



your business
supercharged

Take the turbulence out of **MTD for IT**



Self assessment is changing: what it means for your business



MTD FOR IT
NAVIGATOR
YOUR COMPLETE MTD TOOLKIT

Customise to
suit your
practice

Introduction

*Customise to
suit your
practice*

Your presenter: Robin Stride, FMAAT, R Stride & Co Accountants

Today, we'll run through:

- 📍 What Making Tax Digital for Income Tax is
- 📍 What it means for your business
- 📍 How early preparation is key

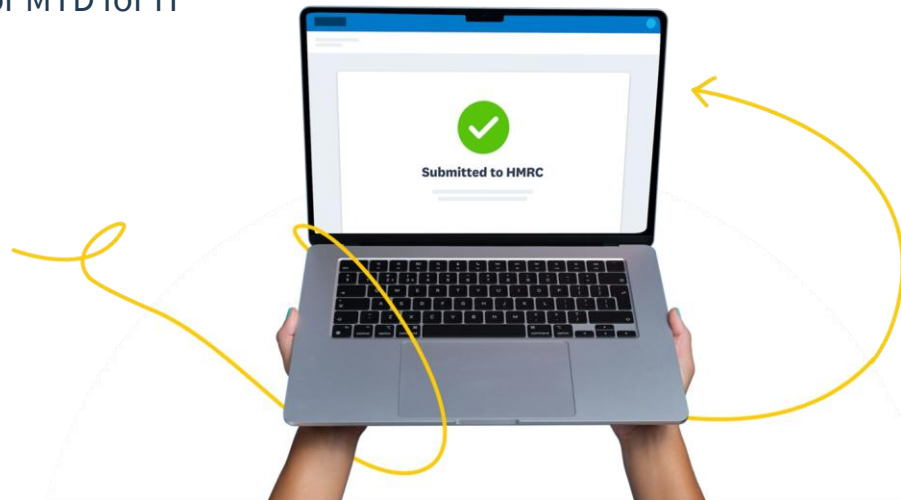


Agenda

What we'll cover in today's presentation

*Customise to
suit your
practice*

1. What is MTD for IT and what does it mean for your business?
2. How we can work together to help you navigate MTD for IT
3. The software we recommend so you're ready for MTD for IT
4. Next steps



Why knowing about MTD for IT matters

Here's why knowing about MTD matters:

- 📍 More compliance requirements
- 📍 Changes to how you keep business records
- 📍 Also an opportunity to better understand your business





*your business
supercharged*

What is MTD for IT?



External (p)

What is MTD for IT?

Self assessment as we know it is changing: what you need to know

2015

Making Tax Digital (MTD) was introduced

2022

MTD for VAT became mandatory for all VAT-registered businesses

2026

MTD for Income Tax (IT) for self-employed people and landlords is being implemented



What it means

Self-employed and landlords must use MTD-compatible software, such as Xero, to keep digital records and send updates to HMRC.

MTD for IT timeline

The key dates and deadlines for the MTD for IT roll out

April 2025

HMRC's public testing phase opens

April 2026

Comes into effect for sole traders and landlords with qualifying income above £50,000

April 2027

Comes into effect for sole traders and landlords with qualifying income above £30,000

April 2028

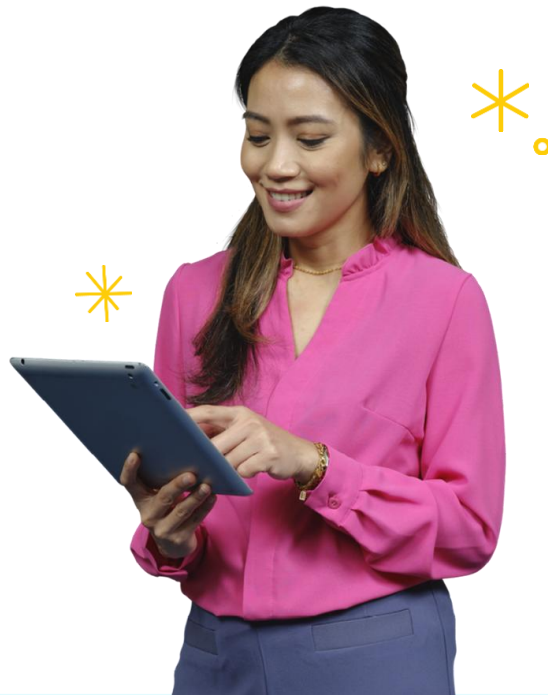
Comes into effect for sole traders and landlords with qualifying income above £20,000

Benefits of MTD for IT

MTD for Income Tax brings benefits for your business

Some of the benefits of MTD for Income Tax are:

- ✓ A clearer view of your finances
- ✓ Help with decision-making and planning
- ✓ Automation of routine tasks so less time spent on manual processes



What you need to do

How the MTD for IT rules will affect you

MTD for IT will require self-employed people and landlords to:

-  Submit [four quarterly updates](#)
-  Submit a [final declaration](#) by 31 January
-  Keep digital records
-  Use MTD-compatible software

What landlords need to know

How the MTD for IT rules will affect landlords with jointly-owned property

Easements for landlords with joint-owned properties

Landlords of jointly-owned properties can choose:

-  Not to submit quarterly updates of expenses
-  To keep less detailed digital records

Check out HMRC's guidance on [easements for landlords](#) (in section 3, Review outcomes)



*your business
supercharged*

How we can work * together

x

External (p)

Why going digital now is key

The sooner you get ready, the smoother MTD for IT will be for you

By starting to use suitable software for record-keeping now, you'll:

- ✓ Be well set up ahead of time (we'll help)
- ✓ Have time to adjust to new ways of working
- ✓ See the benefits of going digital this tax year
- ✓ Be familiar with the software and be confident about what you need to do, before the MTD for IT deadline arrives

Getting ready ahead of the deadline

Make it easy on yourself ahead of the MTD for IT deadline for your business

Is your annual income over £50,000?

In that case, you need to be ready by April 2026.

Prepare now in order to:



Avoid the stress of rushing to meet the deadline



Reduce the risk of penalties



Ensure that you're fully compliant with the new regulations

Working together

The most efficient and effective approach for MTD for IT

The benefits of us working together include:

- ✓ Getting expert guidance
- ✓ Minimising errors
- ✓ Saving time
- ✓ Ongoing support



Working together: how we can help

The most efficient and effective approach for MTD for IT

We'll support you getting your records online

- Having a separate bank accounts for work expenses
- Taking photos of receipts
- Tracking income and expenses

We'll help you comply with MTD for IT

- Reviewing data accuracy
- Submitting quarterly updates
- Submitting final declarations



your business
supercharged

Our recommended software

External (p)

Introducing Xero

An all-in-one platform to help you sail through MTD for IT

- ✓ Easy-to-use online accounting software that makes everyday accounting tasks simpler
- ✓ MTD-compliant and HMRC-recognised: connects seamlessly to HMRC
- ✓ Automates data entry and streamlines bank reconciliation
- ✓ Simplifies invoicing and provides tools for capturing bills and receipts
- ✓ Let's you see real-time financial data
- ✓ Enables you to collaborate
- ✓ Dashboards and reports allow you to make smart, informed business decisions



MTD FOR IT

Stay in control with Xero

Stay on top of your business finances and MTD for IT

Connect
your bank



Capture
receipts



Send
invoices
and get
paid



Routine
book-
keeping



Business
insights

Working together in Xero

How we can divide up the work between us

You'll manage these



- ✓ Connect your bank
- ✓ Reconcile transactions
- ✓ Capture bills and receipts
- ✓ Send invoices and get paid

We'll cover this/these for you



- ✓ Routine bookkeeping
- ✓ Business insights
- ✓ MTD for IT filing

Xero business plans

A choice of plans to suit your needs

Simple

All the essentials for non-VAT sole traders and landlords

- Bank feeds and reconciliation
- A data capture app (Hubdoc)
- Pay-enabled invoicing (send 10 invoices per month)
- Client collaboration

Ignite

Accounting basics for businesses starting out

- 20 invoices per month
- VAT filing
- Bills (enter up to 10 per month)

Grow

Accounting tools for the self-employed and growing businesses

- Unlimited bills and invoicing
- Claim expenses and mileage for 1
- Payroll for 1

Comprehensive

Streamlined accounting and payroll for businesses with employees

- Multicurrency
- Analytics Plus
- Claim expenses and mileage for 5
- Payroll for 5

Ultimate

Accounting, payroll and forecasting tools to help businesses scale for future growth

- Projects for 10
- Claim expenses and mileage for 10
- Payroll for 10

All plans offer MTD for IT filing

Note: You can add individual employees into Xero payroll on Xero Ignite, Grow, Comprehensive or Ultimate for an additional cost.

MTD FOR IT

Xero Simple

Xero's business plan for non-VAT sole traders and landlords

- 📍 Great for non-VAT registered sole traders and landlords
- 📍 Only £7 a month (exc. VAT)
- 📍 Key features include:
 - ✓ Invoicing
 - ✓ Automatically import bank transactions
 - ✓ Reconciling and reporting
 - ✓ MTD for Income Tax

External (p)



MTD FOR IT

Why Xero

Xero helps streamline your business, going beyond MTD for IT, so you can focus on what you love



Over 4.2 million
subscribers use Xero



90% of customers agree
Xero is easy to use*



93% of customers agree
Xero helps their business run
more smoothly*



ICB LUCA Awards:
Bookkeeping Software
of the Year 2024



Get paid up to twice as
fast with online invoice
payments

External (p)

* Source: Survey conducted by Xero of 858 small businesses in the UK using Xero, May 2024



*your business
supercharged*

Next steps

External (p)

Next steps

What to do now to get ready for MTD for IT

Here's how we'll get you up and running on Xero.

We'll:

- ✓ Walk you through a demo of Xero
- ✓ Help you decide on a Xero plan
- ✓ Provide onboarding and training
- ✓ Set up Xero ready for you to use
- ✓ Follow-up to ensure everything is running smoothly

Q&A

Your chance to raise queries and learn more about MTD for IT





your business
supercharged

External (p)