



Signing up to Making Tax Digital for VAT – stepping stone guide for businesses

We have prepared this handy stepping stone guide through HMRC's sign up process, as an aid to make the transition for your business as smooth as possible.

Step 1

Check that your existing software is compatible for submitting VAT returns to HMRC under Making Tax Digital for VAT. Most providers are compliant as a result of phase 1 however, please see below link to search against HMRC's current list of software providers;

<https://www.tax.service.gov.uk/making-tax-digital-software>

Step 2

If your current software is not on the list, please give our dedicated Online Services team a call (details are at the bottom of this article) and we will do our best to advise you.

Step 2a

If your software is on the list, then you will need to check the correct time to sign up. If you are over the VAT registration threshold you should sign up now at least 3 days before your return is due. If you are not, then you will need to sign up at least 3 days before the filing deadline of your VAT return period beginning on or after 1 April 2022 (this is when you will be required to comply with MTD for VAT)

Please note that before you sign up, if you pay the VAT by Direct Debit, you will not be able to sign up in the 7 working days leading up to, or the 5 working days after sending a VAT return.

Step 3

When the time is right, you will need to have the following information to hand;

- 1 Your Government Gateway user ID and password.
- 2 The VAT number of the business that is signing up and latest VAT return submitted.
- 3 Your business email address.
- 4 Your National Insurance number if you're a sole trader.
- 5 Your company registration number and Unique Taxpayer Reference (UTR) if you're a limited company or registered society.
- 6 Your UTR and the postcode where you're registered for Self Assessment if you're a general partnership.

Your UTR, the postcode where you're registered for Self Assessment and your LLP registration number if you're a limited partnership.

Step 4 –

Copy the following HMRC link in to your web browser to start the signup process:

<https://www.tax.service.gov.uk/vat-through-software/sign-up/are-you-ready-to-submit?>

Step 5 –

Answer the questions to navigate through the signup process.

Step 6 –

Within the next 72 hours after the sign-up process, HMRC will send you an email confirming that the registration under Making Tax Digital for VAT has been completed.

Step 7 –

You now must update your software settings to authorise the transmission of all future VAT returns to HMRC. This only needs to be done once, as the settings will remain in place for the first and all future VAT submissions. If you are not sure how to do this, your software supplier will be able to help you.

Step 8 -

Once the settings within the software have been changed, you are now able to submit your first Making Tax Digital for VAT return to HMRC.

If your business needs support and advice in preparing for MTD, please email us at enquires@krestonreeves.com or call +44 (0)330 124 1399 to arrange to speak with one of our specialists in London, Kent and Sussex.

For more than accounting, business and wealth advice.

Call: +44 (0)330 124 1399

Email: enquiries@krestonreeves.com

Visit: www.krestonreeves.com

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