



## Making Tax Digital

### Fundamental Change is Coming



## MAKING TAX DIGITAL



This article is for all Hornbeam Clients to understand what Making Tax Digital (MTD) is and how it will affect you.

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.*"

MTD is key to reaching that goal. It is a massive change to the current tax system and will most likely affect all tax payers and businesses by 2020 at the latest.

It is important to understand that HMRC are constantly updating and changing their plans and legislations for MTD, but currently the important information to make note of:

1. VAT registered businesses with a turnover above the threshold will have to **submit their returns through cloud accounting software**. This comes into force in April **2019**.
2. Income tax and corporation tax will be digitalised and HMRC expect all VAT registered businesses to be impacted by **April 2020**.

MTD will allow customers to check their personal tax accounts at any time, this will mean the amount of tax due is available in real time, rather than at the end of the year.

As a valued client of Hornbeam Accountancy Services, we want to be organised and ready for this change and want you to be too. If you are a **VAT registered business**, with a **turnover exceeding £85,000** and have not contacted us yet, please do so soon so we can help you become compliant.

Cloud accounting software is the link between HMRC's new plan and you. Here at Hornbeam, we are trained, have experience in using and can help recommend several of the best and most recognisable accounting software.

To learn more about MTD, software options, help with set up or training and support, please contact the office for an appointment.

We are here to make the process as easy and least complicated for you as possible.

Please contact 01603 720424 or email [info@hornbeam-accountancy.co.uk](mailto:info@hornbeam-accountancy.co.uk) to see how we can help you prepare for the change that is coming.



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Whether you are a client or not, if we can provide further help or advice concerning any of the matters covered here, please do not hesitate to telephone us on (01603) 720424 or email [info@hornbeam-accountancy.co.uk](mailto:info@hornbeam-accountancy.co.uk)

**Disclaimer** Most of the information contained in this Hornbeam Highlights is of necessity greatly oversimplified. We are trying to bring to your attention tax planning and business management opportunities. However, you should not take action based upon this leaflet without obtaining specific professional advice.