



February 2019

Dear Customer

## The way you send us VAT information is changing

We are changing how businesses need to keep their VAT records and submit their VAT Returns.

This new service is known as Making Tax Digital. Your business can start using it now. All VAT registered businesses must use the service this year if they have a taxable turnover of, or above, the UK VAT registration threshold (currently £85,000). Taxable turnover is the total value of everything you sell that is not exempt from VAT.

To use this service you will need to keep your VAT records digitally and submit VAT Returns using software that works with Making Tax Digital. You will need to do this for your first VAT Return for the period starting on or after 1 April 2019.

### Important

If you have not already joined you should do so now so that you can get used to the service. By joining early you'll know that your business is ready for when it's mandatory to use Making Tax Digital from April. However, before you join, you should speak to your accountant (if you have one) and the provider of the software you choose to use for Making Tax Digital about the best time for you to sign up for the service.

### What you need to do

Once you have joined the service you will no longer be able to use the existing VAT system to submit your returns. So you need to make sure that you have software that works with Making Tax Digital. If you already file your VAT Returns using software, you should speak to your software provider to make sure it has been updated for Making Tax Digital.

To sign up to join Making Tax Digital go to [www.gov.uk](http://www.gov.uk) and search for 'Use software to submit your VAT Returns'. Or, you can ask your accountant to do this for you.

If you need help or would like to know more about Making Tax Digital, go to [www.gov.uk](http://www.gov.uk) and search for 'Making Tax Digital for VAT' for our guidance pages. These include short YouTube videos and information to help you find the best software for your needs.

Yours sincerely

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Making Tax Digital for Business