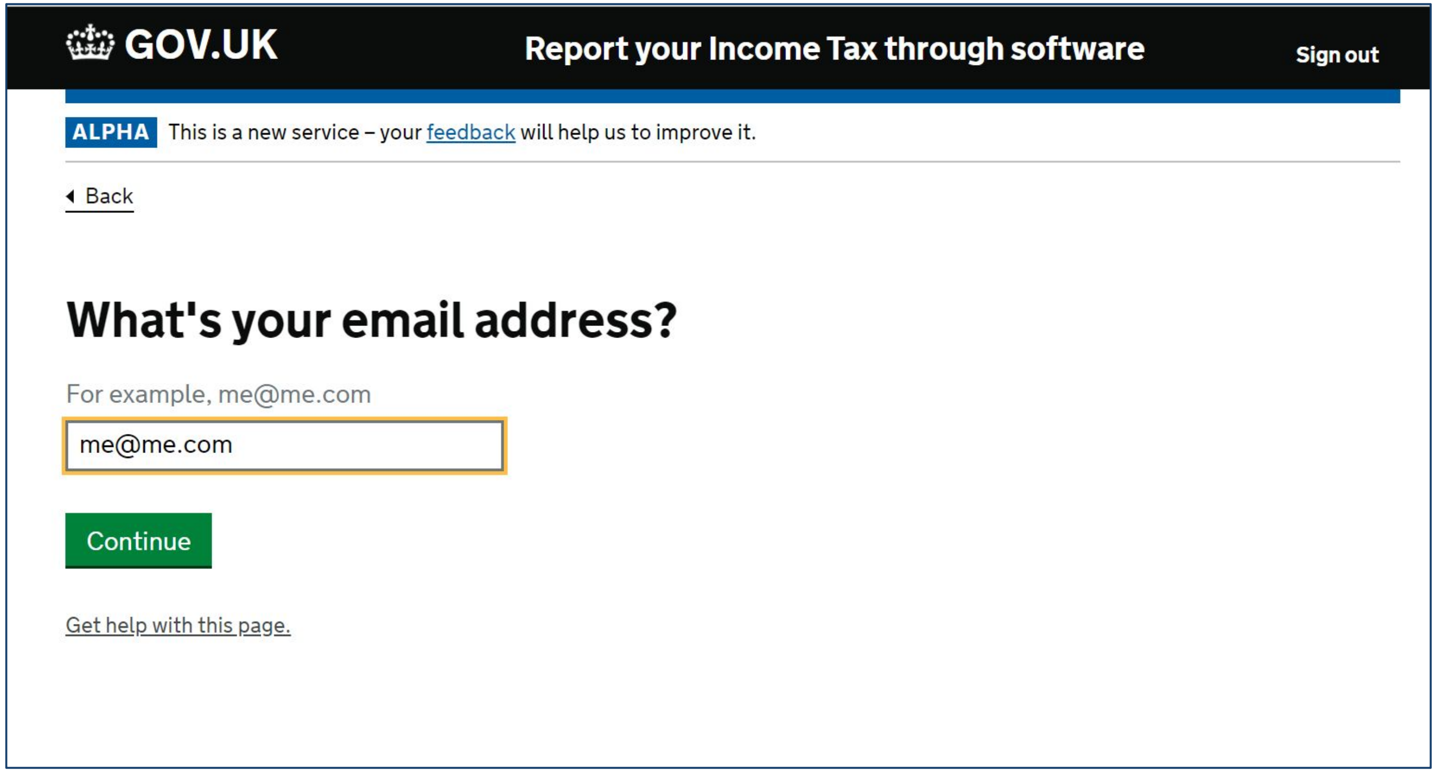
We won't send any of your personal information by email. By agreeing, you accept our terms and conditions.

Agree and continue

Sign out

Get help with this page.

18 Subscription service available for businesses and agents



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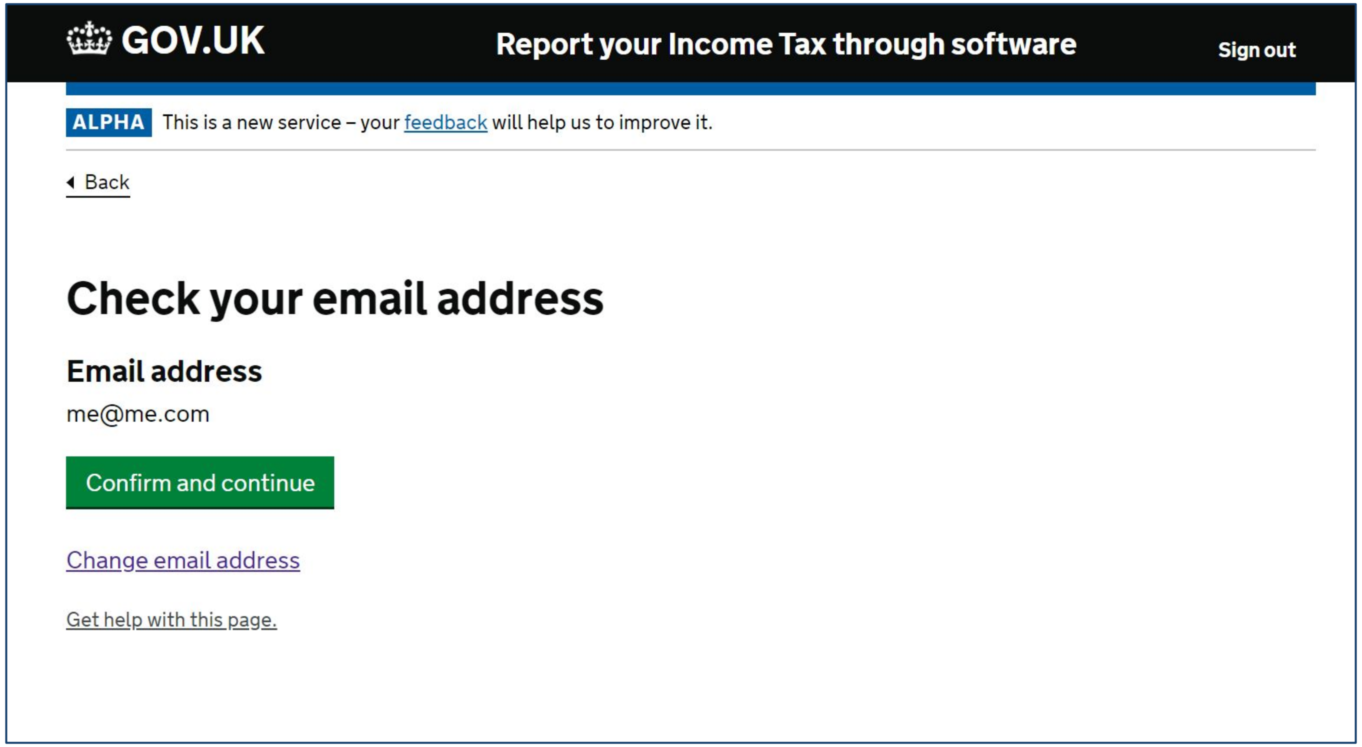
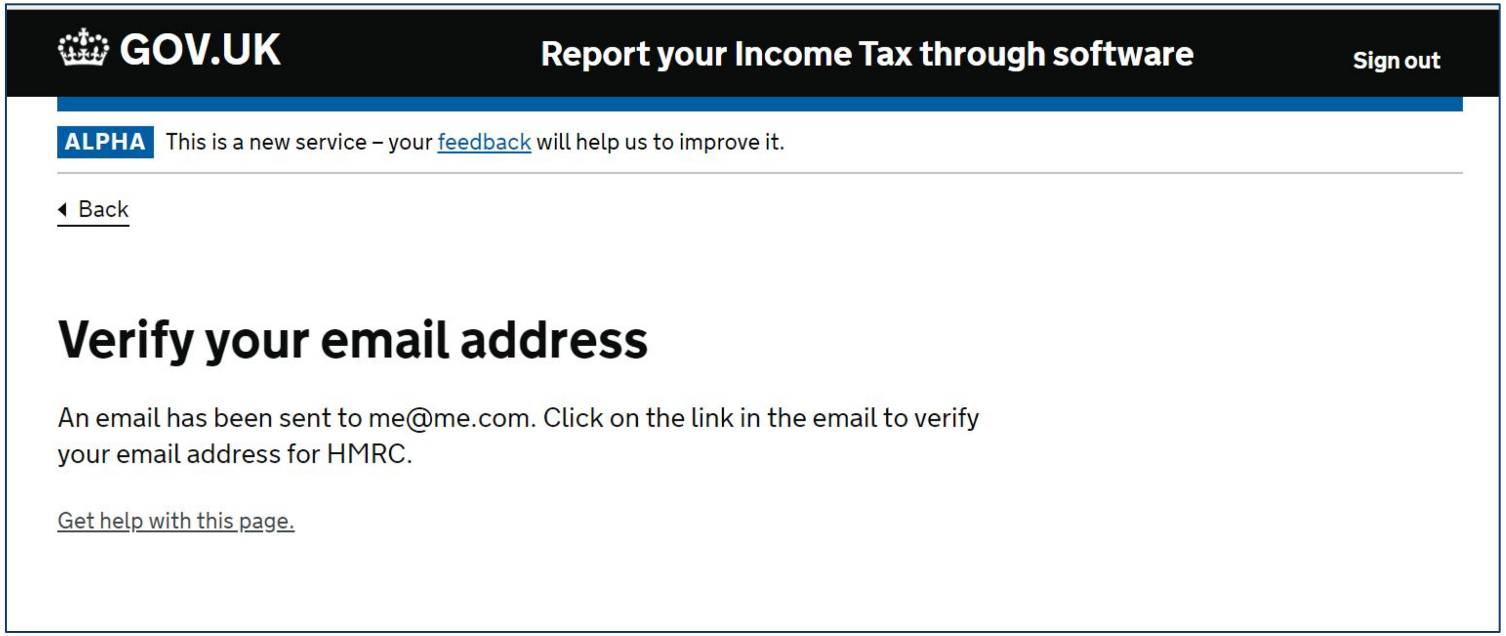


HM Revenue & Customs

18 Subscription service available for businesses and agents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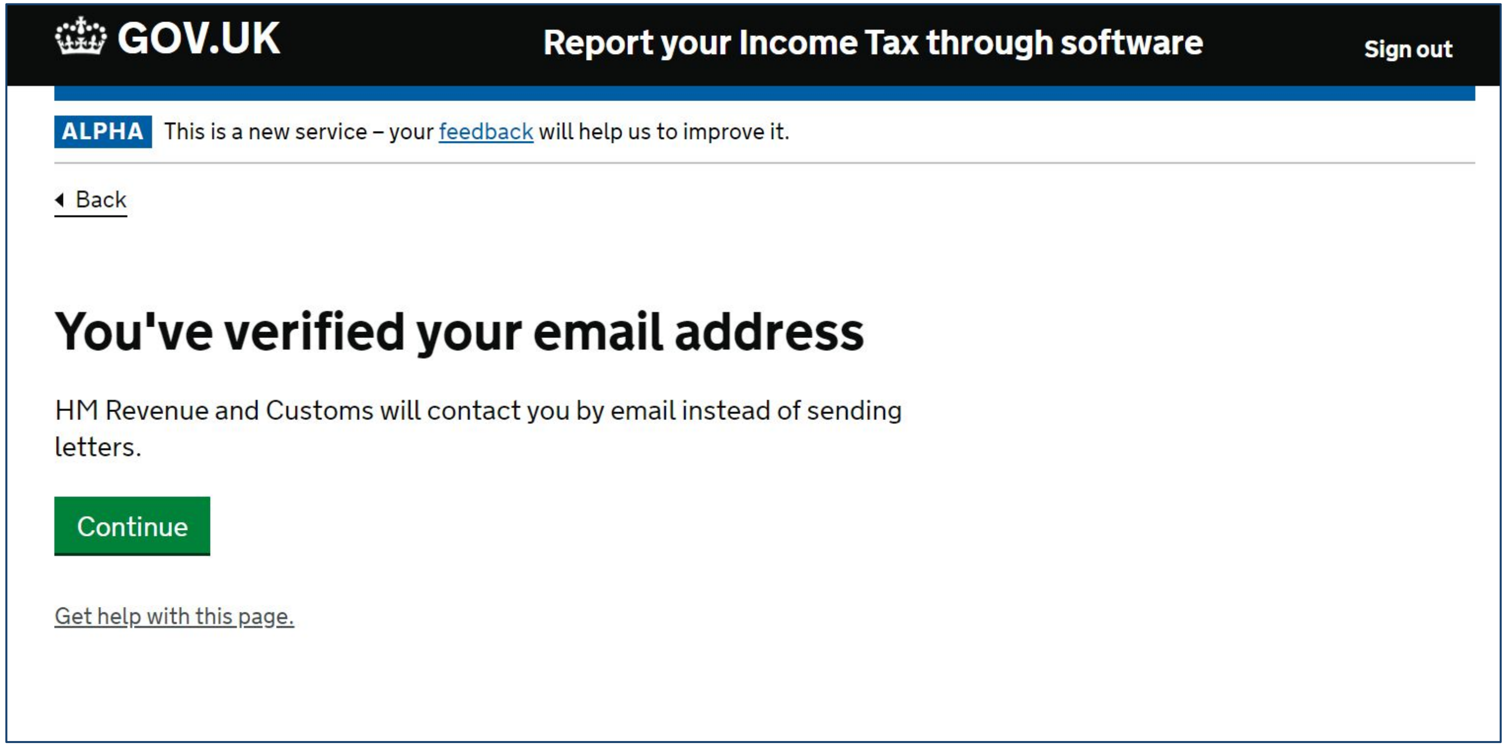
Verify your email address

An email has been sent to me@me.com. Click on the link in the email to verify your email address for HMRC.

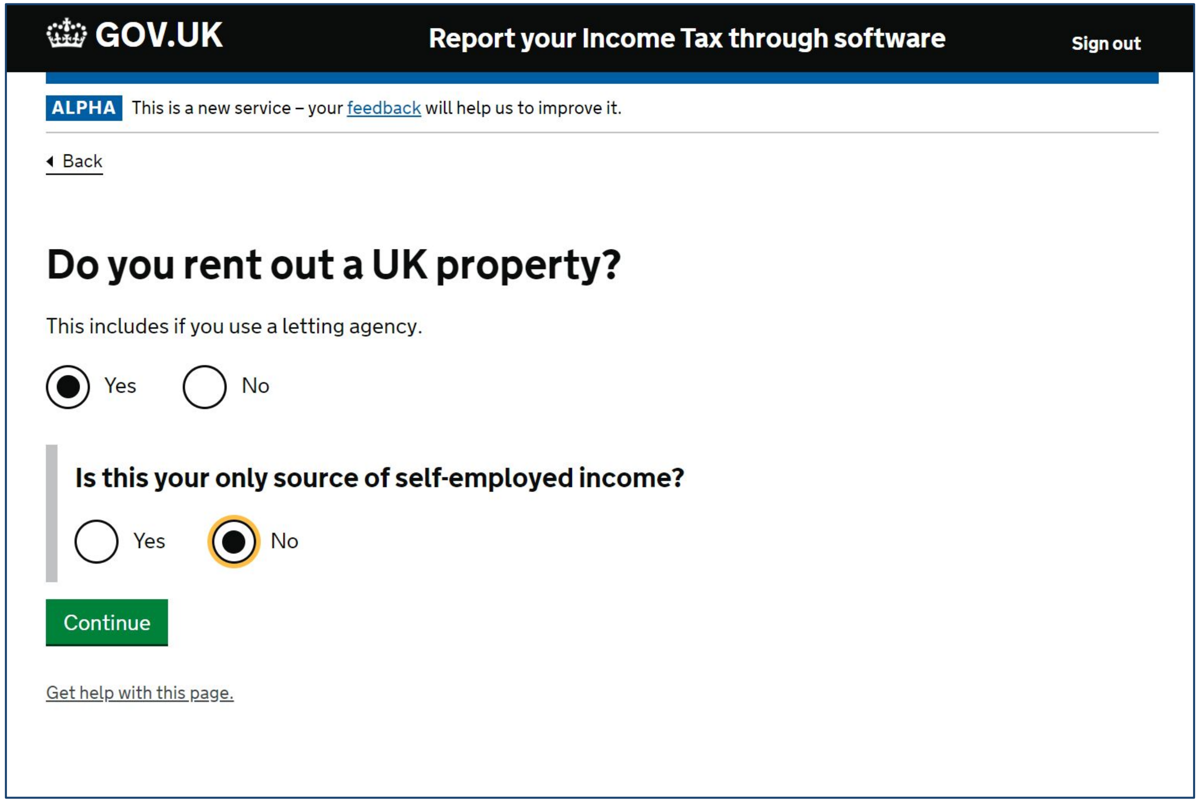
Get help with this page.

18 Subscription service available for businesses and agents



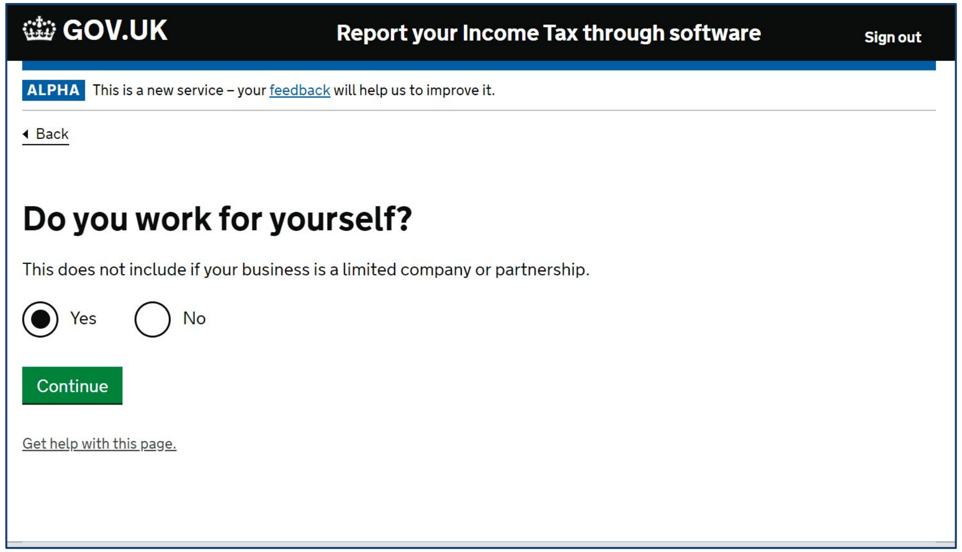
18 Subscription service available for businesses and agents

18 Subscription service available for businesses and agents



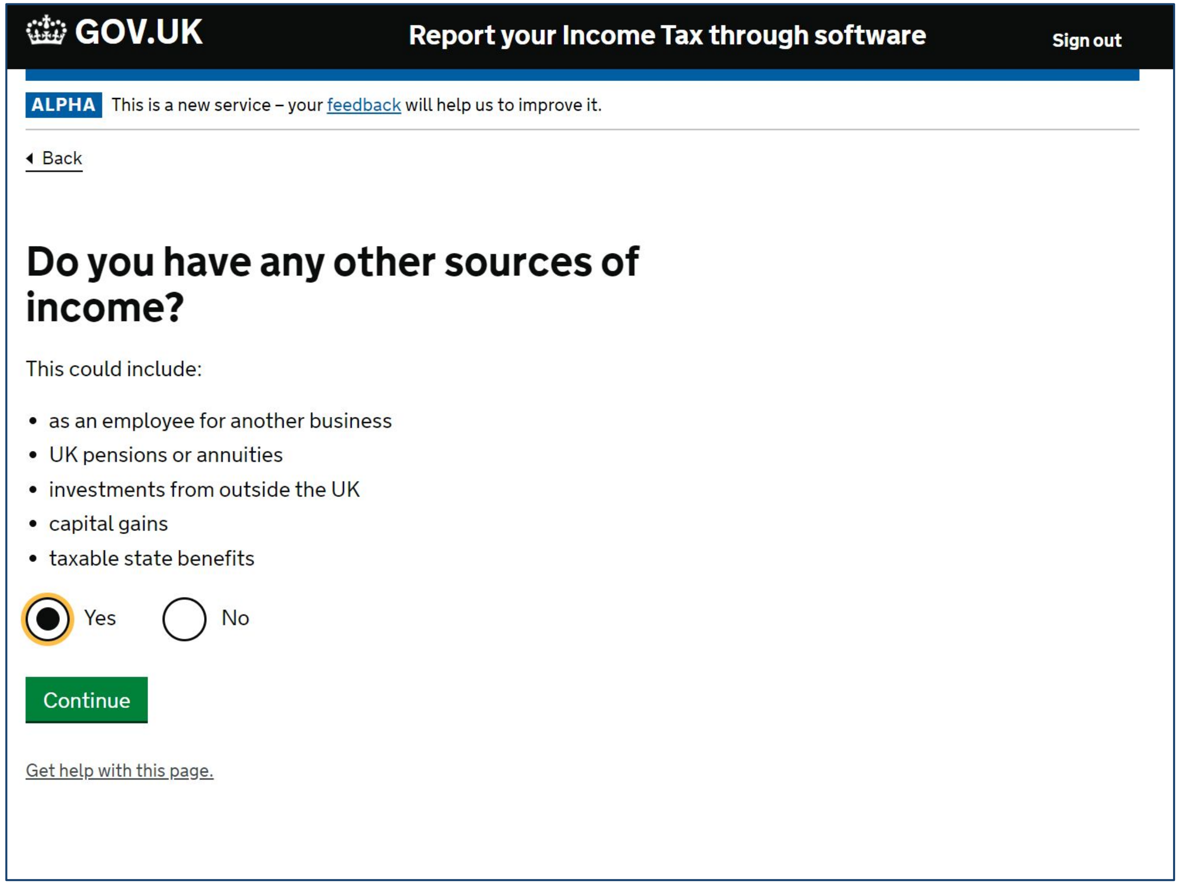
If you answer yes to "Is this your only source of self employed income" you see "*When was your property available to rent*?" and then go to Terms of Participation.

18 Subscription service available for businesses and agents



If you answer No you continue in the journey but are not asked for any information related to sole trader income

18 Subscription service available for businesses and agents



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Do you have any other sources of income?

This could include:

- as an employee for another business
- UK pensions or annuities
- investments from outside the UK
- capital gains
- taxable state benefits

Yes No

Continue

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HM Revenue & Customs

18 Subscription service available for businesses and agents

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Tell us about your other income sources in your final report

You only need to send quarterly reports on income you earn from either:

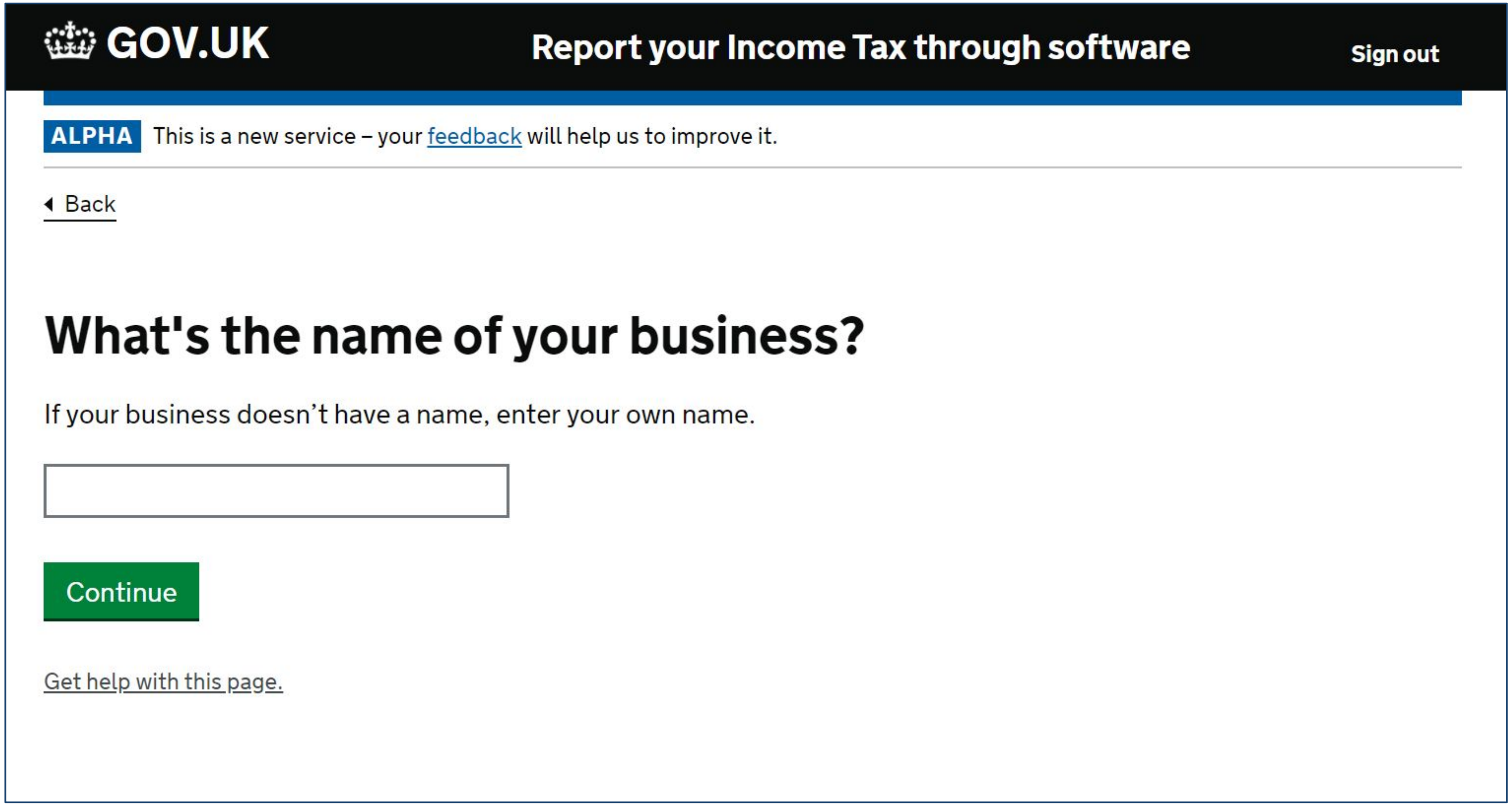
- working for yourself
- renting out a UK property
- working for yourself and renting out a UK property

You need to submit your final report by 31 January.

Continue

Get help with this page.

18 Subscription service available for businesses and agents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What's the name of your business?

If your business doesn't have a name, enter your own name.

Continue

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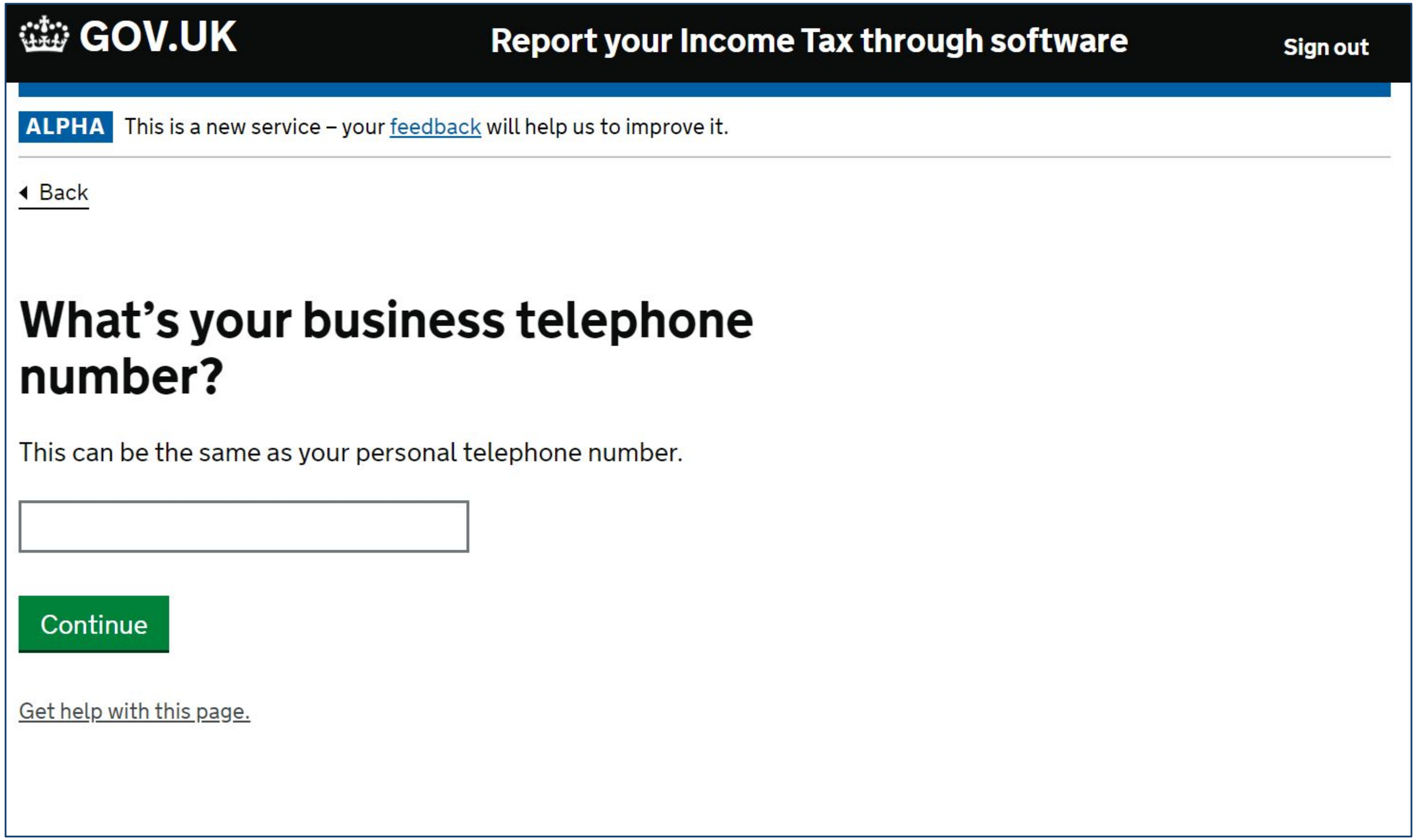
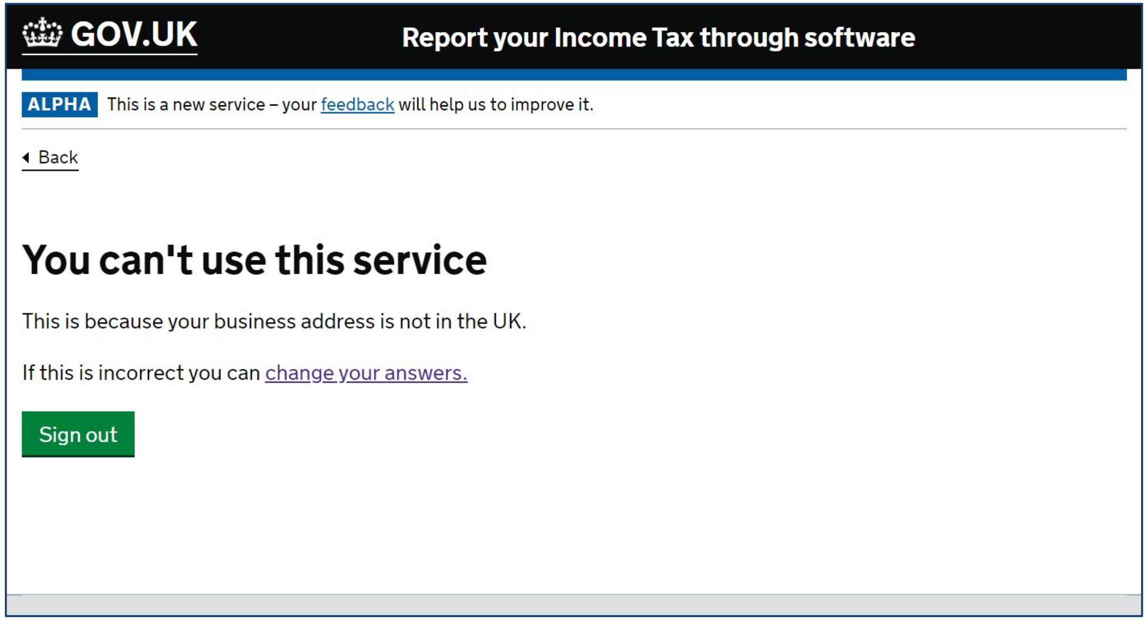
18 Subscription service available for businesses and agents



Income Tax business/agent E2E journey roadmap

18 Subscription service available for businesses and agents



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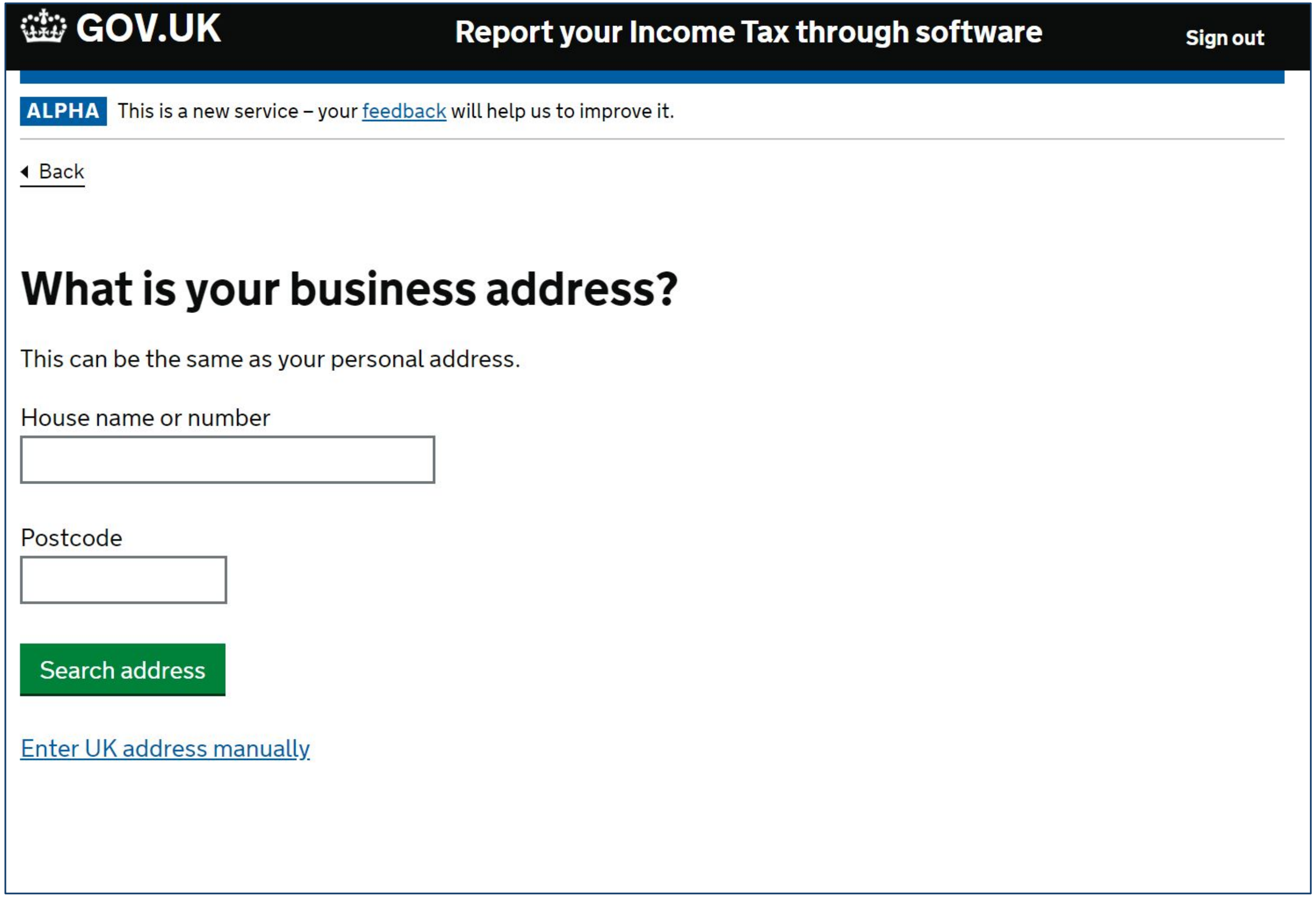
18 Subscription service available for businesses and agents



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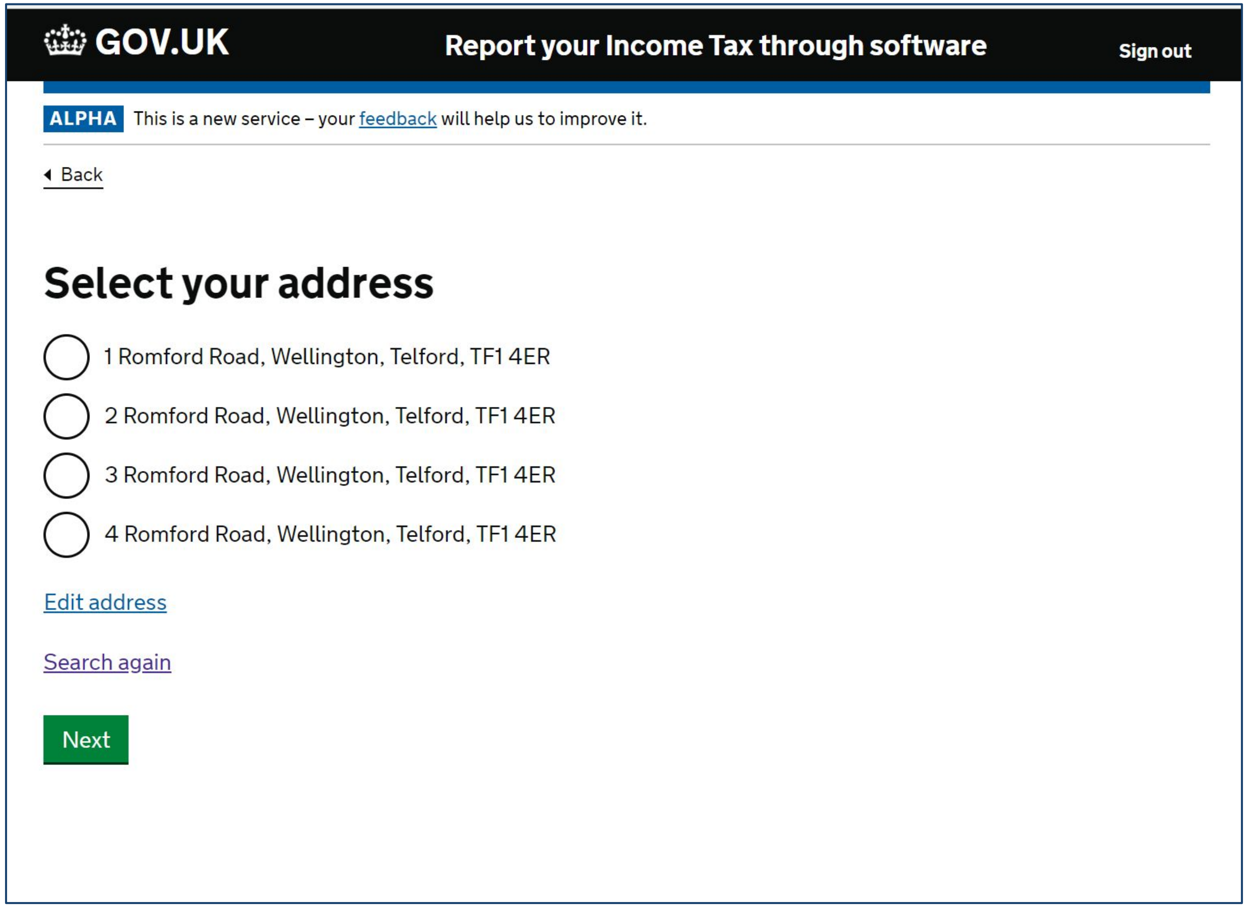
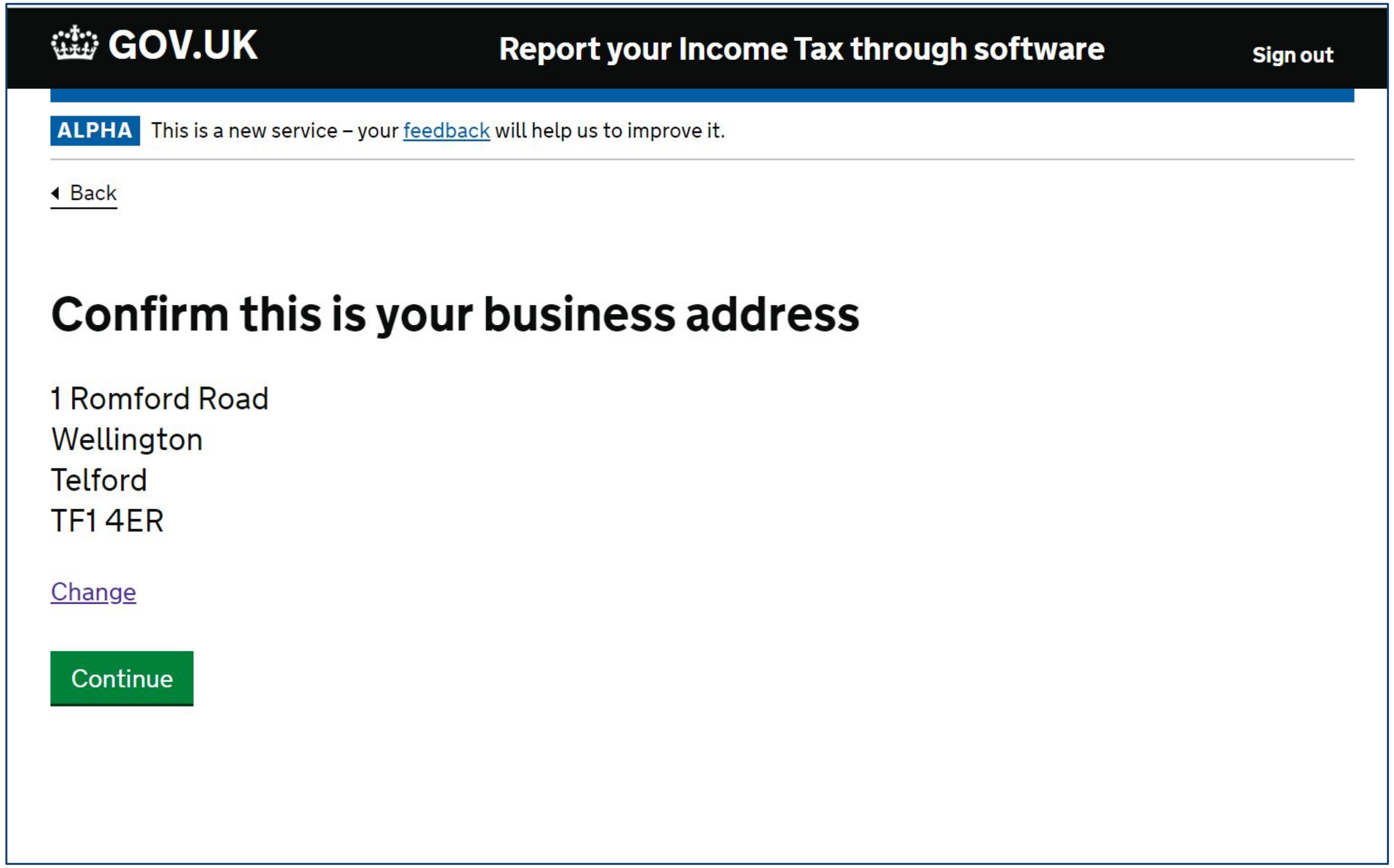


18 Subscription service available for businesses and agents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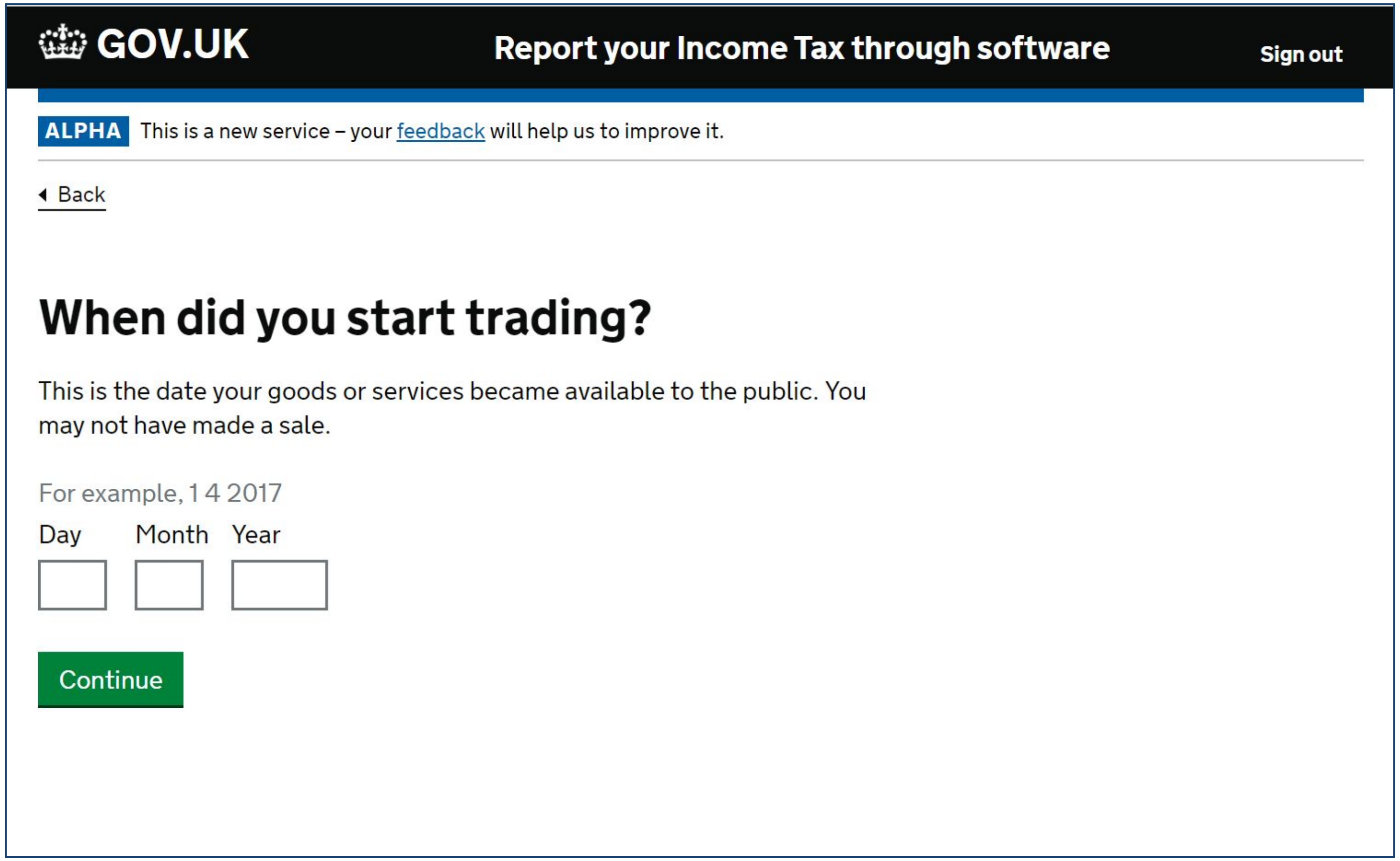
Confirm this is your business address

1 Romford Road
Wellington
Telford
TF1 4ER

Change

Continue

18 Subscription service available for businesses and agents



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Back

When did you start trading?

This is the date your goods or services became available to the public. You may not have made a sale.

For example, 1 4 2017

Day Month Year

Continue

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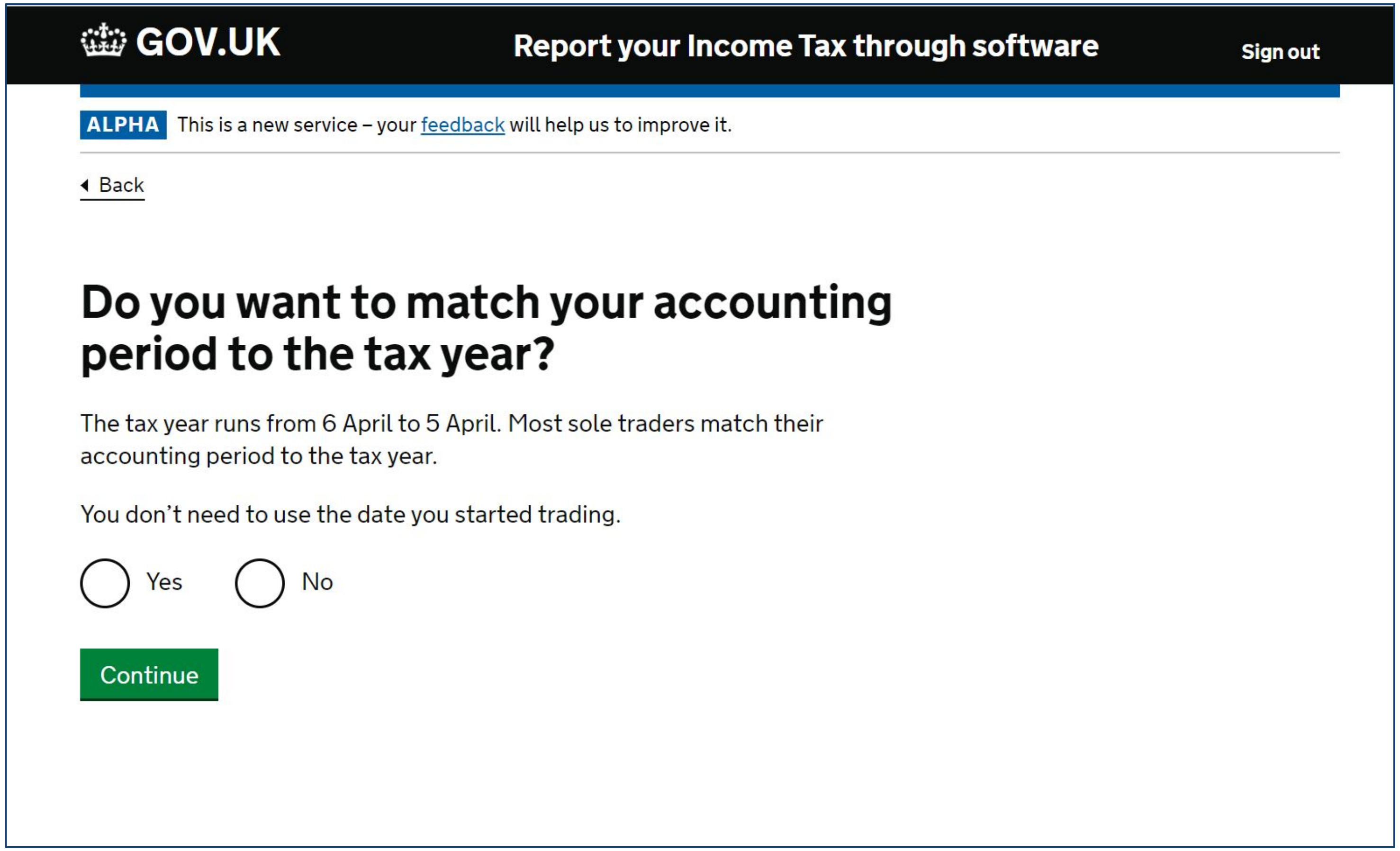
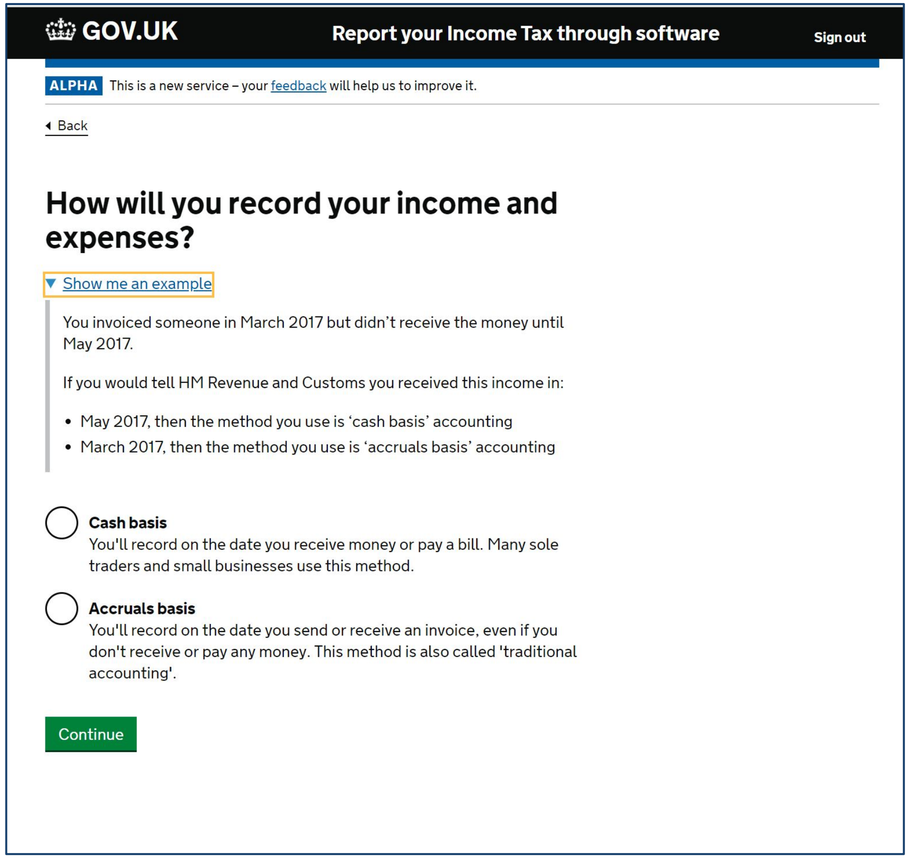
18 Subscription service available for businesses and agents



18 Subscription service available for businesses and agents



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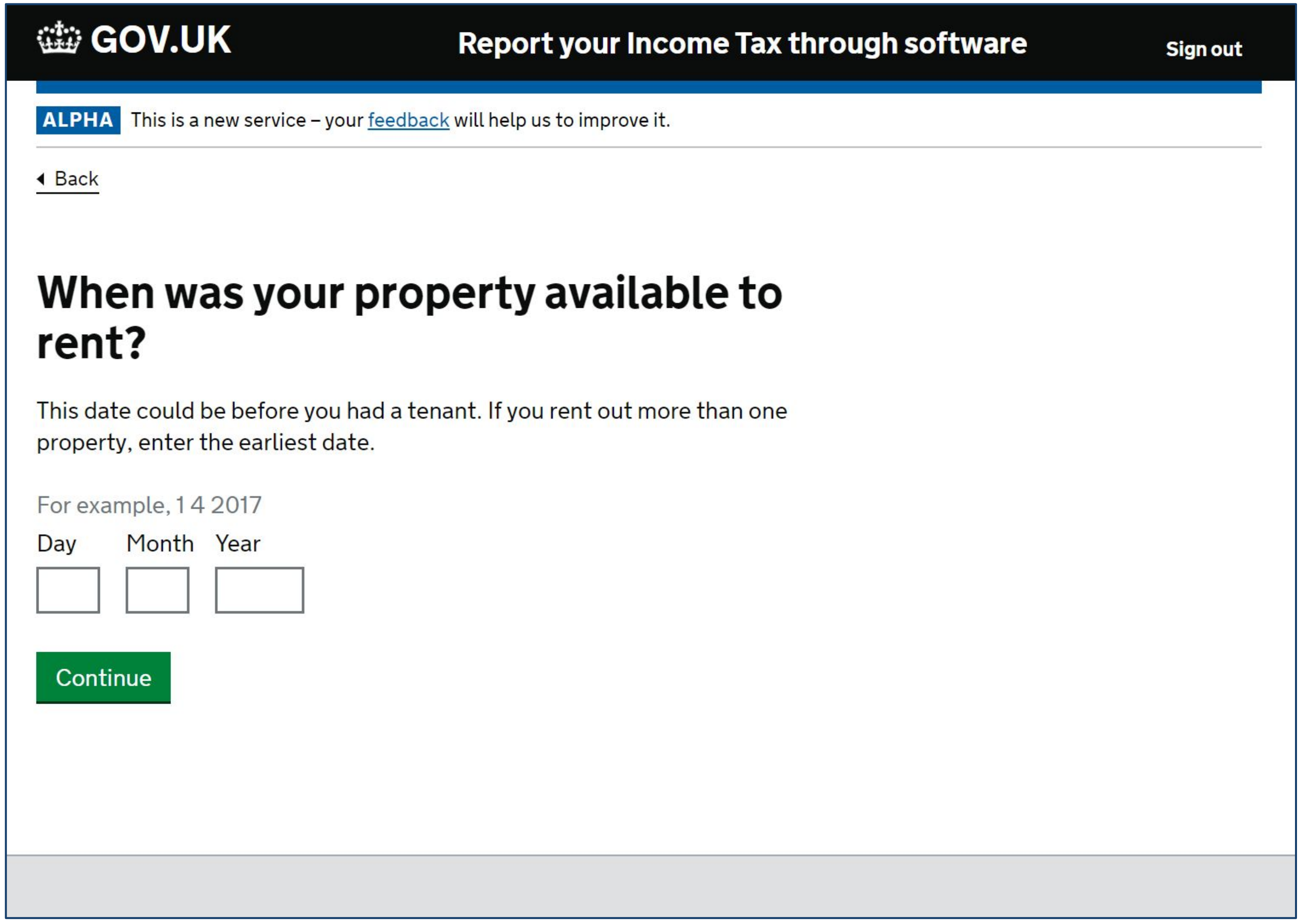
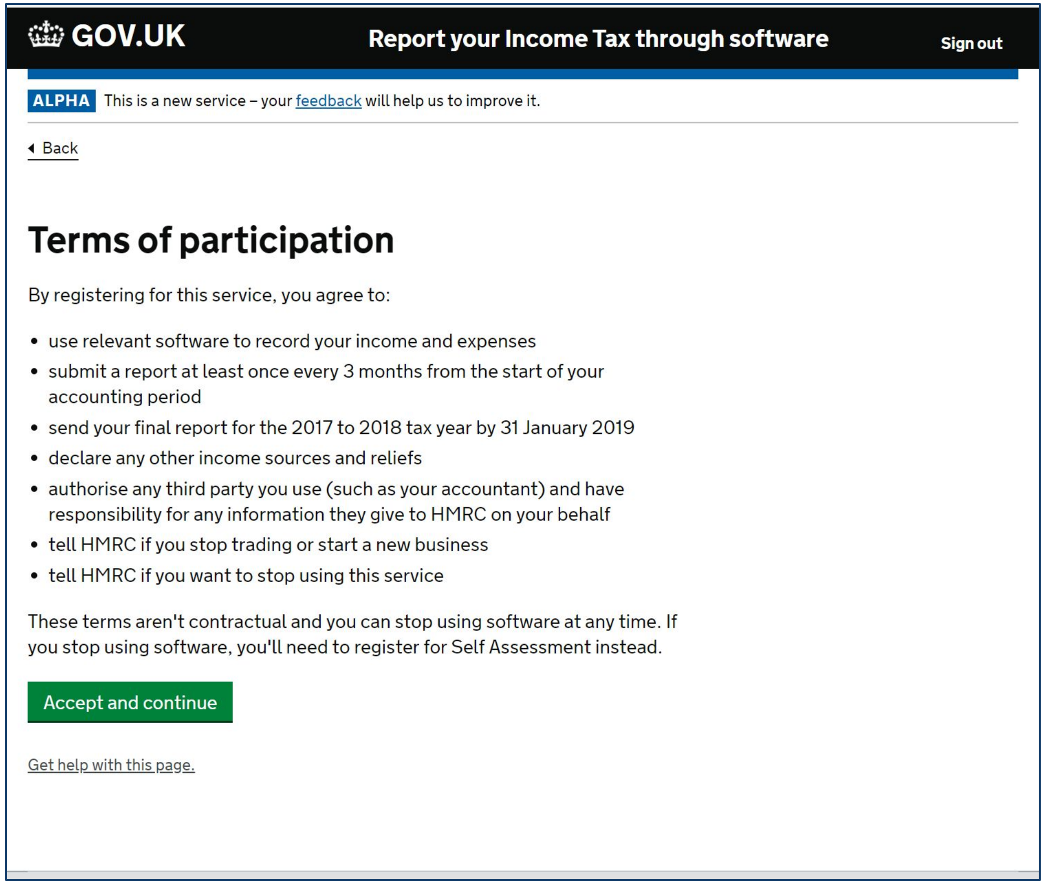


Income Tax business/agent E2E journey roadmap

18 Subscription service available for businesses and agents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Report your Income Tax through software

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Back

Terms of participation

By registering for this service, you agree to:

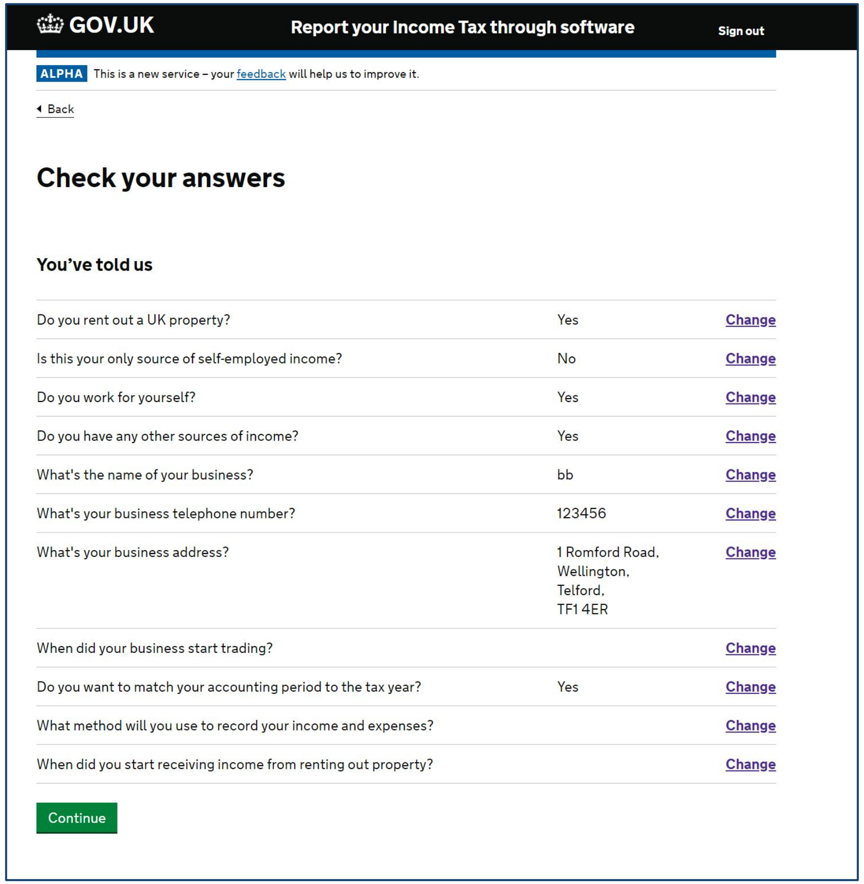
- use relevant software to record your income and expenses
- submit a report at least once every 3 months from the start of your accounting period
- send your final report for the 2017 to 2018 tax year by 31 January 2019
- declare any other income sources and reliefs
- authorise any third party you use (such as your accountant) and have responsibility for any information they give to HMRC on your behalf
- tell HMRC if you stop trading or start a new business
- tell HMRC if you want to stop using this service

These terms aren't contractual and you can stop using software at any time. If you stop using software, you'll need to register for Self Assessment instead.

Accept and continue

Get help with this page.

18 Subscription service available for businesses and agents



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Check your answers

You've told us

Do you rent out a UK property?	Yes	Change
Is this your only source of self-employed income?	No	Change
Do you work for yourself?	Yes	Change
Do you have any other sources of income?	Yes	Change
What's the name of your business?	bb	Change
What's your business telephone number?	123456	Change
What's your business address?	1 Romford Road, Wellington, Telford, TF1 4ER	Change
When did your business start trading?		Change
Do you want to match your accounting period to the tax year?	Yes	Change
What method will you use to record your income and expenses?		Change
When did you start receiving income from renting out property?		Change

Continue

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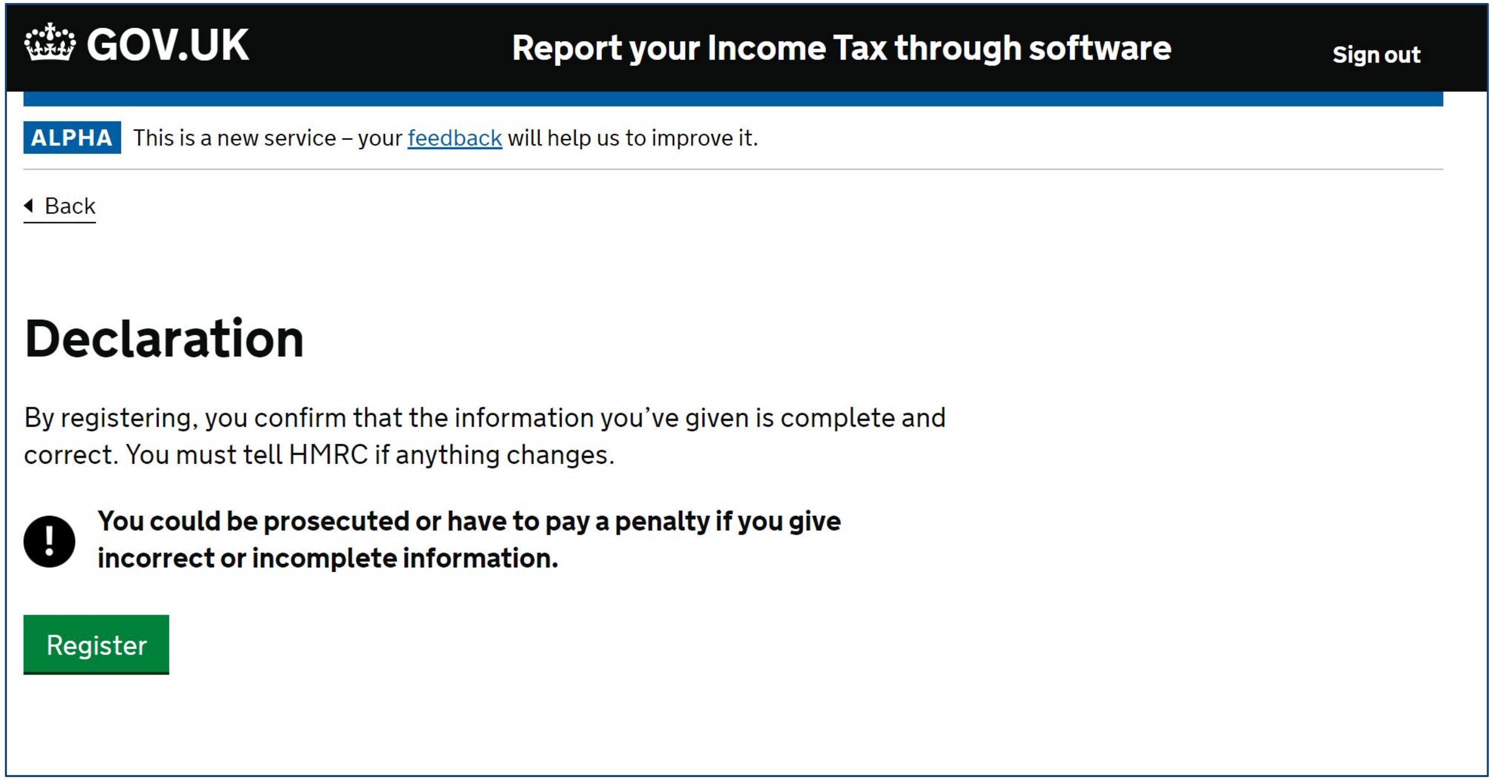
18 Subscription service available for businesses and agents



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Back

Declaration

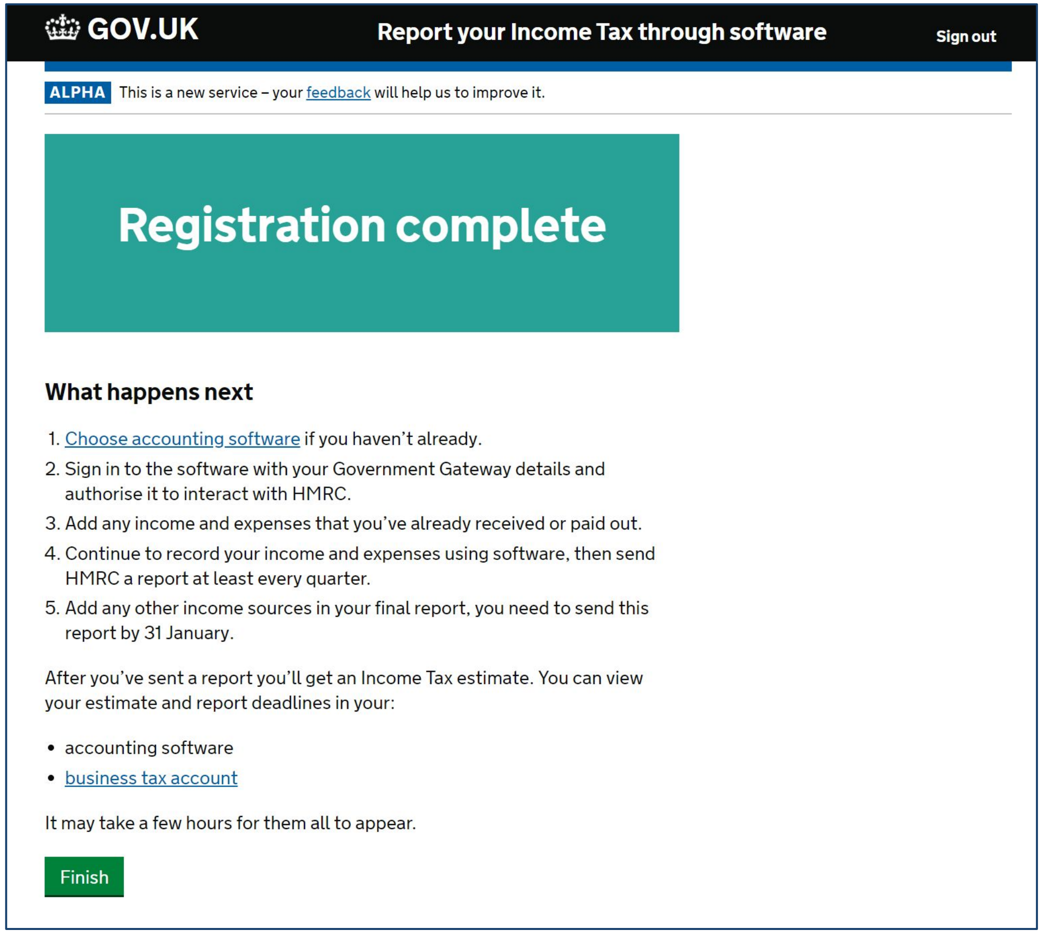
By registering, you confirm that the information you've given is complete and correct. You must tell HMRC if anything changes.

You could be prosecuted or have to pay a penalty if you give incorrect or incomplete information.

Register

HM Revenue & Customs

18 Subscription service available for businesses and agents


GOV.UK Report your Income Tax through software Sign out

ALPHA This is a new service – your feedback will help us to improve it.

Registration complete

What happens next

1. Choose accounting software if you haven't already.
2. Sign in to the software with your Government Gateway details and authorise it to interact with HMRC.
3. Add any income and expenses that you've already received or paid out.
4. Continue to record your income and expenses using software, then send HMRC a report at least every quarter.
5. Add any other income sources in your final report, you need to send this report by 31 January.

After you've sent a report you'll get an Income Tax estimate. You can view your estimate and report deadlines in your:

- accounting software
- business tax account

It may take a few hours for them all to appear.

Finish

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

19 - Customer/agent makes a payment by existing or new Direct Debit method

19 Customer/agent makes a payment by existing or new Direct Debit method

HMRC would like vendors to present messages to Business users at key points in their journey that give them the option to make payments ahead of any obligation date to help spread the cost. Likewise we will help deliver functionality that allows vendors to make users aware of payment dates.

There are multiple ways to make a payment for the Self Assessment regime, so we have listed them all on GOV.UK at https://www.gov.uk/pay-self-assessment-tax-bill and advise vendors in their messaging to ask customers to visit that link so the customer can make a payment in the method that best suits them.

With the arrival of MTD-Income Tax the contents of this GOV.UK page are subject to change.

Likewise the URL may change in which case we will update the link above.

In order for a Business to see what previous payments they have made to HMRC, we would like vendors to present messages at key points in their journey that encourage them to visit their Business Tax Account.

The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account and we advise vendors in their messaging to ask customers to visit that link.

19 Customer/agent makes a payment by existing or new Direct Debit method

Customers can pay their tax bill by direct debit, making it easy and convenient to pay. HMRC is delivering functionality for customers to set up direct debit instructions to pay tax when it becomes due. Customers may also set up a regular payment plan to ensure funds are available when tax becomes due.

These services will be available when a customer first subscribes to HMRC's tax services, and at any time after a customer has been subscribed through their digital tax account. Access to the services will be via the customer's digital tax account.

The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account and we advise vendors in their messaging to ask customers to visit that link.

Income Tax business/agent E2E journey roadmap

20 - Customer/agent makes a payment (other types)

20 Customer/agent makes a payment (other types)

HMRC would like vendors to present messages to Business users at key points in their journey that give them the option to make payments ahead of any obligation date to help spread the cost. Likewise we will help deliver functionality that allows vendors to make users aware of payment dates.

There are multiple ways to make a payment for the Self Assessment regime, so we have listed them all on GOV.UK at https://www.gov.uk/pay-self-assessment-tax-bill and advise vendors in their messaging to ask customers to visit that link so the customer can make a payment in the method that best suits them.

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Likewise the URL may change in which case we will update the link above.

In order for a Business to see what previous payments they have made to HMRC, we would like vendors to present messages at key points in their journey that encourage them to visit their Business Tax Account.

The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account and we advise vendors in their messaging to ask customers to visit that link.

20 Customer/agent makes a payment (other types)

Customers can make payments through their bank, either offline or via online banking. The payment details, including the HMRC bank account, and the correct reference numbers to use will be available via the following link: https://www.gov.uk/pay-self-assessment-tax-bill

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

21 - Customer/agent views MTD Payments in software

21 Customer/agent views MTD Payments in software

Customers will be able to view payments made to HMRC in software, further details to follow.

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& Customs

Income Tax business/agent E2E journey roadmap

22 - Customer/agent receives a repayment

22 Customer/agent receives a repayment

HMRC will identify repayment claims submitted via software. Customers awaiting repayment can track claims through a Repayment Tracker to be made available through the customer's digital tax account.

The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account and we advise vendors in their messaging to ask customers to visit that link.

HMRC will make repayments to customers electronically wherever possible. They are encouraged to provide HMRC with bank account details, and to keep them up to date to ensure rapid repayment of amounts due.

We would like vendors to provide regular messages in software to remind customers to check and update the details HMRC holds. Updates can be made through a customer's digital tax account -
https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account

HM Revenue & Customs

Income Tax business/agent E2E journey roadmap

23 - Customer/agent notifies change of circumstances

23 Customer/agent notifies change of circumstances

In time a user interface on the Business Tax Account will allow businesses to update their circumstances, until then they should call the helpline.

When the user interface is delivered, HMRC would like vendors to present messages to business users regularly to remind them to check and update their details with HMRC.

They will then be able to do that by visiting their Business Tax Account. The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account, and by visiting that link businesses will be able to update a range of information, including addresses, telephone numbers, e-mail and business type.

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Income Tax business E2E journey roadmap

24 - Customer views and makes payments in BTA

24 Customer views and makes payments in BTA

HMRC would like vendors to present messages to Business users at key points in their journey that give them the option to make payments ahead of any obligation date to help spread the cost. Likewise we will help deliver functionality that allows vendors to make users aware of payment dates.

There are multiple ways to make a payment for the Self Assessment regime, so we have listed them all on GOV.UK at https://www.gov.uk/pay-self-assessment-tax-bill and advise vendors in their messaging to ask customers to visit that link so the customer can make a payment in the method that best suits them.

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The login page is https://www.tax.service.gov.uk/gg/sign-in?continue=/business-account and we advise vendors in their messaging to ask customers to visit that link.

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Income Tax business/agent E2E journey roadmap

25 - Customer/agent able to submit end of period statement through software

25 Customer/agent able to submit end of period statement through software

This is the process that allows the customer to finalise the profit or loss for any one source of business income. An EOPS must be completed for each source of business income the taxpayer has (just as, the current Income Tax process for the SA103 and 105 schedules) So, if e.g. a customer has one self-employment business and one property business then they will have to complete two EOPS.

The EOPS relates to the accounting period/basis period for each source of business income and cannot be completed before the end of that period. However the customer does not need to complete it until 31st January Year 2. Please note in the future we will look to provide obligation dates for the whole year.

The process will take into account all the periodic and annual data already provided by the customer throughout the year. The customer should make sure they are happy with the information they have already provided and add any additional information they have. This is likely to include tax and accounting adjustments and allowances or reliefs.

Software should play back to the customer the information listed below this can either be totalled up by software, but HMRC have provided APIs for you to get it from us as well (Business Income Source Summary (BISS) for SE or property)

- Total Business Income
- Total Expenses
- Business Net Profit
- Business Net Loss
- Total Additions to net profit or deductions to net loss
- Total Deductions to net profit or additions to net loss
- Accounting Adjustments
- Taxable Profit
- Taxable Loss

25 Customer/agent able to submit end of period statement through software

This information must be shown to the customer for them to confirm it is complete and correct for that source of business income before they send the declaration. **Note** - The Business Income Source Summary APIs are now available. However you could opt to create this information within your package. HMRC just needs the declaration to confirm the customer has seen it.

Note - the Declaration is the only mandatory new API for this process, the exact text HMRC requires you to playback is below

Declaration for Self Employment EOPS

I confirm that I have reviewed the information provided to establish the taxable profits for the relevant period ending in <*insert tax year*> together with the designatory data provided for that period and that it is correct and complete to the best of my knowledge. I understand that I may have to pay financial penalties or face prosecution if I give false information.

Declaration for Property EOPS

"I confirm that I have reviewed the information provided to establish taxable profits for the relevant period ending in <*insert tax year*> together with the designatory data, including details of the properties for that period and that it is correct and complete to the best of my knowledge. I understand that I may have to pay financial penalties or face prosecution if I give false information."

25 Customer/agent able to submit end of period statement through software

Making changes to previously submitted data during and after an End of Period Statement declaration

- If the information the customer has previously provided relating to that source of business income is not correct or complete (e.g. the previous information provided fails further validation or a periodic update is missing) then the EOPS declaration will be rejected and the changes must be made to any relevant periodic or annual summaries, then follow the existing process of submitting updates and triggering the calculation before attempting the declaration again.
- If after the customer has completed their EOPS declaration, they need to revise any of the data relating to that source of business income then they must make the change to the relevant periodic or annual summaries, then follow the existing process of submitting updates and triggering the calculation.

Note: making changes to data for previously submitted periods is covered in section 11 of this document

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Income Tax business/agent E2E journey roadmap

26 - Customer/agent able to crystallise their liabilities through software

26 Customer/agent able to crystallise their liabilities through software

Crystallisation

This is the process that allows the customer to finalise their tax position, for any one tax year, taking into account all sources of chargeable income and gains, whether business income or otherwise. In other words, this process will bring together all the data that a taxpayer needs to provide to HMRC in order to reach their final tax liability for a specific year. It is also the process by which most formal claims for reliefs and allowances and any elections will be made, where these were previously included within a Self Assessment tax return. Customers will also be able to tell us at this point (subject to the existing limits) how they wish any losses available to them to be treated.

Before Crystallisation

The customer must have completed any EOPS for each source of business income equired for that tax year and provided information relating to any other income, expenses, allowances or adjustments they may have.

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Software should also prompt their customers to make sure they have considered the following potential additional income sources (this functionality will be provided through

- APIs over the next year)
- Any income from bank/building society interest
- Any income from dividends
- Any gift aid contributions they have made
- Any pension contributions
- Any pension income
- Capital Gains
- Income from employment
- Additional information (currently provided on the SA101)
- Any income from partnerships
- Any income from trusts
- Any Foreign income

Note: basically any information currently provide via the existing Self Assessment process

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When the customer is ready to crystallise

The software will have to let HMRC know that the customer is ready to crystallise. You can do this by calling the Intent to crystallise API. This will start the crystallisation process in HMRC. It will trigger the business validation rules and generate a final liability calculation.

The **intent to crytallise** response will include a calculation ID (similar to the trigger calculation endpoint) software will then have to retrieve the calculation, using the Retrieve a Tax Calculation endpoint to get the calculation output.

The Calculation output provides a summary of each income source (e.g. self-employment, UK Property, UK bank and building society interest, etc.), plus a breakdown of allowances and reliefs applied, and a breakdown of the income tax and NIC payable.) broadly the equivalent of the current SA302.

Once software has called the intent to crystallise API, this will trigger a final liability calculation and software will receive a calculation ID. The customer must review the information provided in this calculation and confirm it is complete and correct by sending the declaration.

If the customer thinks the calculation is incorrect as a result of incorrect data, they can go back and change any incorrect information they have provided. Once they have done this software will have to call the ‘intent to crystallise’ API again to generate a new final liability.

If the customer does not agree with the calculation based on rules HMRC have used then they will still need to declare against this calculation and follow the existing process to challenge the calculation.

If a software vendor identifies what they feel could be a technical issue with the Tax calculation API, please contact the SDS Team immediately.

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Once a customer is happy with all the information they will have to agree a declaration and send it to HMRC.

The Declaration

"Before you can submit the information displayed here in response to your notice to file from HM Revenue & Customs, you must read and agree the following statement by (software to decide how you manage the actual declaration e.g. tick box, click confirm button etc)

The information I have provided is correct and complete to the best of my knowledge and belief

If you give false information you may have to pay financial penalties and face prosecution."

Software **Must** send the calculation ID that matches the calculation the customer is declaring against with the declaration.

If a customer wants to make any changes following crystallisation they have 12 months from the statutory filing date to do this (the statutory filing date is 31 January following the end of the tax year, or 3 months from receipt of a Notice to File by the taxpayer whichever is the later). As with the current process the customer will make changes to the relevant information in software and resubmit the relevant periodic or annual updates, and follow the same process of triggering the calculation, they will not have to re-declare.

Note: any changes made following crystallisation will be a formal amendment under section 9ZA TMA 1970

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Customer support model

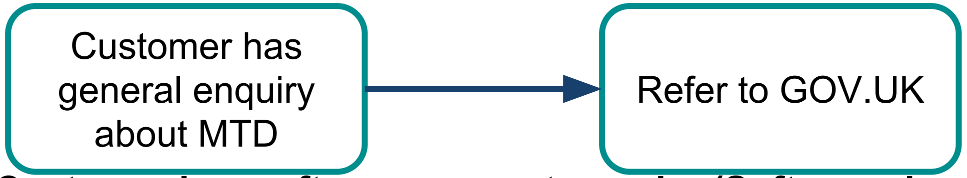
Customer support model

The Customer Support Model guides HMRC Customers to the most appropriate support. This may be provided by HMRC or the software vendor depending on the issue.

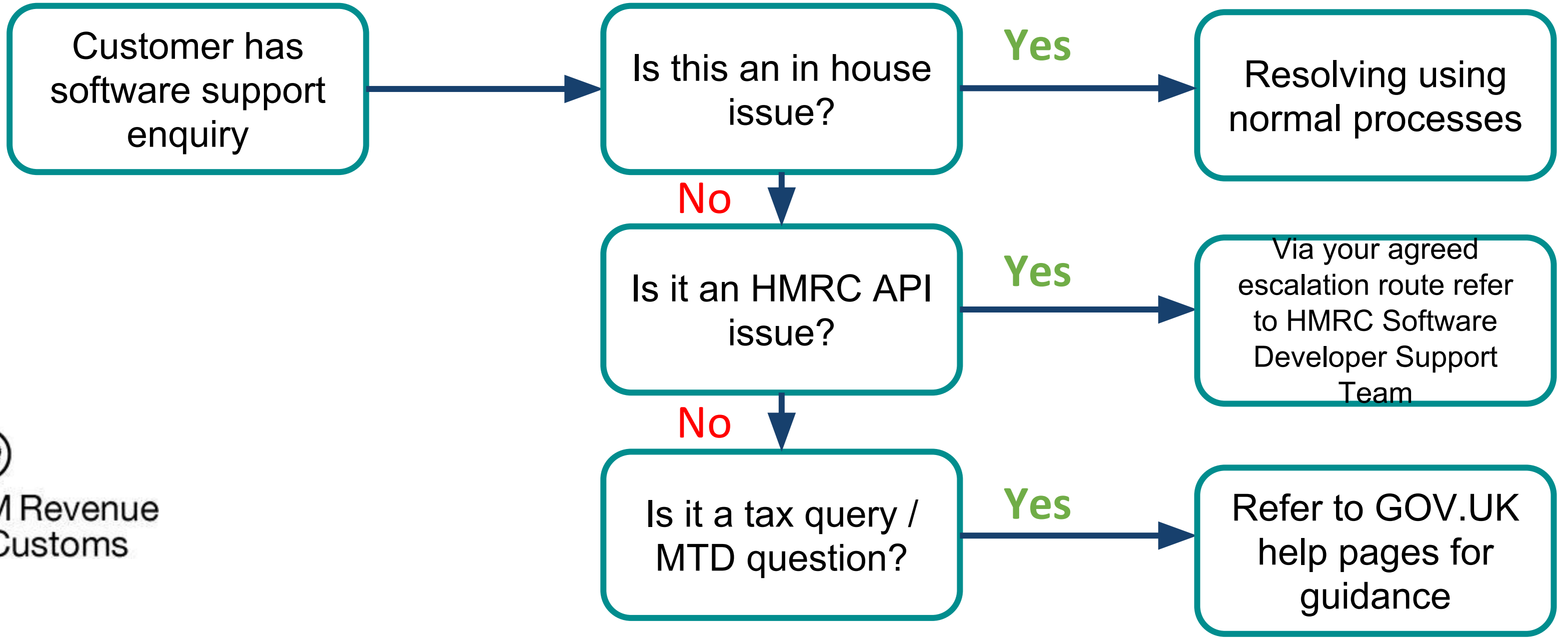
The support offering for ITSA customers includes guidance on GOV.UK, webchat, support links on all HMRC UI pages, and telephony support.

Three live service customer journeys have been highlighted below as illustrative examples of typical support requests. For testing services HMRC will directly support you and customers through the process

Customer has general enquiry about Making Tax Digital for Business



Customer has software support enquiry (Software developer only route, not for customers)



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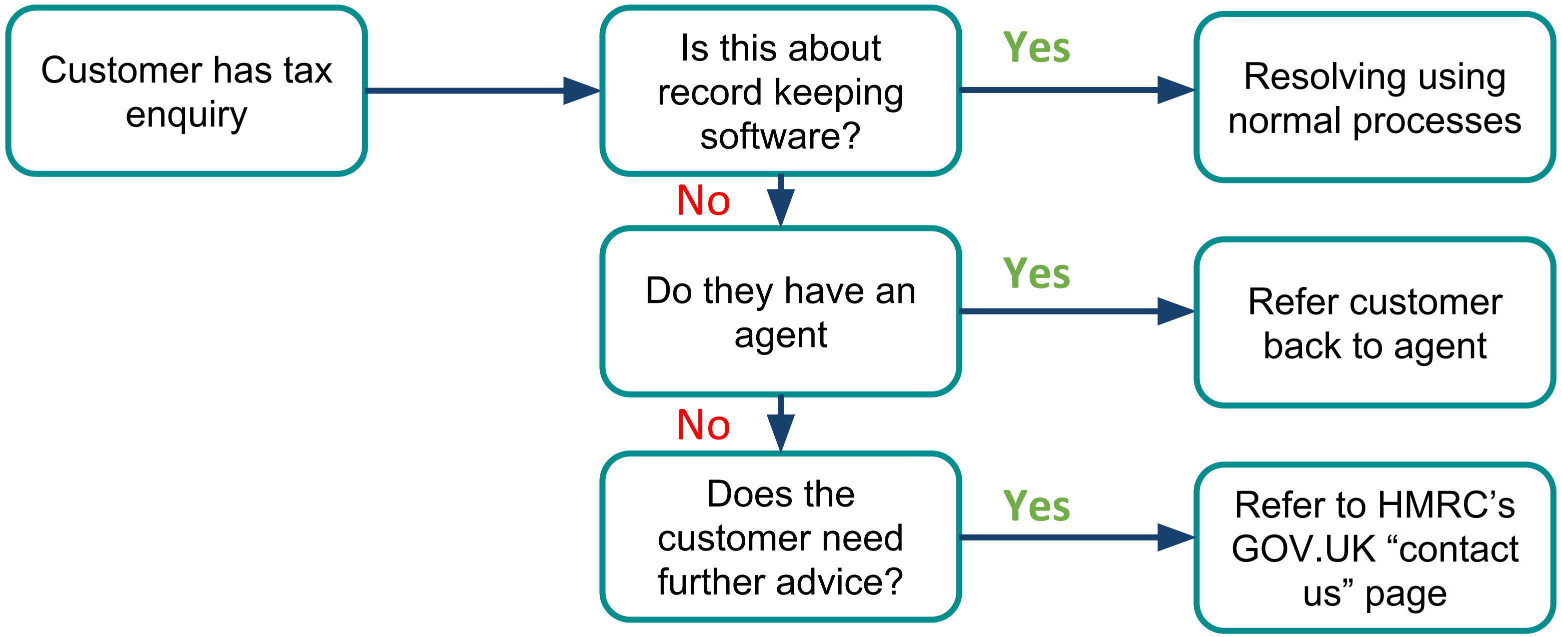
Customer support model

Customer requires further advice from HMRC



Customer support model - GOV.UK pages

The page below lists the current guidance available on GOV.UK for the Income Tax service. This list will be iterated as additional content is released.

Page Title	Page URLS	Description
Use software to send Income Tax updates	https://www.gov.uk/guidance/use-software-to-send-income-tax-updates	MTD guide for Businesses
Software for sending Income Tax updates	https://www.gov.uk/guidance/software-for-sending-income-tax-updates	Guide listing software suppliers
Get an HMRC agent services account	https://www.gov.uk/guidance/get-an-hmrc-agent-services-account	Generic guide for Agent Services account
Use software to send Income Tax updates: service availability and issues	https://www.gov.uk/government/publications/use-software-to-send-income-tax-updates-service-availability-and-issues	Service availability page for MTD ITSA service
Self Assessment: Contact us page	https://www.gov.uk/government/organisations/hm-revenue-customs/contact/self-assessment	Self Assessment Contact us page
Agents: use software to send Income Tax updates	https://www.gov.uk/guidance/agents-use-software-to-send-income-tax-updates	MTD Guuide for Agents
Agent services account: service availability and issues	https://www.gov.uk/government/publications/agent-services-account-service-availability-and-issues	Service availability page for Agents Service account service
HMRC online services for agents	https://www.gov.uk/government/collections/hmrc-online-services-for-agents	Collection page for agents online services.
Agent authorisation to deal with HMRC	https://www.gov.uk/guidance/client-authorisation-an-overview	Guidance on Agents becoming authorised to deal with HMRC
Agents - Contact us page	https://www.gov.uk/government/organisations/hm-revenue-customs/contact/agent-dedicated-line-self-assessment-or-paye-for-individuals	Agents: Contact us page

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Business Validation Rules

Business Validation Rules

Business Validation Rules (BVRs) are data integrity or data quality checks applied to business information content submitted by third-party applications via the MTDfB Software APIs.

These are rules that contain a formula or expression that evaluates the data in one or more predetermined business fields and returns a value of “True” or “False

They are distinct from technical validation rules which check syntax, structure and data types to prevent corrupt, incomplete or badly-formed data entering the estate.

BVRs ensure that customer-supplied information is self-consistent, meaningful, within expected bounds and as complete as it needs to be.

If customer-supplied information violates a BVR it may result in an error or a warning. One or more errors will result in the failure of the associated API call and rejection of all the data content (as would any technical validation rule failure).

Warnings will typically require the customer to take remedial action at a later point to avoid potential errors in future.

HMRC may also advise software vendors to provide vendor only warnings, these are similar to nudges and prompts that would normally be delivered by HMRC service for a taxpayer. These should enhance the customers journey and increase accuracy of the submissions before they have been sent to HMRC – but will not be checked by HMRC’s back end systems synchronously.

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Test scenarios

Scenario 1:

Individual registers for self-employment 01/12/18 and ceases 30/11/2019.

1st basis period for trade 01/12/18 – 05/04/19

2nd basis period for trade 01/12/18 – 30/11/19.

Property Income reported against tax year 06/04/19 - 05/04/20

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2018/19	SE	31/03/19	30/06/19			TBC	31/01/20	31/01/20
	Period declared	01/12/18 to 28/02/19	* 01/03/19 to 31/05/19			01/12/18 to 05/04/19		
2019/20	SE			01/10/19	01/01/20	TBC	31/01/21	31/01/21
	Period declared			01/06/19 31/08/19	01/09/19 to 30/11/19	01/12/18 to 30/11/19		
	IFP	05/08/19	05/11/19	05/02/20	05/05/20	31/01/21		
	Period declared	06/04/19 to 05/07/19	06/07/19 to 05/10/19	06/10/19 to 05/01/20	06/01/20 to 05/04/20	06/04/19 to 05/04/20		

* Customer's software will calculate income and expenses for period 01/03/19 – 05/04/19

** Customer will make adjustment for Overlap Relief for period 01/12/18 – 05/04/19

Test Scenarios

Scenario 2:

Individual volunteers to join MTDfB in April 2018. Accounting periods are drawn up to 30/09 each year. Business ceases to trade 01/12/2019

Basis period during cessation – 01/10/18 to 01/12/19.

Customer has IFP 2019-20.

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2018/19	SE	Individual can not join MTDfB until the first day of a new period of accounts (in this case 01/10/18)					31/01/20	31/01/20
	Period declared							
2019/20	SE	31/01/19	30/04/19	31/07/19	31/10/19	**TBC	31/01/21	31/01/21
	Period declared	01/10/18 to 31/12/18	01/01/19 to 31/03/19	01/04/19 to 30/06/19	01/07/19 to 30/09/19	01/10/18 to 01/12/19		
	IFP	05/08/19	05/11/19	05/02/20	05/05/20	31/01/21		
	Period declared	06/04/19 to 05/07/19	06/07/19 to 05/10/19	06/10/19 to 05/01/20	06/01/20 to 05/04/20	06/04/19 to 05/04/20		
2020/21	SE	31/01/20						
	Period declared	01/10/19 to 01/12/19						

** Customer will make adjustment for Overlap Relief for period 01/10 – 05/04 for first year of trading.

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Scenario 3:

Individual registers for SE 01/12/18 and volunteers to join MTDfB. The initial accounting period is from 01/12/18 to 05/04/20 (16 months).

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	Quarter 1 report due by	Quarter 2 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2018/19	SE	31/03/19	30/06/19					TBC	31/01/20	31/01/20
	Period declared	01/12/18 to 28/02/19	* 01/03/19 to 31/05/19					01/12/18 to 05/04/19		
2019/20	SE			30/09/19	31/12/19	31/03/20	30/06/20	TBC	31/01/21	31/01/21
	Period declared			01/06/19 to 31/08/19	01/09/19 to 30/11/19	01/12/19 to 29/02/20	** 01/03/20 to 31/05/20	01/12/18 to 05/04/20		
2020/21	SE			30/09/20	31/12/20	31/03/21	30/06/21	TBC	31/01/22	31/01/22
	Period declared			01/06/20 to 31/08/20	01/09/20 to 30/11/20	01/12/20 to 29/02/21	*** 01/03/21 to 31/05/21	06/04/20 to 05/04/21		

* Customer's software will calculate income and expenses for period 01/03/19 – 05/04/19

** Customer's software will calculate income and expenses for period 01/03/20 – 05/04/20

*** Customer's software will calculate income and expenses for period 01/03/21 – 05/04/21

Scenario 4:

Ongoing SE income with accounting period 01/03/19 to 29/02/20 and volunteers to join. Can only do so from first day of new accouting period. Individual had PAYE and Dividend income for 2019/20 tax year.

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2019/20	SE	30/06/19	30/09/19	31/12/19	31/03/20	TBC	31/01/21	31/01/21
	Period declared	01/03/19 to 31/05/19	01/06/19 to 31/08/19	01/09/19 to 30/11/19	01/12/19 to 29/02/20	01/03/19 to 29/02/20		
	PAYE	Income details will flow from RTI each pay date to Digital Tax Account						
	Dividends	Dividends can be provided throughout the tax year and finalised to the normal filing date						

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Scenario 5:

Ongoing SE income with accounting period 01/09/18 to 31/08/19. Can only join MTDfB from first date of new accounting period. Foreign property income in 2019/20. Capital Gains in 2019/20.

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2019/20	SE	31/12/18	31/03/19	30/06/19	30/09/19	TBC	31/01/21	31/01/21
	Period declared	01/09/18 to 30/11/18	01/12/18 to 28/02/19	01/03/19 to 31/05/19	01/06/19 to 31/08/19	01/09/18 to 31/08/19		
	IFP	05/08/19	05/11/19	05/02/20	05/05/20	31/01/21		
	Period declared	06/04/19 to 05/07/19	06/07/19 to 05/10/19	06/10/19 to 05/01/20	06/01/20 to 05/04/20	06/04/19 to 05/04/20		
	CGT	Capital Gains can be provided throughout the tax year and finalised to the normal filing date						

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Scenario 7:

Full-time director earning over £150,000 PAYE in 2019/20.

Income from Partnership with accounting period 01/02/19 to 31/01/20.

Dividend and Trust Income for 2019/20.

<table>
<tr><th>Tax year</th><th>Income type</th><th>Quarter 1 report due by</th><th>Quarter 2 report due by</th><th>Quarter 3 report due by</th><th>Quarter 4 report due by</th><th>(EOPS) Finalise business income by</th><th>Finalise overall tax by</th><th>Balancing Payment / 1st POA</th></tr>
<tr><td rowspan="4">2019/20</td><td>PAYE</td><td colspan="5">Income details will flow from RTI each pay date to Digital Tax Account</td><td rowspan="4">31/01/21</td><td rowspan="4">31/01/21</td></tr>
<tr><td>Partnership</td><td colspan="5">Partnership income will be reported by the partnership. When the partnership provides their return, partners' share of the profits flow to their DTA/Software.</td></tr>
<tr><td>Dividends</td><td colspan="5"></td></tr>
<tr><td colspan="6">Individual will not need to use MTDfB software</td></tr>
</table>

Scenario 8:

Ongoing SE business with accounting period 01/05/19 to 30/04/20 of £40,000. Volunteers to join MTDfB in August 2018

Income from Partnership 01/09/19 to 31/08/20 of £50,000. Individual partner share is £2,000

Tax year	Income type	Quarter 1 report due by	Quarter 2 report due by	Quarter 3 report due by	Quarter 4 report due by	(EOPS) Finalise business income by	Finalise overall tax by	Balancing Payment / 1st POA
2020/21	SE	31/08/19	30/11/19	29/02/20	31/05/20	TBC	31/01/22	31/01/22
	Period declared	01/05/19 to 31/07/19	01/08/19 to 31/10/19	01/11/19 to 31/01/20	01/02/20 to 30/04/20	01/05/19 to 30/04/20		
	Partnership	Partnership income will be reported by the partnership. When the partnership provides their return, partners' share of the profits flow to their DTA/Software.						

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Please contact us with any queries...

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