



Helping you to prepare

Making Tax Digital

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The new Making Tax Digital (MTD) regime, introduced by HMRC, is set to start from 1st April 2019, however any business can begin to benefit from cloud-based accounting before it comes into effect.

Making Tax Digital (MTD) is a scheme set up by the UK government in an attempt to introduce a modern digital tax system that makes it easier for businesses and individuals to keep their tax records up to date.

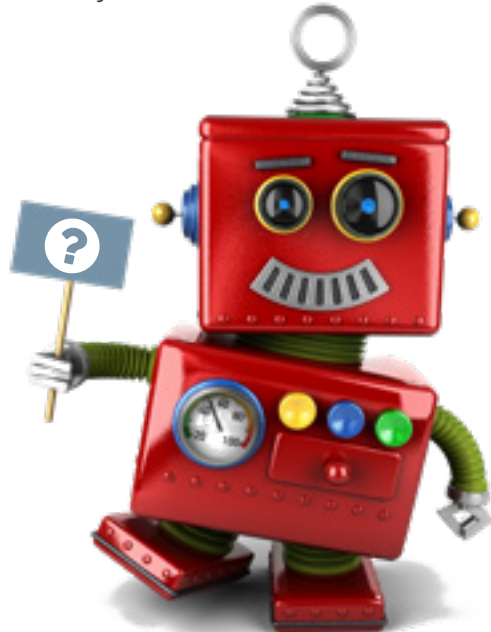


The current VAT Return will not meet the requirements. It will therefore be necessary for every VAT registered business to utilise third-party software that is compliant with MTD, either directly, or through their accountant.

Will MTD affect me?

From the 1st April 2019, all VAT Registered businesses with a turnover above the VAT threshold (currently £85,000) will need to keep records digitally - and submit VAT Returns to HMRC using compatible software.

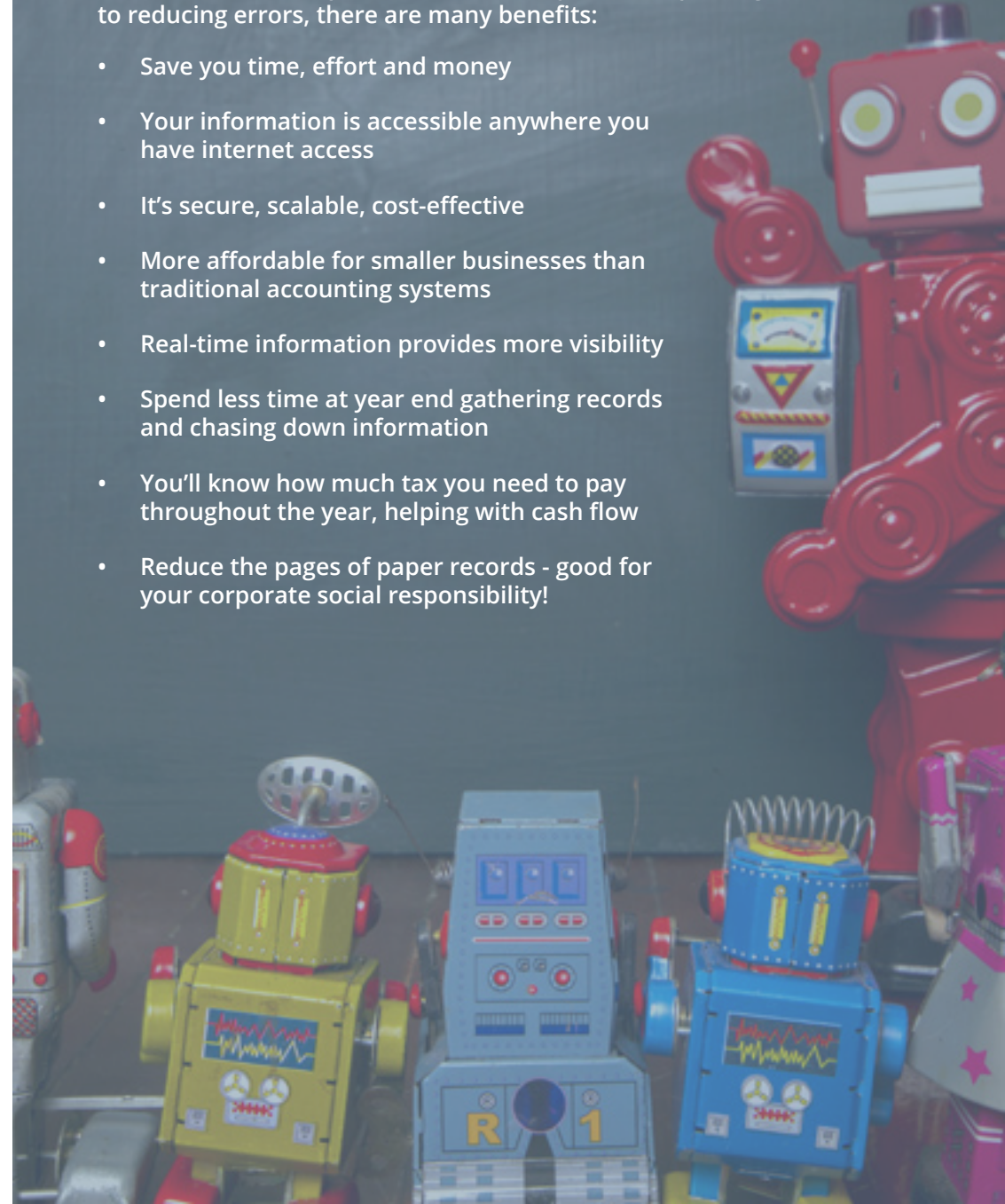
Businesses should see these changes as a good thing - improving efficiencies and helping you to understand your business better.



The Benefits of Making Tax Digital

MTD is good thing - research suggests moving to digital accounting could save an SME up to £17,000 annually. From improving efficiencies to reducing errors, there are many benefits:

- Save you time, effort and money
- Your information is accessible anywhere you have internet access
- It's secure, scalable, cost-effective
- More affordable for smaller businesses than traditional accounting systems
- Real-time information provides more visibility
- Spend less time at year end gathering records and chasing down information
- You'll know how much tax you need to pay throughout the year, helping with cash flow
- Reduce the pages of paper records - good for your corporate social responsibility!



Key Dates for Making Tax Digital

Start thinking about your own requirements now - it may save you time, cost and a headache later on!

Now Check that your current software is compliant. If it isn't, start thinking about looking now for a new accounting package. You should prepare to invest time and money to implement new software for your business

April 2019 All VAT registered businesses (including charities) with taxable turnover above the VAT threshold (£85,000) will be required to keep records digitally and file VAT Returns using Making Tax Digital (MTD) compliant software.

April 2020 The remaining VAT Registered businesses - those with a turnover under £85,000 will be required to be compliant.

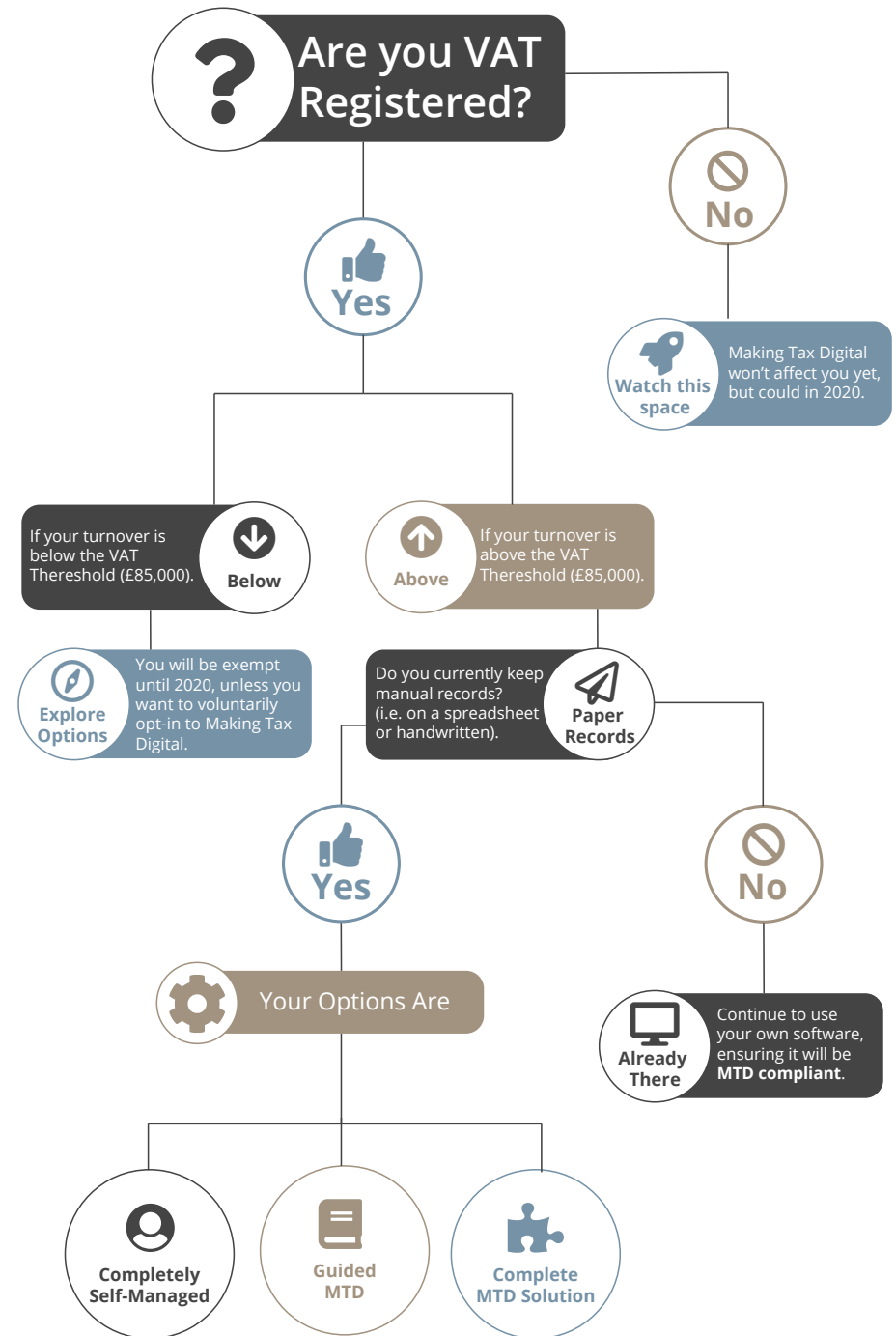
What are the options?

There are several “cloud-based software packages” available on the market and these are all likely to be MTD compliant by the deadline.

HMRC will post guidance as the deadlines approach, detailing what software will be compliant, as well as any other changes to the proposed legislation.

The main platforms used at Aspen Waite are Sage, Xero, and Kashflow.

There are several factors that will determine when this change comes into effect - we have designed a flow-chart to help you.



How we can help




We realise this is going to be an added expense for a lot of businesses, as you may well currently keep records on spreadsheets or paper.

Unfortunately, every business MTD applies to will be required to use MTD compliant software once the regulations come into force.

Aspen Waite will be working closely with our clients through the transition period, helping you realise the benefits and using MTD as an opportunity to improve your businesses, and we will be in touch in due course.

For those of you unable, or unwilling to use new software, we will offer additional services to suit your needs, and can discuss these options with you. We are advising that clients look to embrace MTD, as the benefits will provide you with time and cost-savings now, and in the future.

Our MTD Solutions

 Completely Self-Managed	MTD Platform Product Support Electronic Records VAT Reporting	Source your own MTD compliant software or bookkeeper No support is offered Your responsibility Your responsibility
 Guided MTD	MTD Platform Product Support Electronic Records VAT Reporting	Aspen Waite will set you up with Xero or Sage and provide training Aspen Waite will support you alongside Xero and Sage, as required Your responsibility Your responsibility
 Complete MTD Solution	MTD Platform Product Support Electronic Records VAT Reporting	Aspen Waite take care of everything – you can continue as normal N/A Aspen Waite maintain records for you Aspen Waite submit VAT returns for you

Talk to an Advisor

Aspen Waite can provide guidance and advice in getting you and your business MTD compliant.

We provide a wide range of accounting services, online accounting packages, outsourced bookkeeping services, tax advice and VAT services.

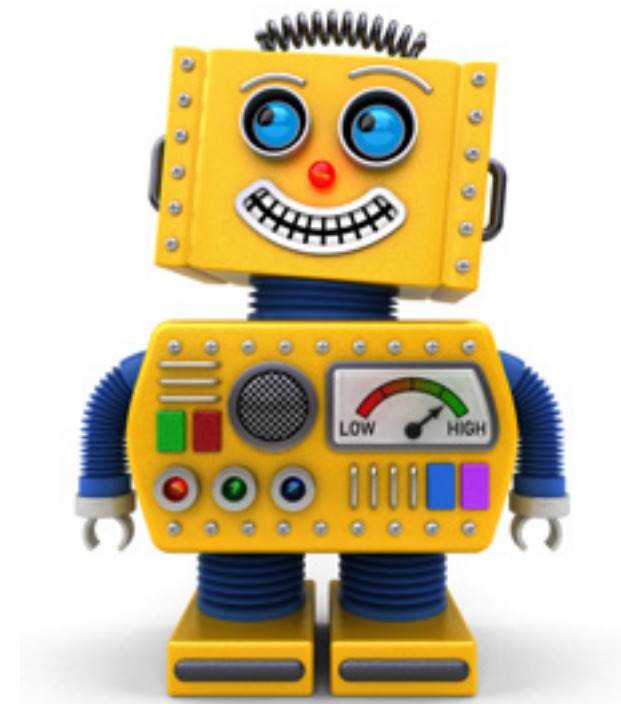
As part of our commitment to helping our clients to grow, we will be keeping you up-to-date as more information is released by HMRC and the software providers.

If you'd like to discuss your requirements or to find out more about MTD, please get in touch with your account manager or:

Telephone: 01278 445151

Email: advice@aspen-waite.co.uk

Visit: www.aspenwaite.co.uk/mtd





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