

# ABC ACCOUNTS

## Guide to Making Tax Digital (MTD)

with ABC6



## Installation

Upgrading ABC to the MTD enabled version can be done by installing from a CD or by downloading latest update from the ABC website.

Your existing account files are not affected. The upgrade can be installed at any time. If you have several companies set up in ABC you still only need to upgrade once.

ABC versions above 6.600 have got MTD function.

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# Making Tax Digital with ABC

## Introduction

Making Tax Digital (MTD) is the name of the government's plan to force everyone to keep computerised records and use software to directly submit details to HMRC. The full implementation has been postponed, but VAT Returns using MTD are required from 1st April 2019.

*NOTES: At the moment if your turnover is below £85k you can continue to submit VAT Returns the "old way", or you can choose to use MTD now. ABC works with both methods.*

## MTD requires you to:

- i) keep records digitally (ABC has always done this)
- ii) submit VAT returns using software approved for MTD (ABC is approved by HMRC)

With ABC, there is no difference in the way you enter transactions during the month. The only difference with MTD is the way the VAT Return gets submitted to HMRC.

## To get started with MTD there are two stages:

1. Sign up for MTD at HMRC (allow a week for this to be processed).
2. Tell ABC you want to use MTD.  
*(if you have several companies set up in ABC, you need to do this separately for each company. For example, only some companies may need to use MTD.)*

# 1. Sign up for MTD

## Before you start

**Once you have registered for MTD, you cannot send VAT Returns the old way (they will be ignored).**

- i) You must have sent your final non-MTD VAT Return.
- ii) If you pay by Direct Debit, wait at least 7 days since your last VAT Return was due.
- iii) Ensure you have the following to hand:
  - Your Government Gateway user ID and password (these are the same as you have been using to submit VAT Returns previously).
  - Your unique taxpayer reference (UTR) number of the business
  - Your company number (if you are a limited Company, etc)
  - Your VAT Registration Number.
  - Your mobile phone (to receive access code) if you've linked this to your account.

## Sign up

Visit [www.gov.uk](http://www.gov.uk)

type VAT in the Search Box and press ENTER

Click Sign up for Making Tax Digital for VAT

Click Sign up you own business.

tick the box YES I have accounts software, and click CONTINUE.

tick the box YES my software submits Making Tax Digital for VAT, and CONTINUE.

Enter your Gateway ID and password, and click SIGN IN.

The remainder may vary slightly for different businesses, but just follow the screen prompts for the rest of the steps.

At the end HMRC will email you confirmation that you are signed up for MTD. This may take UP TO 7 DAYS (though usually it is less).

## 2. Tell ABC to use MTD

The upgrade to ABC-MTD needs to be purchased from ABC Software. This is a one time purchase (not an annual fee). If you have annual support with us, the upgrade is half price.

You will receive a Registration Key for MTD from us after purchasing the upgrade.

### a) Enter the Registration Key to enable MTD.

In ABC go to Tools Menu (top right of screen)

> Register

> enter the MTD-VAT registration key, and click OK

*To check if MTD is correctly registered in ABC, Tools Menu > Show Version. The MTD-VAT box should be ticked.*

### b) Switch over to MTD.

From ABC Main Menu > Nominal Ledger > VAT Return

> OPTIONS tab page

Tick the box I WANT TO START USING MTD for VAT.

(and then exit from VAT Return. When you go to VAT Return again it will show the slightly different MTD VAT screen).

**Before you can send your first MTD VAT Return you need to authorise ABC to connect to your HMRC VAT Account.**

Nominal Ledger > VAT Return

OPTIONS tab page

click AUTHORISE ABC TO SEND VAT RETURN

This opens your browser and takes you to the HMRC website;  
log in with your Gateway ID and Password,

Continue on to the second or third page,  
and click the button to Authorise ABC.

Close the browser when you've done this.  
ABC should then show that it authorised.

You are now able to submit VAT Returns for MTD.

## To submit a VAT Return

Nominal Ledger > VAT Return

click CHECK IF VAT RETURN DUE

*Note: Previously, YOU decided which VAT Period you wanted to submit. Under MTD you can only submit the VAT Return that HMRC says is due.*

ABC shows which VAT Return HMRC says is due.

You can then VIEW/PRINT the VAT Return, and if happy with the figures go to the ONLINE tab page, read and tick the Declaration box, and click SEND VAT RETURN.

*It does take up to a few days for HMRC to update your VAT Account. So if you check if your VAT Return is due within this time, it may still show the VAT Return is due.*

*If you send the VAT Return again, HMRC have told us it will be ignored.*

## To check if the MTD system is working

(without sending anything), you can click CHECK IF VAT RETURN DUE. If ABC shows a VAT Return is due, or says none is due, then all is working OK.

## Bugs and errors

This is new software (April 2019) and it is possible minor bugs or problems may be found as more people start using it. It is therefore important that you update your ABC from our website.

You will receive updates automatically if you have paid for support (and you can purchase just one month support if you don't require annual support). But during this start up period of MTD we will also make available a free download of any MTD changes during April to July 2019 if these are necessary.

## New features

The MTD system does allow access to a wide range of additional features and we may add some of these to ABC if there is demand from users. For example, the ability to review and print your VAT Returns that HMRC has on record from previous VAT periods.

These enhancements will be included as part of your paid support updates.

If you have any suggestions for further new features in ABC, please email them to us. We prefer to work on useful things that YOU require rather than adding bells and whistles that programmers think somebody somewhere may want.

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