

Making Tax Digital (MTD) for Income Tax

Exemptions & Deferrals

- Digital Exclusion (Age/Disability)
- Religious Objections
- Non-Resident Companies
- Trusts and Estates
- Limited Companies (Corp Tax)

Penalty Regime

- Late Submission Points**
 - Annual: 2 pts threshold
 - Quarterly: 4 pts threshold
 - Monthly: 5 pts threshold
 - £200 fine per breach
- Late Payment Penalties**
 - 3% after 15 days
 - 6% after 30 days
 - Daily interest charges
- Soft Landing: 2026/27 Waived

Implementation Timeline

- April 2026: Income > £50,000
- April 2027: Income > £30,000
- April 2028: Income > £20,000

Core Requirements

- Digital Record Keeping
- Quarterly Summaries
- Final Declaration
- HMRC-Compatible Software
- Digital Links (No Copy-Paste)

Qualifying Income Sources

- Self-Employment Turnover
- UK Property Rental
- Foreign Property Rental
- Furnished Holiday Lets

Software Options

- Generalist Platforms**
 - Xero
 - QuickBooks
 - FreeAgent
 - Sage
 - Clear Books Free
 - QuickFile
- Specialist Landlord Tools**
 - RentalBux
 - Hammock
 - Landlord Studio
- Bridging Software**
 - TaxNav
 - My Tax Digital
 - 123sheets