

Making Tax Digital Quarterly Updates

Four updates a year. Here's what you need to know.

If you're using Making Tax Digital for Income Tax, information from your digital records needs to be sent to HMRC throughout the year. These are your quarterly updates.



WHAT GOES IN A QUARTERLY UPDATE?

1



INCOME

The income recorded for your self-employment or property business.

2



EXPENSES

The expenses recorded in your digital records, grouped into the required categories.

3



NO TAX ADJUSTMENTS YET

You don't need to make your final accounting or tax adjustments before each quarterly update.

WHEN ARE THEY DUE?



UPDATE 1

RECORDS TO 5 JULY
Submit by 7 August



UPDATE 2

RECORDS TO 5 OCTOBER
Submit by 7 November



UPDATE 3

RECORDS TO 5 JANUARY
Submit by 7 February



UPDATE 4

RECORDS TO 5 APRIL
Submit by 7 May

You can choose to use calendar quarters instead, ending 30 June, 30 September, 31 December and 31 March. The submission deadlines stay the same.

IMPORTANT: THE FIGURES ARE CUMULATIVE

Each update shows your income and expenses from the start of the tax year up to the end of that quarterly period. That means Update 2 includes the figures already covered by Update 1, Update 3 includes Updates 1 and 2, and so on.

APRIL → JULY → OCTOBER → JANUARY → APRIL

MORE THAN ONE BUSINESS?

You need a separate quarterly update for each business. So, if you have two sole trader businesses and property income, each is dealt with separately.

DO I PAY TAX EVERY QUARTER?

No.

Quarterly updates do not mean four tax bills. They give HMRC information about your income and expenses during the year. Your final tax position is dealt with through your tax return after the tax year ends.

WHAT IF SOMETHING IS WRONG?

Your records can be corrected as you go. Because quarterly updates are cumulative, corrected figures will be reflected when your next update is submitted.

AFTER YOUR FOURTH UPDATE

You're not finished for the year.

Your figures still need to be checked, any necessary adjustments made, and other income, gains and reliefs added before your tax return is submitted.

Your tax return deadline remains 31 January following the end of the tax year.



Talk to the NDA team

Quarterly updates are much easier when your records are kept up to date. If you'd like help with your digital records, quarterly updates or the whole MTD process, talk to our team.



Barnstaple & Braunton



MTD@northdevonaccounts.co.uk



NORTH DEVON
ACCOUNTS