

**Getting started
with
MTD VAT**

User Guidelines

Table of Contents

1. Getting started	3
1.1 Know about MTD	3
1.2 When will MTD for VAT start?	3
1.3 What MTD VAT app provides you?	4
2. Installation and Sign up process	4
2.1 Download MTD VAT app on phone	4
2.2 Create MTD VAT app account	4
2.3 Confirm company details	6
3. MTD VAT Authorisation Setup	7
4. Setup Data upload channel	11
5. Transfer MTD VAT data via Dropbox method	12
5.1 Transfer via Dropbox desktop method	16
5.2 Connect Dropbox mobile app with your desktop	16
5.3 How it works ?	22
6. How to install / download Dropbox – desktop & mobile version	24
6.1 Desktop Version	24
6.2 Mobile version	26
7. E-file MTD VAT data	27
8. Download MTD VAT digital certificate	31
9. HMRC MTD VAT details	33
9.1 VAT return details report	34
9.2 VAT payment details	35
9.3 VAT liabilities details	36
10. Chart Of Setup	37
11. Manage accounts	38

1. Getting started

1.1 Know about MTD

Making Tax Digital (MTD) is one of the latest digitalisation initiative by UK Government. Previously RTI and Automatic Enrolment Pension was introduced with the similar motive of digitalising. In this era of computers and smartphones, digital record keeping has become inevitable.

Under MTD, as a first step HMRC has decided to digitalise your VAT returns. Online e-filing of VAT returns will be applicable to all businesses(including self-employed and landlords) with turn over £85,000 and above. It provides significant benefits to businesses such as secure information storage, easier reporting of returns, better error identification and rectification compared to existing manual methods. Digital record keeping provides you a comprehensive overview of your VAT returns for any period within no time. That means, you'll no longer need to spend time searching spreadsheets and folders to find your previously filed data.

1.2 When will MTD for VAT start?

MTD for VAT pilot scheme is already in run from April 2018. HMRC is allowing only selected members for pilot. If you are interested in joining pilot, you can request by emailing HMRC. Many Company/Agents are part of this pilot scheme and have successfully submitted their VAT returns online. MTD for VAT live e-filing will begin from 1st April 2019. All Company/Agents whose annual VAT returns are above £85,000, will be obliged to file their VAT returns using a MTD VAT compliant software. Currently HMRC software doesn't provide the option to submit your VAT returns. You'll need to find a compatible and cost effective commercial software to fulfil your MTD requirements. Until further announcements, MTD for VAT will not be mandatory for businesses whose turnover is below VAT threshold; but still can voluntarily choose to be a part of it.

HMRC have decided to implement MTD in phases as done for RTI and automatic enrolment pension. The important timelines proposed by HMRC for MTD are as follows:

April 2018	Pilot Testing of MTD for VAT
April 2019	Digitally record VAT returns and e-file quarterly to HMRC. Applicable for businesses(including self-employed and landlords) with turn over above VAT registration threshold(£85,000)
April 2020	MTD proposed for Income Tax and Corporation Tax

Table 1.2.1 MTD timeline

1.3 What MTD VAT app provides you?

Our mobile app will facilitate to manage you and your client's VAT account literally at your fingertips. MTD VAT Mobile Apps allows you to view all your VAT data HMRC website over the mobile devices (Both Android and iOS phone are supported).

This app will access to HMRC website and show you the following:

- VAT return Data (the actual 9 boxes of VAT data)
- VAT liabilities (Amount due and dates)
- Payment (what you have paid HMRC).

Our MTD VAT mobile app also provides you with the following features:

- Submit your VAT data to HMRC digitally using your mobile device.
- You can easily import your MTD VAT data via manual / Dropbox method and also e-file all your client's VAT data to HMRC with just a tap of a button.
- The mobile app also accepts CSV imports from Sage, Iris, and other accounting/bookkeeping packages.

2. Installation and Sign up process

MTD VAT mobile app is specially designed for the ease of use and it is really simple to install it on your mobile devices. Please follow the steps below to install and sign up for our mobile app.

2.1 Download MTD VAT app on phone

Step 1: To use the MTD VAT mobile app, one method is to download it from the Play store/apple app store.

Step 2: The second method is when you visit the website you would be prompted to add the mobile app to your home-screen. After the user accepts the prompt, your mobile app will be added and it will run like a native app.

Step 3: Install the MTD VAT mobile app on your device.

Step 4: Open the MTD VAT mobile app and get started.

2.2 Create MTD VAT app account

You can easily create an account with MTD VAT app. Follow the step by step procedure below to create an account.

Step 1: Tap on 'Sign Up' link in the home page. You will receive an email containing an activation link.

Step 2: Tap on the link within the email and set up the sign in details for your account

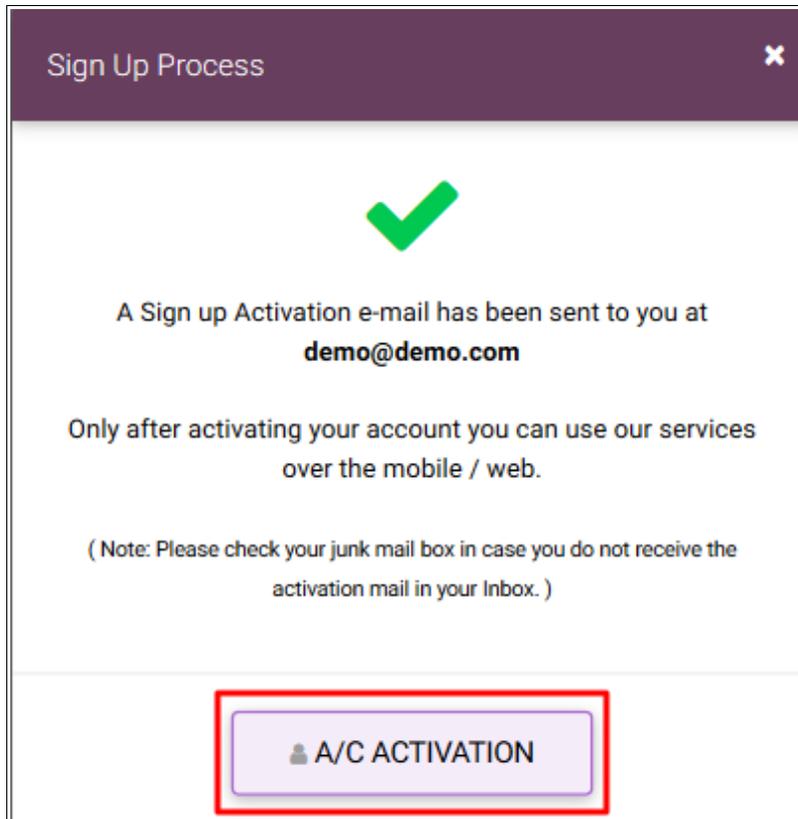


Figure 2.2.1 Account activation

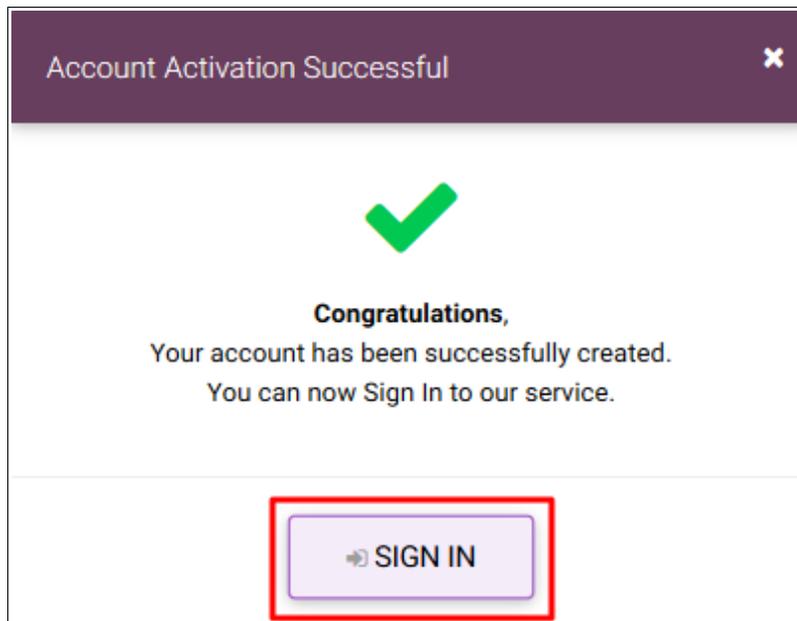


Figure 2.2.2 Sign in

After your account has been created, sign in to the account. Enter your sign in credentials (User ID, email, password and pattern word). Each time you sign in, you will be asked to enter these credentials.

2.3 Confirm company details

You need to enter the trader or agent VRN number along with all proper information into the mobile app. Carefully fill in the mandatory fields and continue to the next screen.

Further enter the following details to complete the activation.

- Create sign in details
- System administrator details
- Registered office address
- Business address
- Create sign in password and security question
- Create pattern word

Finally you have to confirm all the sign in essentials to get your account created.

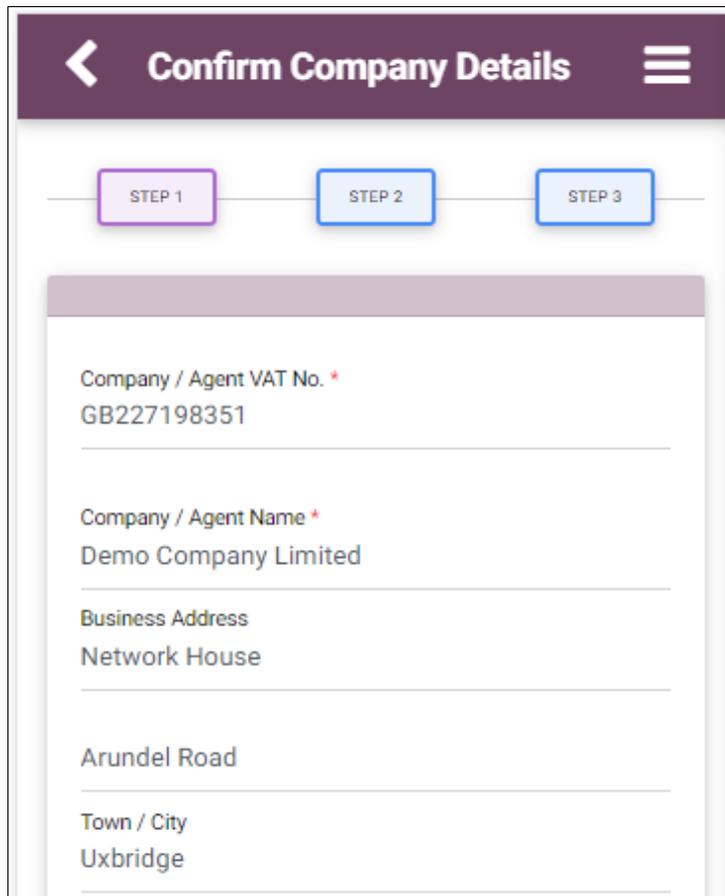


Figure 2.3.1 Confirm company details

3. MTD VAT Authorisation Setup

If you are a first time user then while signing-in to the app you will go through the mandatory step of MTD VAT authorisation. For HMRC MTD services to be activated you, as an Company/Agent must authorise us to communicate with HMRC on your behalf.

Only after the MTD VAT authorisation you can proceed to import your data into the app. If you do not complete the authorisation process, the mobile devices will not be authorised to access your account to view your VAT.

For MTD VAT authorisation setup follow the steps below:

Step 1: Open MTD VAT app.

Step 2: Enter the 5 digit passcode to sign in.

Step 3: Enter the company/agent details. Next tap 'Continue'.

Step 4: Tap 'PROCEED TO HMRC FOR MTD VAT AUTHORISATION' button.

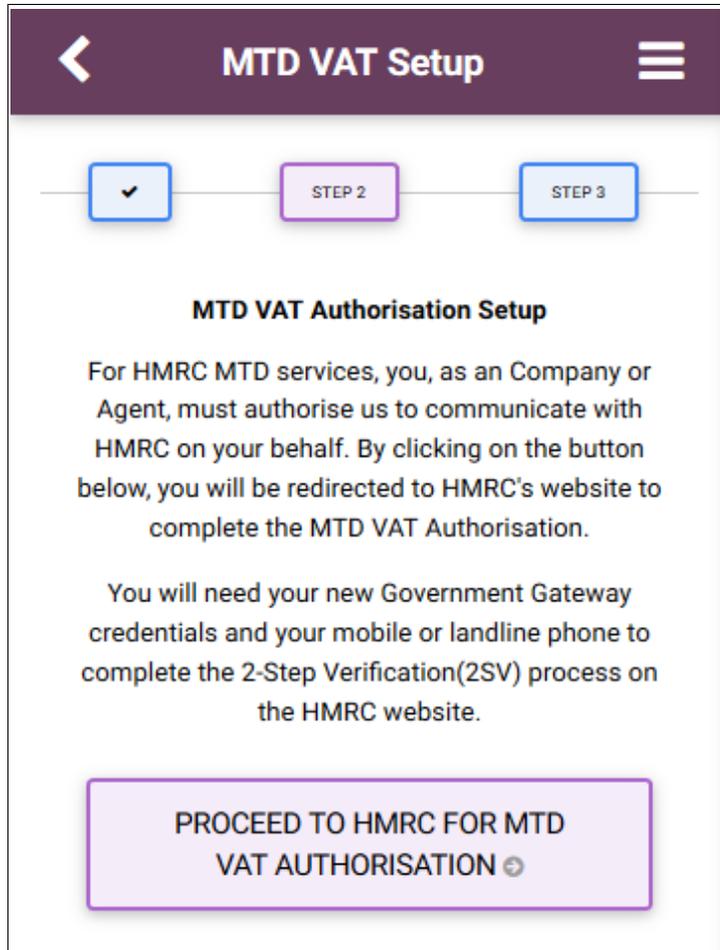


Figure 3.1 HMRC MTD VAT authorisation setup

Step 5: You will be next redirected to HMRC website. Follow the on-screen instructions and complete the authorisation process.

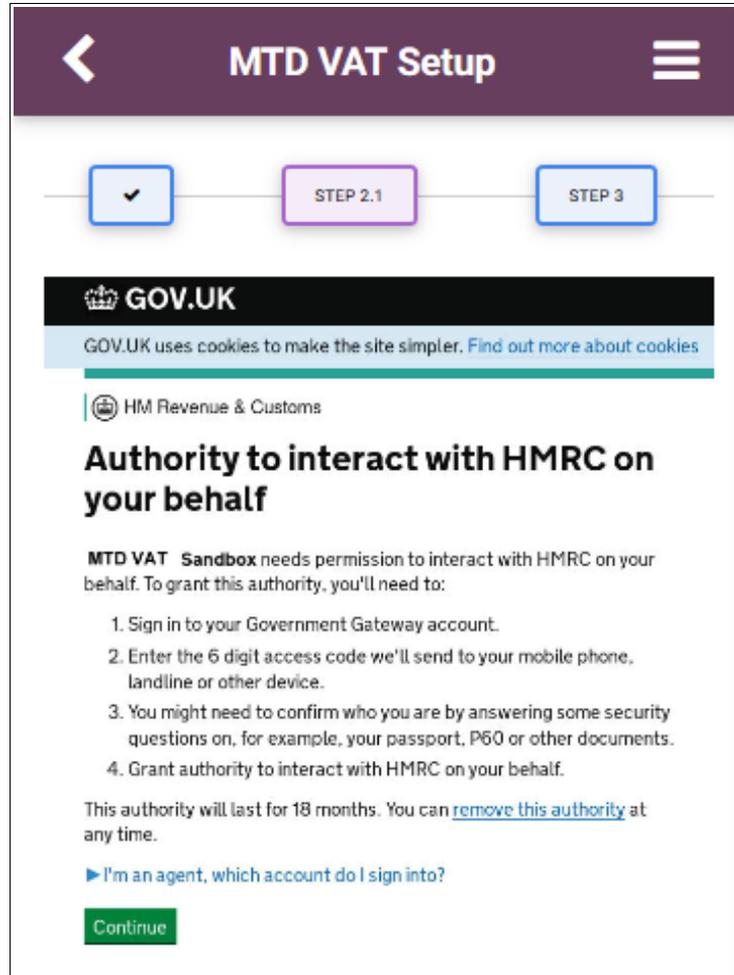


Figure 3.2 MTD VAT authorisation setup

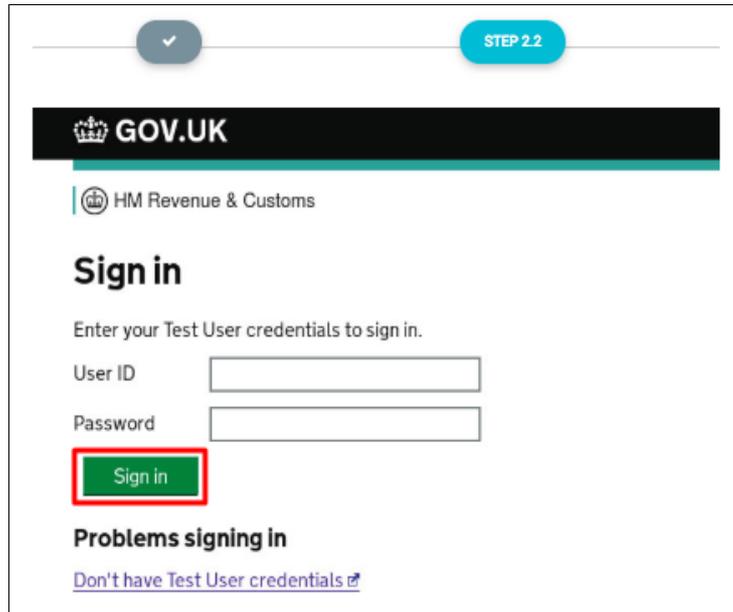


Figure 3.3 MTD VAT Sign in credentials

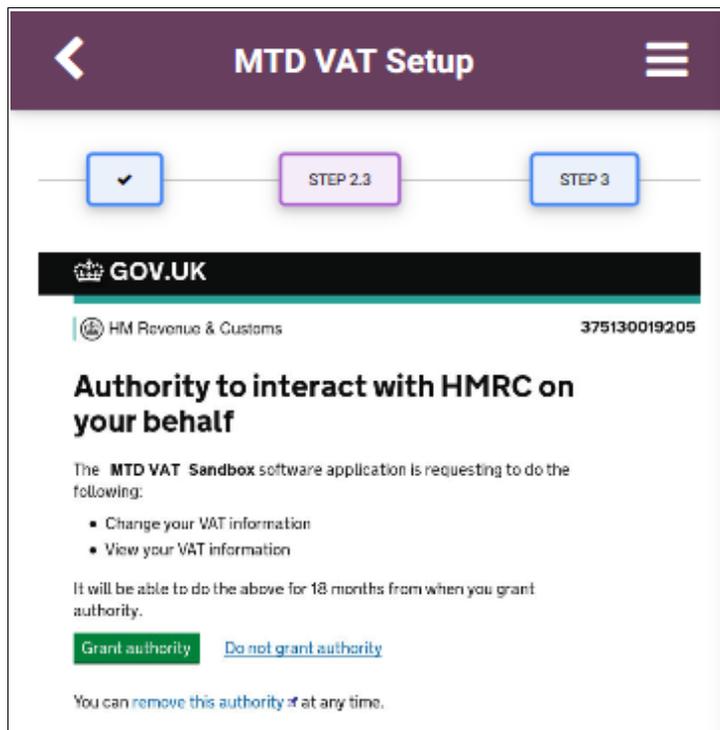


Figure 3.4 MTD VAT Grant authority

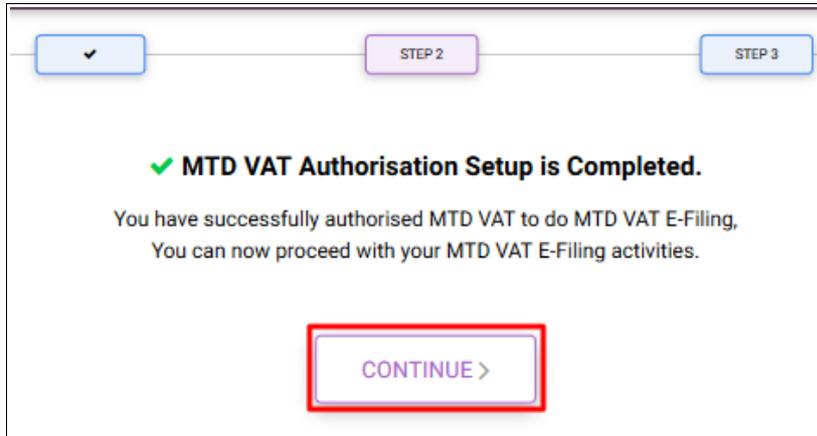


Figure 3.5 MTD VAT Authorisation setup completed

For completing the MTD authorisation process you also need to have a HMRC MTD account and use the gateway credentials provided by HMRC. If you want to create a HMRC MTD account please follow the steps below:

- **Step 1:** To start using HMRC's services you'll need to create a new MTD HMRC account.
- **Step 2:** [Click Here](#) to create an HMRC account afresh for the MTD services.
- **Step 3:** Once your registration for MTD VAT is successful. HMRC will send you the MTD VAT Authorisation **USER ID** and **PASSWORD** by post to your given address.

4. Setup Data upload channel

After the MTD authorisation process, you have to choose the integration service with MTD VAT server to import your VAT data to the app.

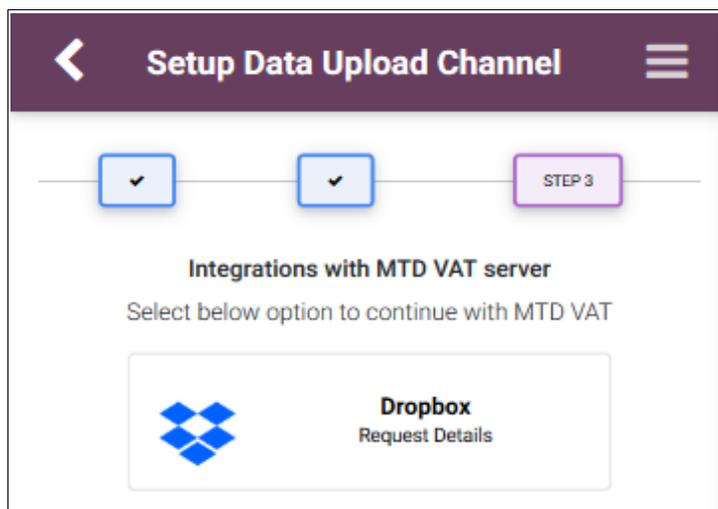


Figure 4 Data upload channel

5. Transfer MTD VAT data via Dropbox method

Dropbox is a popular cloud-based file-storing, sharing and real-time collaboration solution that facilitates users to

- store files in the cloud,
- sync files across all devices, and
- share files easily.

You can configure or manage Dropbox Account within your account by giving a valid E-Mail ID. A successful Dropbox Setup means that from then on, you can -

- upload VAT CSV files into your Dropbox Account.
- subsequently use our MTD VAT app to process these files.
- e-file VAT information to HMRC and
- receive responses with HMRC IRMark Digital Receipt details in a secure way.

The notifications and file processing status updates will be sent to your registered e-mail id as well as stored in your Dropbox account for future reference.

Follow the steps to upload files via Dropbox account.

Step 1 : After signing in and completing the MTD authorisation setup, choose Dropbox integration.

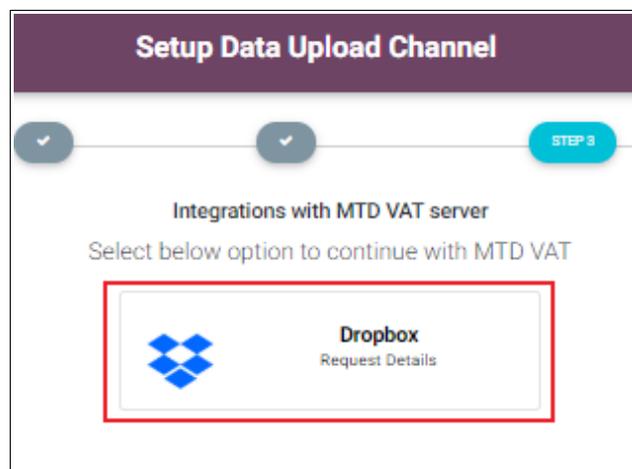


Figure 5.1 MTD Dropbox Request details

Step 2: The 'MTD VAT Dropbox account successfully setup' message is displayed on your screen. If this process is completed, then Dropbox Account is setup and linked with our app. A shared folder is created for MTD VAT data.

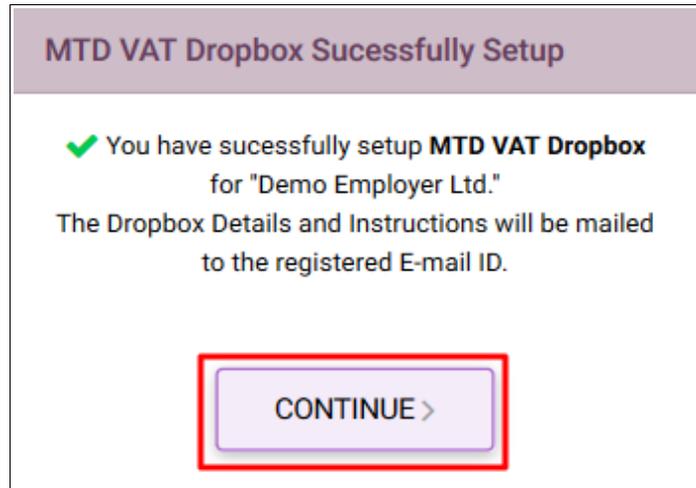


Figure 5.2 Dropbox successful setup

Step 3: You will receive a Dropbox setup email to your registered email id. (i.e. The email id you used for our app login).

Step 4: Sign in to the registered email id and open the mail you received from Dropbox. tap 'Go to folder' button inside the mail to access the shared folder.

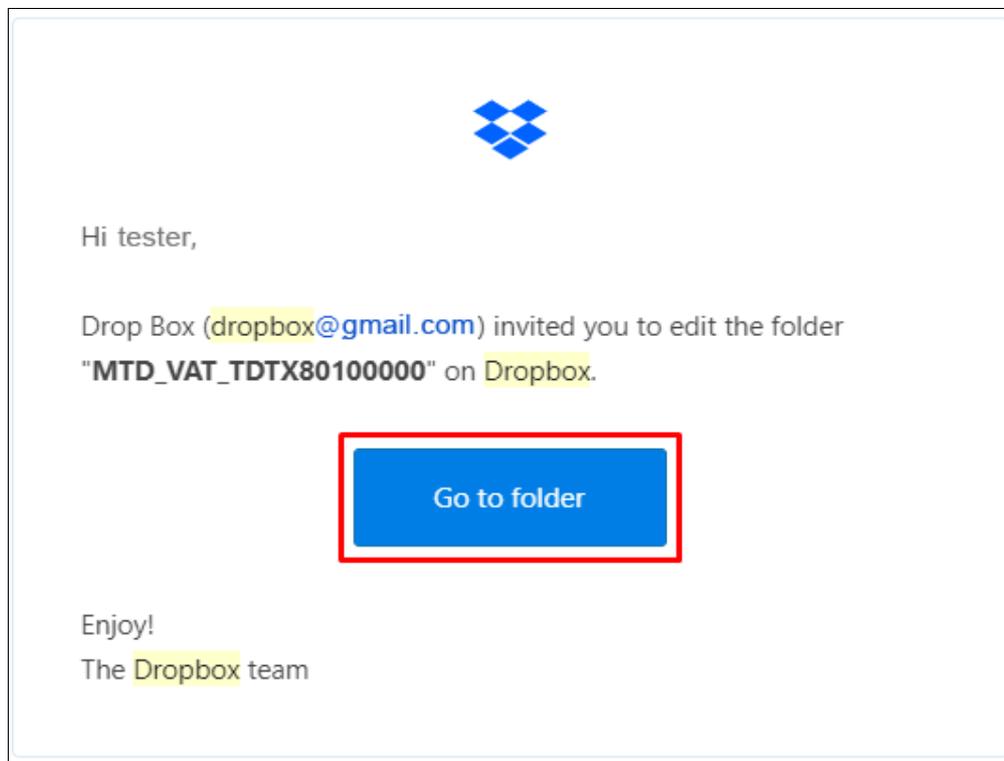


Figure 5.3 Go to folder

Step 5: If you do not have a Dropbox account create a new account with the registered email id and sign in to the account.

mtdvat wants to share the folder **MTD_VAT_TBVAT8020958** with you.

Join Dropbox to view files in this folder

 Sign up with Google

or

First name Last name

Jane Doe

Email

tester@gmail.com

Password

Minimum 5 characters

This page is protected by reCAPTCHA, and subject to the Google [Privacy Policy](#) and [Terms of Service](#).

I agree to the [Dropbox Terms](#) [Create an account](#)

or [Sign in](#)

Figure 5.4 Dropbox sign up/ sign in page

Step 6: After Sign in to Dropbox account. tap on the bell icon on top-right corner of the Dropbox account. Here notifications related to shared Folder details will be displayed.

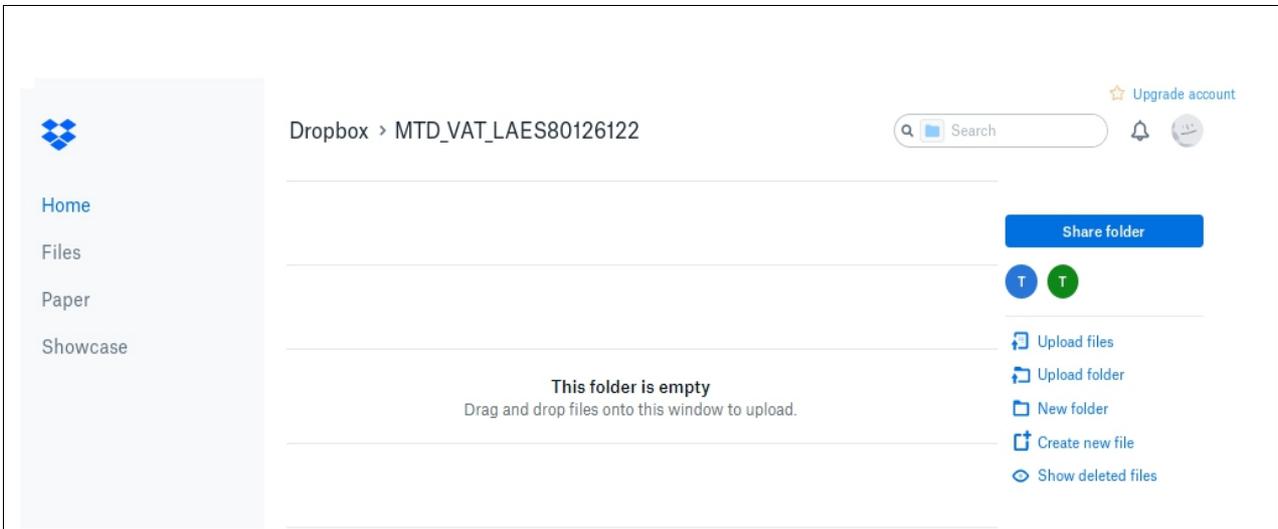


Figure 5.5 Dropbox shared folder

Step 7: You need to tap 'Add to Dropbox' option. By doing this the shared folder is added to your account. Later you can upload your VAT data or any CSV files into the shared folder

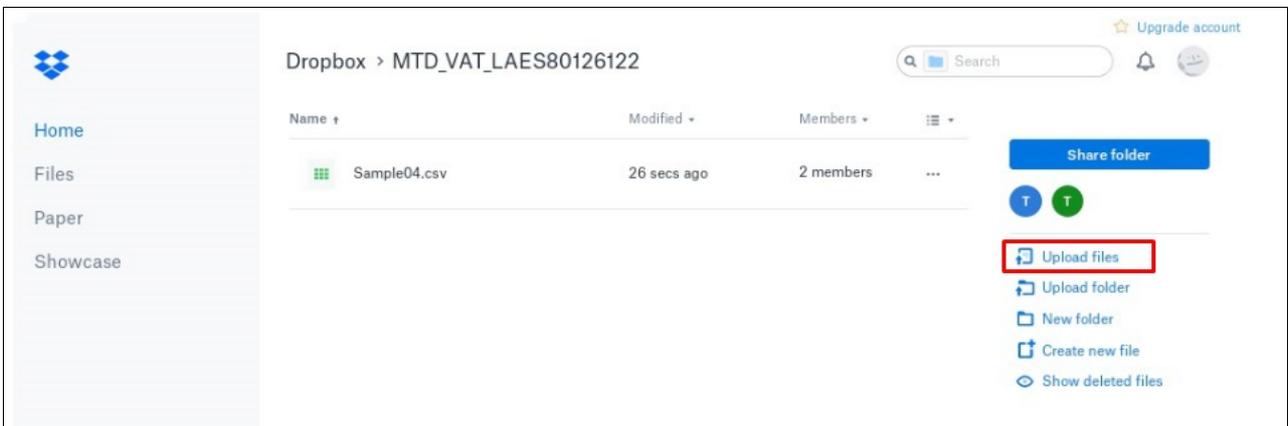


Figure 5.6 Dropbox notifications

5.1 Transfer via Dropbox desktop method

- First install and open the Dropbox desktop app.
- Drag and drop your VAT CSV files into the MTD VAT folder on your desktop.
- All files will be automatically saved and synced to Dropbox.com and to other connected devices.

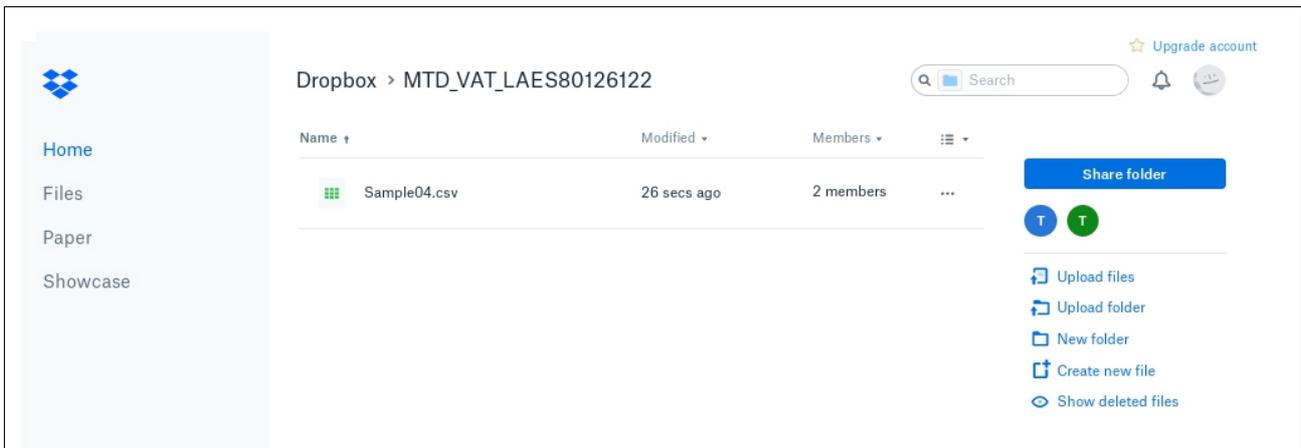


Figure 5.1.1 Uploaded data

- Just login to our app to check the status of uploaded file in the e-filing list page.
- You would be also be informed about the processing status of the CSV files through email notifications.
- Once the data is uploaded via Dropbox, our system will automatically pick up the files for processing.

5.2 Connect Dropbox mobile app with your desktop

- Now connect your Dropbox mobile app to your Dropbox desktop app to upload VAT files easily.
- First install and open the Dropbox mobile app.
- Tap the + (plus) icon at the bottom of your mobile screen.

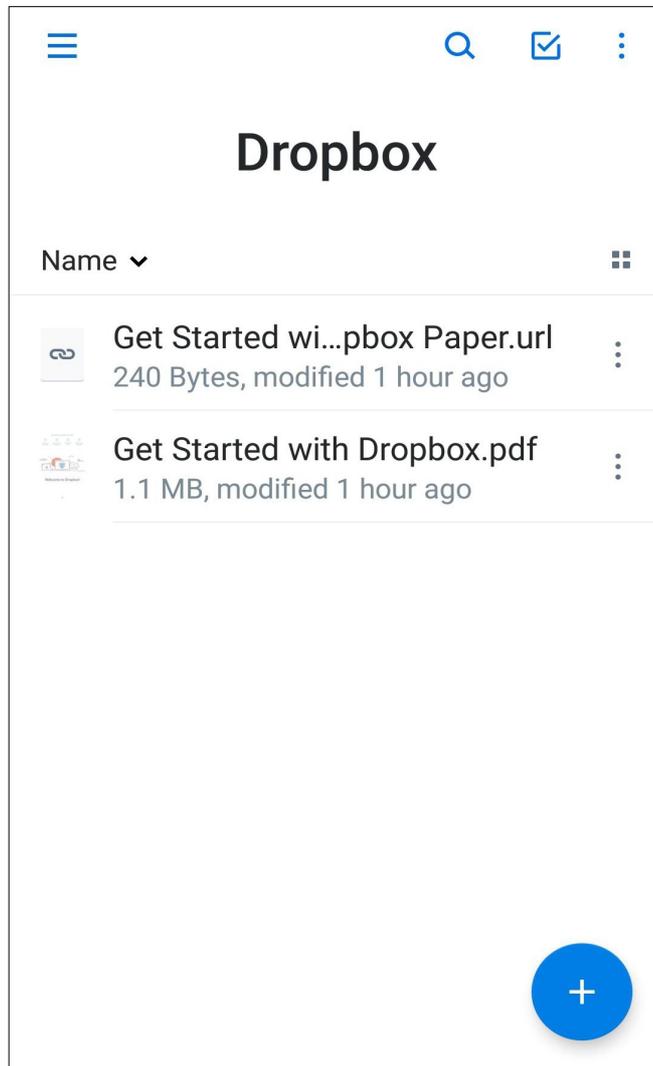


Figure 5.2.1 Dropbox mobile homepage

- You can connect your computer to the Dropbox mobile app.

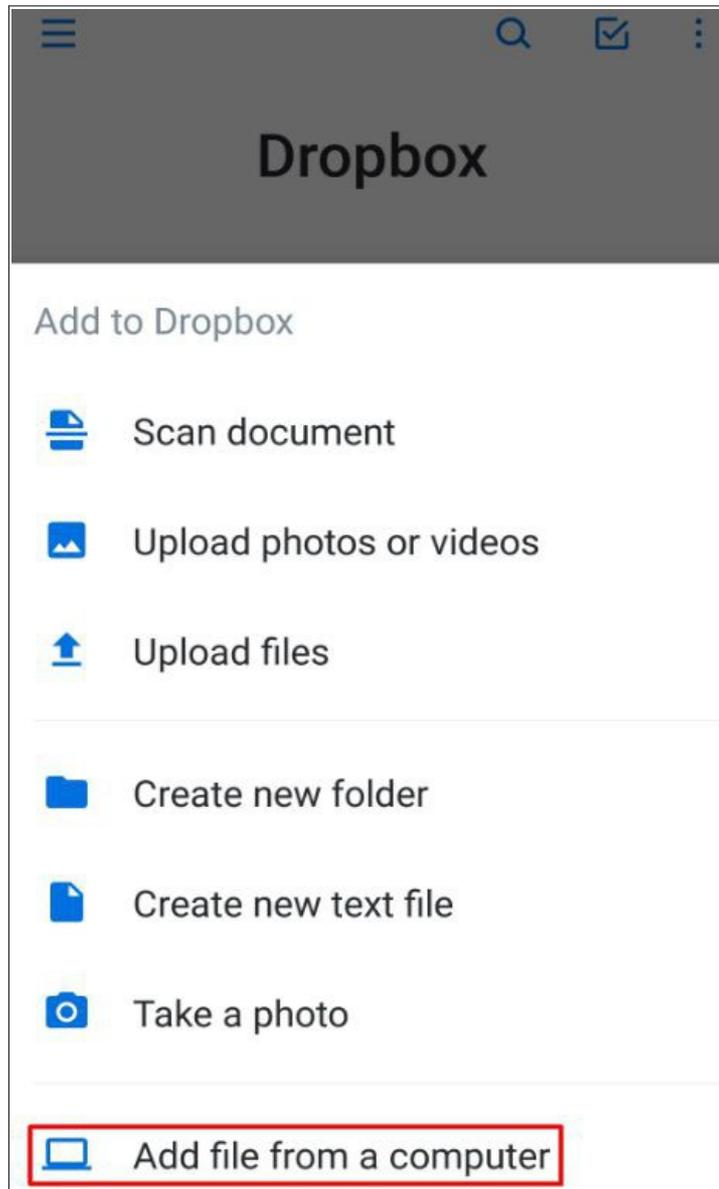


Figure 5.2.3 Add files from computer

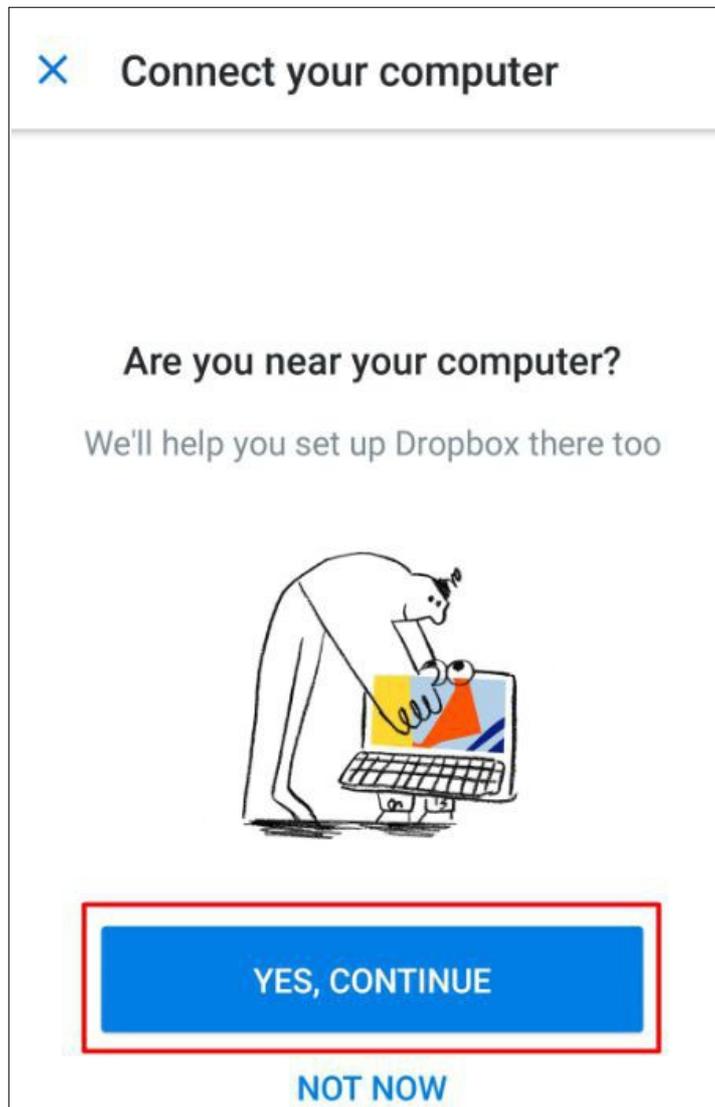


Figure 5.2.4 Connect your computer

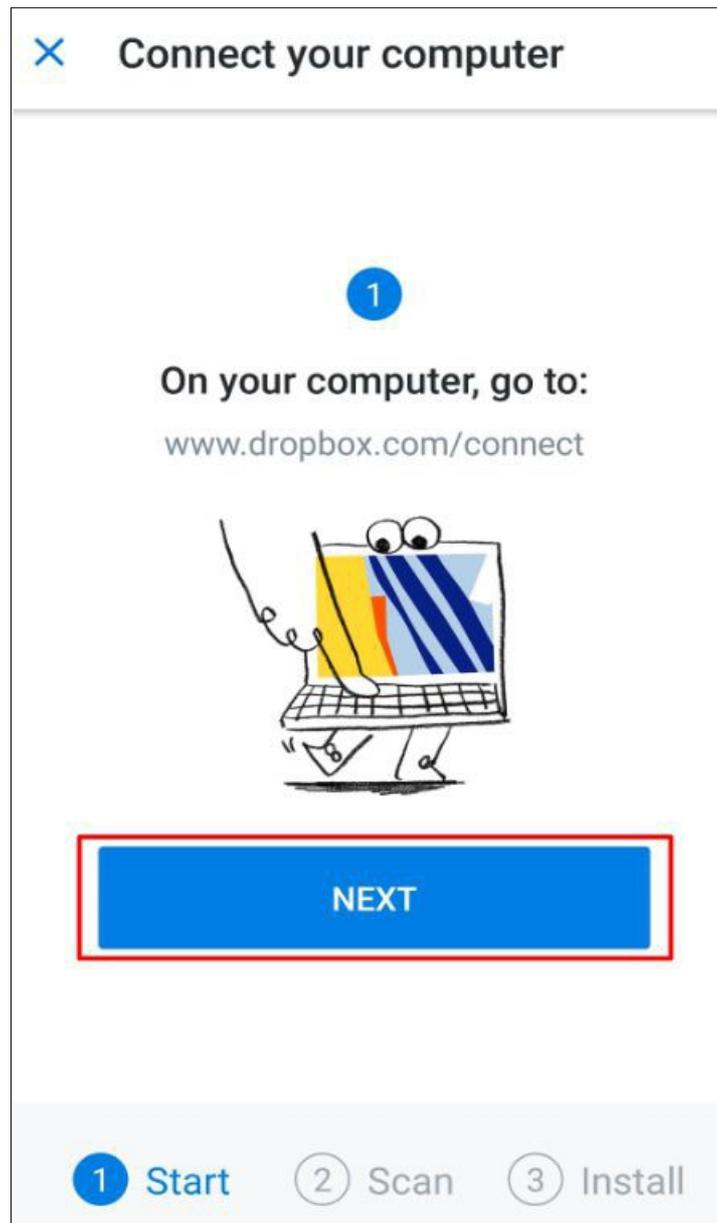


Figure 5.2.5 Start

- Tap on continue and follow the three steps displayed on the screen.

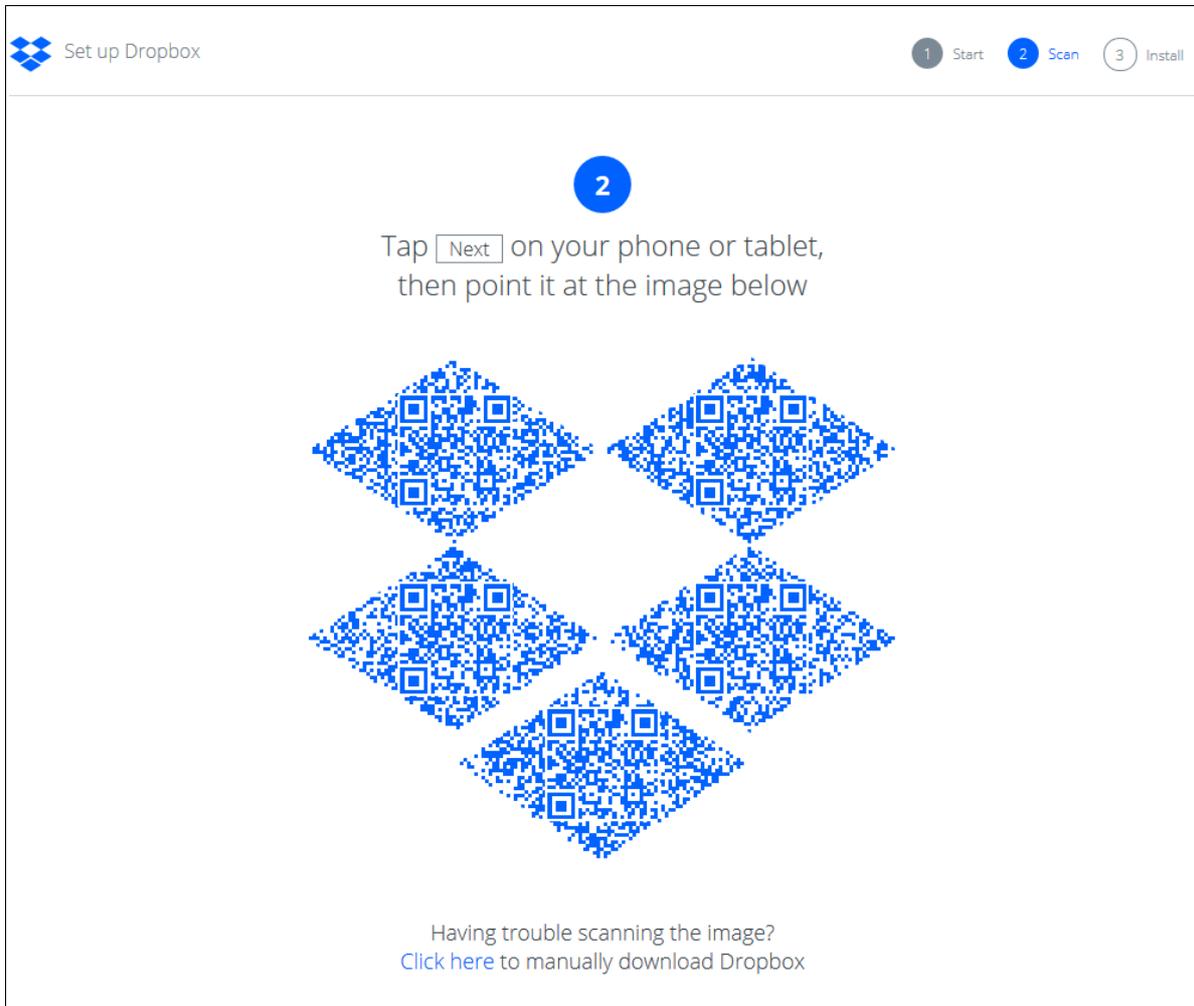


Figure 5.2.6 Scan

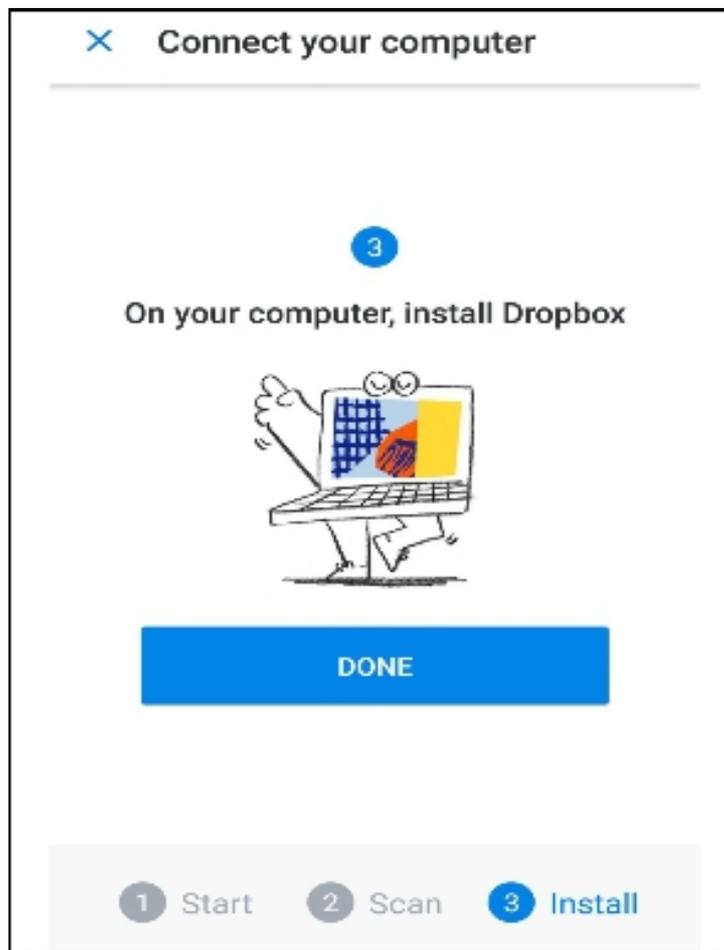


Figure 5.2.7 Install

5.3 How it works ?

Once you have configured the Dropbox Setup successfully, a unique designated folder is created and shared with you. You can drop the MTD VAT files in CSV format to this folder. Our app will thenceforth monitor and accept files from this shared Dropbox location in real-time and further validate these files in advance for compliance and conformance with basic file / data quality & checks - such as,

- **File Size Check** - Size of Uploaded Files will be checked and large files will be deleted outright.
- **File Type Check** - Only valid CSV Files are accepted. Other file types are invalid and are rejected straight away.
- **File Content Check** - If uploaded files contain invalid content, they are removed as well.

- **File with Minimum Required Data Check** - Uploaded files should contain MTD VAT information for Clients with valid Vat Registration Numbers (VRN). If the Client VRN in the uploaded files does not match the Client information in our system, the files will not be accepted for further processing.

In all the above error instances, error mail is sent to the user and a message denoting the error is put in the shared Dropbox location.

Only if all the data checks are OK, the CSV file is picked up from the shared Dropbox folder and stored in our server(s) for further processing and subsequent submission to HMRC. When data is accepted for processing, a mail indicating that the file is accepted is sent and also a text file containing similar message is put in the shared Dropbox location.

Once you receive email notifications indicating that the files are successfully accepted, you can sign in to your account, go to E-Filing section and select the files to e-File.

- **If there are submission or e-filing errors,**
 - an email is sent to you with the error response as JSON attachment
 - the error JSON message is also put in the shared Dropbox location.
 - Alternatively, you can also sign in to your account, go to e-filed reports section and check the error details.
- **If the submission or e-filing is successful,**
 - an email is sent to you with the success response as JSON attachment as well as a MTD VAT e-filing certificate for successful submission
 - the success JSON message as well as the MTD VAT e-filing certificate are also put in the shared Dropbox location.
 - Alternatively, you can also sign in to your account, go to e-filed reports section and check the successful submission details and also download the MTD VAT e-filing certificate.

6. How to install / download Dropbox – desktop & mobile version

6.1 Desktop Version

To get the most out of Dropbox, you must visit www.dropbox.com and tap the Install option near the very bottom of the welcome screen - <https://www.dropbox.com/install>. Next, tap the Download Dropbox button and then follow the on-screen prompts to install the app onto your computer using the Dropbox Installer.

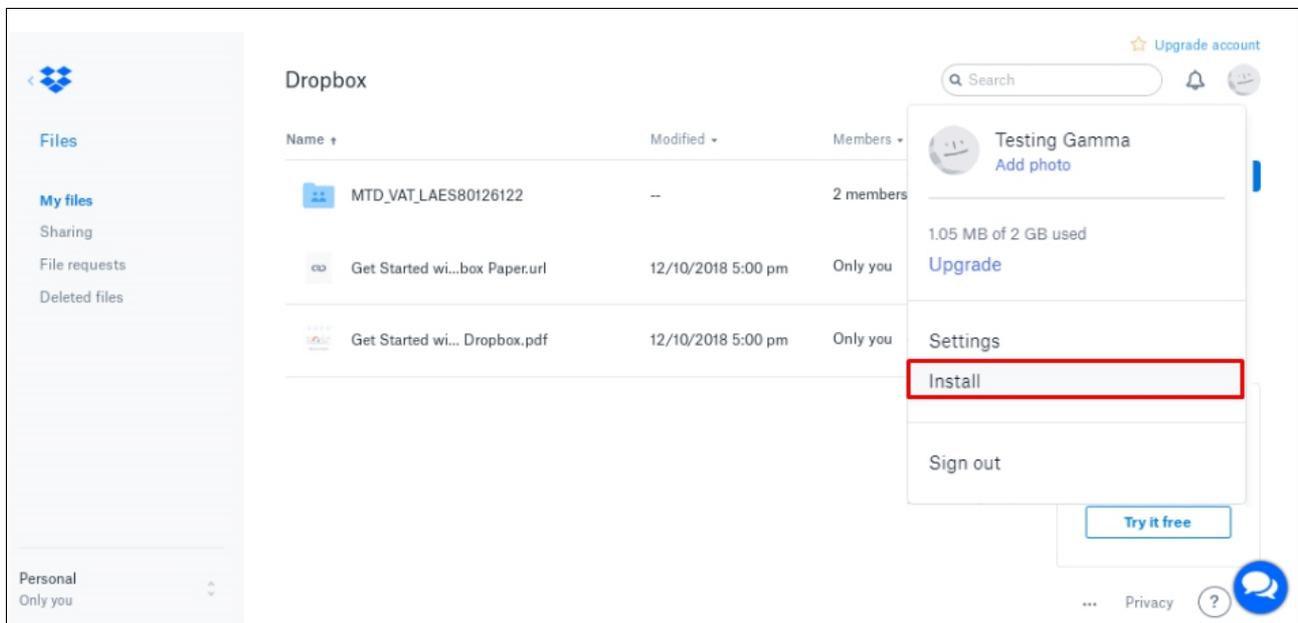


Figure 6.1.1 Dropbox installer

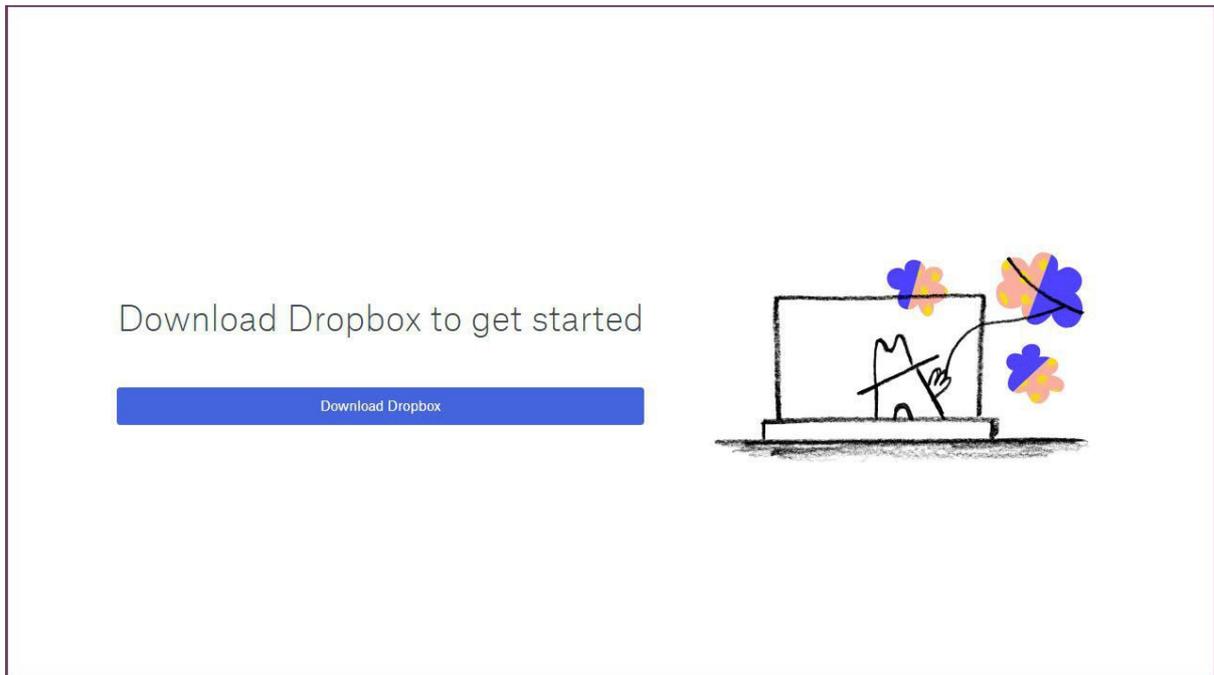


Figure 6.1.2 Download Dropbox

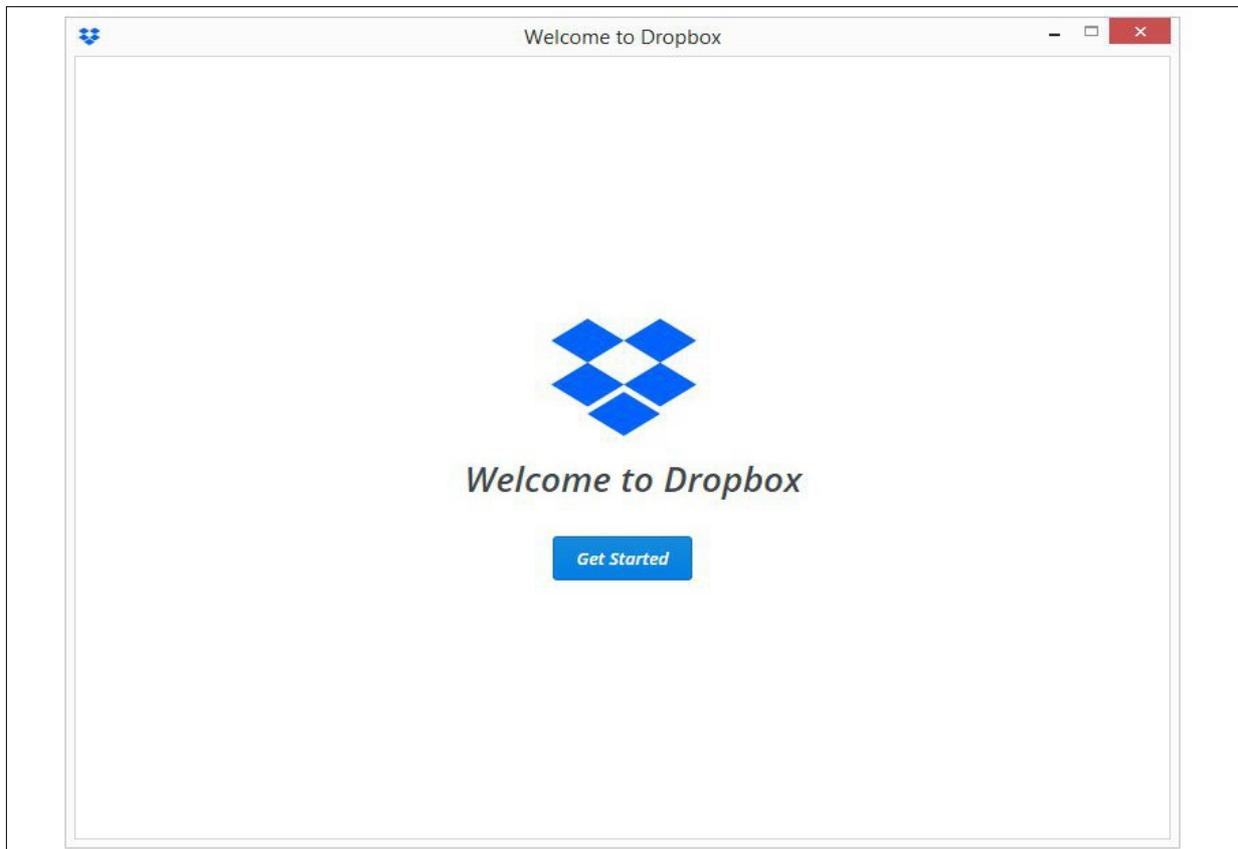


Figure 6.1.3 Welcome to Dropbox

After the desktop app is installed, you can easily access your Dropbox folder by tapping the small blue Dropbox icon in your computer's menu bar.

6.2 Mobile version

You can also download Dropbox Mobile version from :

- **Google Play** - <https://play.google.com/store/apps/details?hl=en&id=com.dropbox.android>

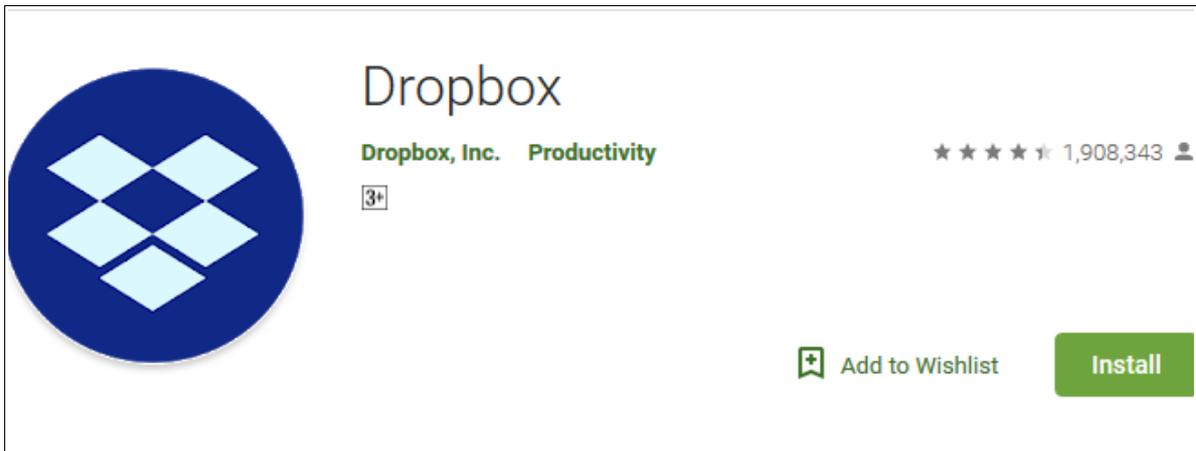


Figure 6.2.1 Dropbox for Android users

- **App Store** - <https://itunes.apple.com/us/app/dropbox/id327630330?mt=8>

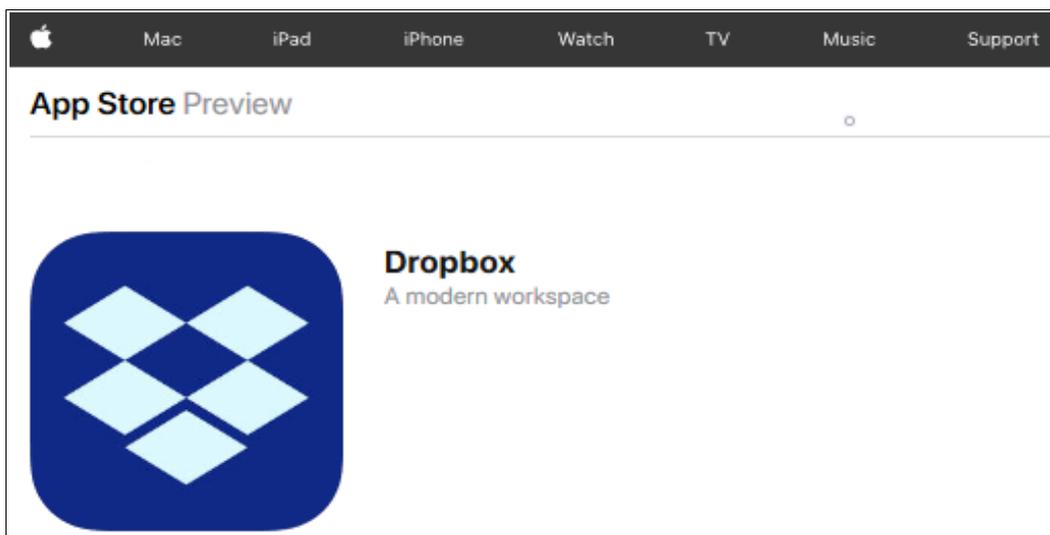
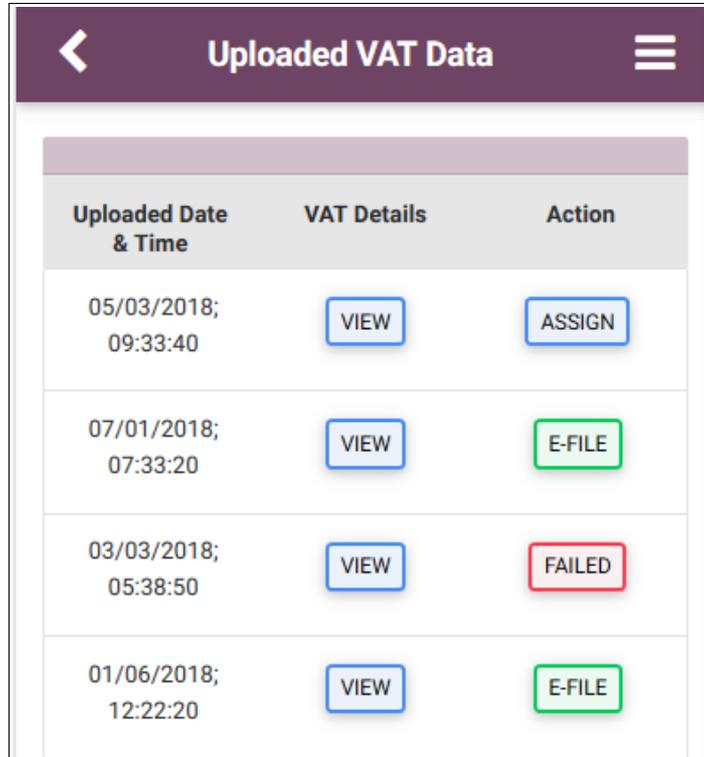


Figure 6.2.2 Dropbox for iOS users

7. E-file MTD VAT data



Uploaded Date & Time	VAT Details	Action
05/03/2018; 09:33:40	VIEW	ASSIGN
07/01/2018; 07:33:20	VIEW	E-FILE
03/03/2018; 05:38:50	VIEW	FAILED
01/06/2018; 12:22:20	VIEW	E-FILE

Figure 7.1 E-file MTD VAT

Prior to e-filing, you have to check the status of uploaded VAT data first and then e-file the particular file. If your uploaded data is not assigned to a trader you can assign it and later e-file it to HMRC.

< Confirm & E-File VAT Data **☰**

Trader Name: Demo Trader Ltd.

Trader (VRN): 999901001 **VAT Period: 2018 - 01**

VAT due in this period on sales and other outputs **Box 1 : £ 800.00**

VAT due in this period on Acquisitions from other EC Member States **Box 2 : £ 40.00**

Total VAT Due **Box 3 : £ 840.00**

VAT reclaimed in this period on purchases and other inputs **Box 4 : £ 160.00**

Net VAT to be paid to HMRC or reclaimed by you **Box 5 : £ 680.00**

Figure 7.2 Confirm e-file MTD VAT data

Confirm & E-File VAT Data

HMRC VAT Declaration:
(HMRC specified declaration text)

- **Trader Declaration:** When you submit this VAT information you are making a legal declaration that the information is true and complete. A false declaration can result in prosecution.
- **Agent declaration:** I confirm that my client has received a copy of the information contained in this return and approved the information as being correct and complete to the best of their knowledge and belief.

Person who is making this HMRC VAT Declaration *

Robert Redford

Date & Time:
Tue Apr 2 2019 10:46am

Enter Mobile Access Pass Code to confirm the VAT declaration

• • • •

REMOVE **E-FILE NOW**

Figure 7.4 E-filing submission details

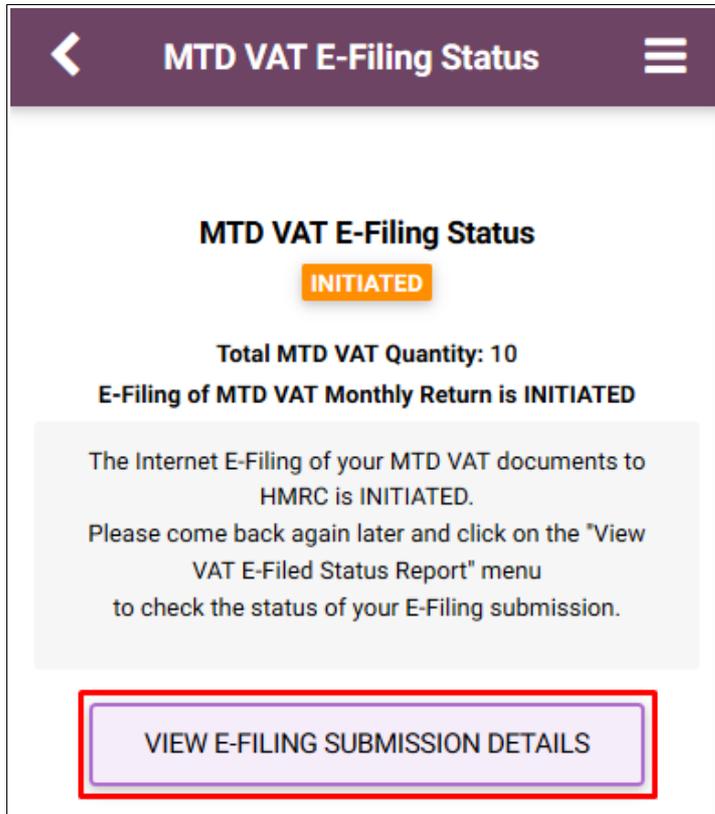


Figure 7.5 MTD VAT E-filing Status

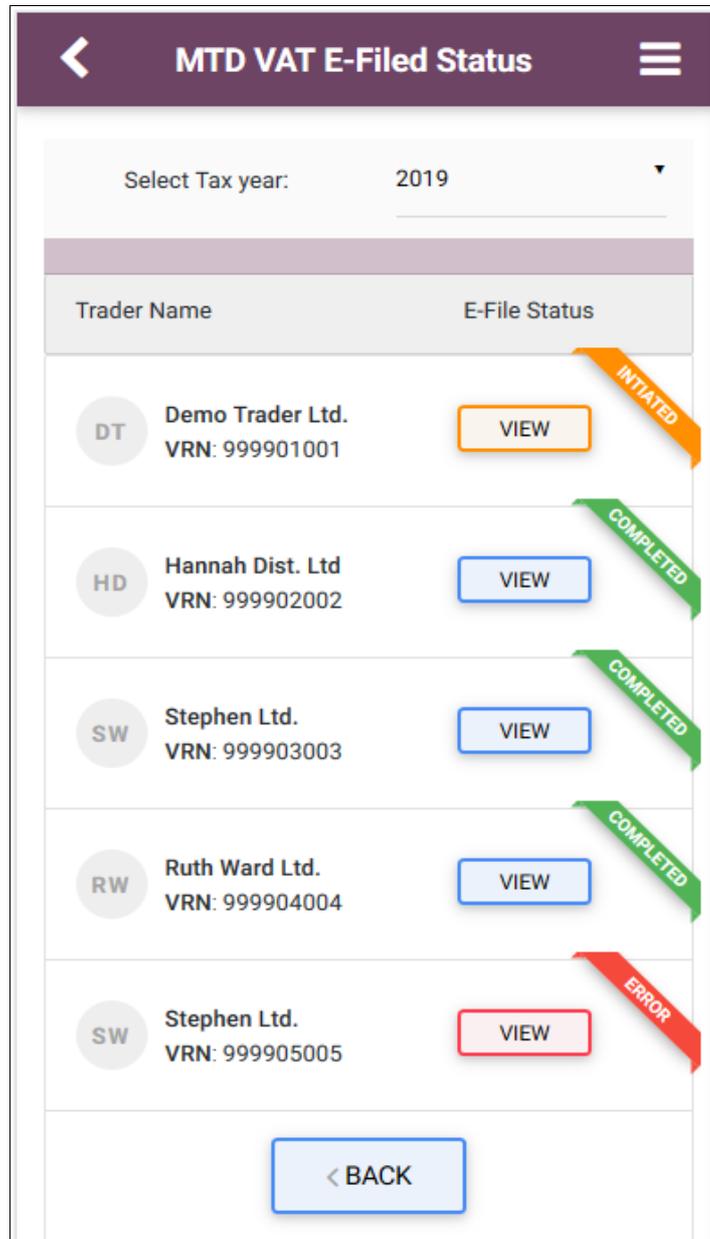


Figure 7.6 E-file status

8. Download MTD VAT digital certificate

After successful e-filing we will issue a success certificate which includes HMRC's provided Timestamp and Receipt-Id. You can also download the e-filed data status in a PDF/CSV format for the selected period. In addition, our system will also store your data for up to 3 years.



Successfully E-filed

MTD VAT Digital Certificate

for

Naga Electronics Limited
(VAT Registration No. : 999900001)

VAT Period 2018 - 05
(Period covers from 01/05/2018 to 31/05/2018)

Net VAT to be paid to HMRC : 16,594.33
or reclaimed by you

VAT Payment due date : 07/06/2018

MTD VAT Return E-Filed : 1 HMRC eTimestamp : 2018-05-31T07:18:53.276
(YYYY-MM-DDTHH:MMSS.SSS)

User Own File Reference : VAT_01 HMRC Reference (Correlation ID) : 5b224b422f00003b00c2fa13

MTD VAT Return Success Response

Processing Date : 2018-05-31T07:18:53.276 Payment Indicator : BANK

Receipt Timestamp : 2018-05-31T07:18:53.276 Form Bundle Number : 665515485540

Receipt ID : 0dfd2b0e-712a-4b95-91b9-ff98c2a3c5f6 Charge Reference Number : 1vlmSTWF6Ua04kpd

MTD VAT Return E-Filed Details

VAT due in this period on sales and other outputs : 30,100.00 BOX 1	Total value of sales and all other outputs : 290,000.00 BOX 6
VAT due in this period on Acquisitions from other EC Member States : 20,000.00 BOX 2	Total value of purchases and all other inputs : 175,943.00 BOX 7
Total VAT due : 50,100.00 BOX 3	Total value of all supplies of goods and related costs : 230,000.00 BOX 8
VAT reclaimed in this period on purchases and other inputs : 33,505.67 BOX 4	Total value of all acquisitions of goods and related costs : 17,600.00 BOX 9

Net VAT to be paid to HMRC or reclaimed by you : 16,594.33 BOX 5

Figure 8 Digital certificate

Please follow the road map below to E-file and view / print the success certificates and reports.

Road Map:

Menu → E-Filed VAT Returns→ Action → E-file → E-file now → View E-filing Submission Details → View

Please follow the road map below to view / print the success certificates and reports

Road Map

Menu → Vat E-filed Status Report → View

9. HMRC MTD VAT details

The MTD VAT mobile app gives you easy access to your HMRC reports at any point of time. Select the trader name, the VAT period for which you need the particular report and tap on it. our MTD app will retrieve the report details from HMRC and will display it to you.

The mobile app provides you with three different reports :

- VAT return report
- VAT payment report
- VAT liabilities report

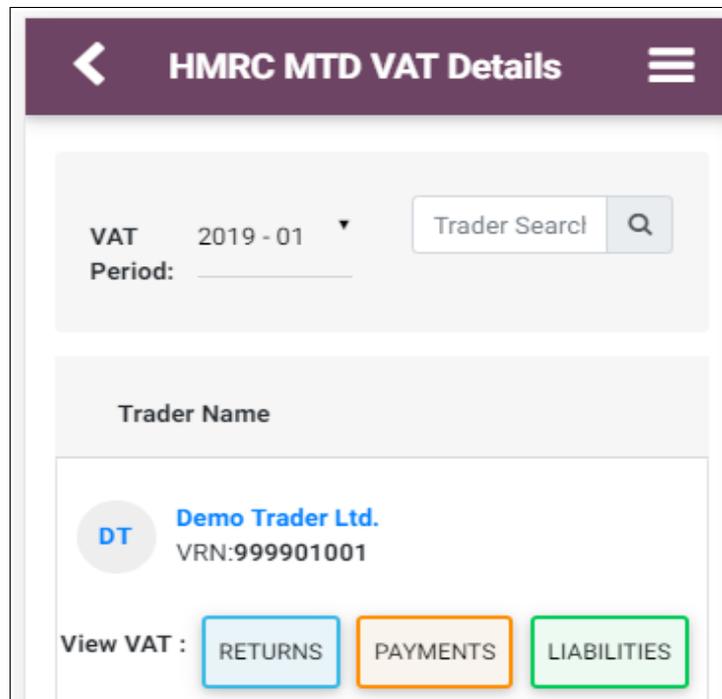


Figure 9.1 HMRC MTD VAT details

9.1 VAT return details report

The VAT returns details reports provides the information about the amount you have paid to HMRC in the form of tax or reimbursement money from HMRC. Choose the tax year, VAT period and then tap 'Retrieve'. Your MTD app will retrieve the return details from HMRC and will display it to you.

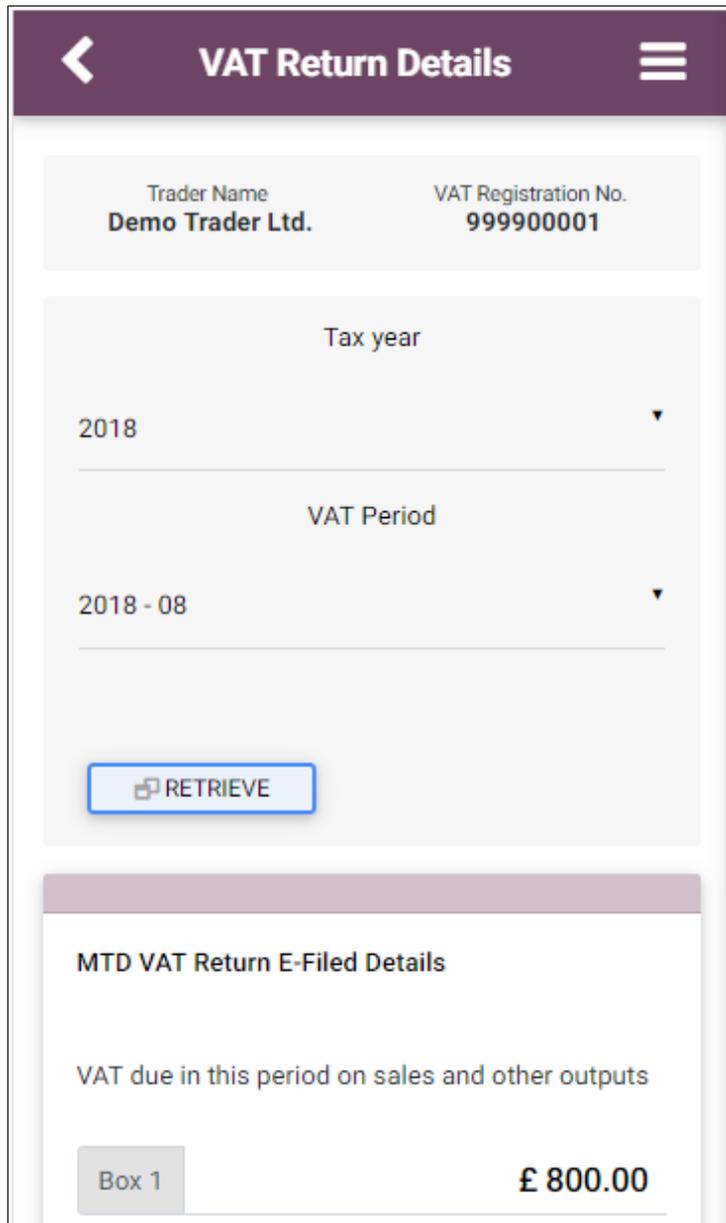


Figure 9.1.1 VAT return reports

9.2 VAT payment details

The VAT payment details report provides the payment information you have made to HMRC. Select the VAT period and tap 'Retrieve'. Your MTD app fetches the payment details from HMRC and will display it to you.

VAT Payment Details

Demo Trader Ltd.
Trader Name

999900001
VAT Registration No.

VAT Period - From

15/06/2018

VAT Period - To

15/12/2018

RETRIEVE

VAT Payment Details

Received Date	Amount
29/05/2018	£684.00
21/05/2018	£556.33
19/05/2018	£1058.87
15/05/2018	£194.00
10/05/2018	£357.57

BACK

Figure 9.2.1 VAT payment details report

9.3 VAT liabilities details

The money you owe to HMRC is termed as VAT liabilities. This report shows the original and outstanding amount for each VAT type. Select the VAT period and tap 'Retrieve'. Your MTD app fetches the liabilities details from HMRC and will display it to you.

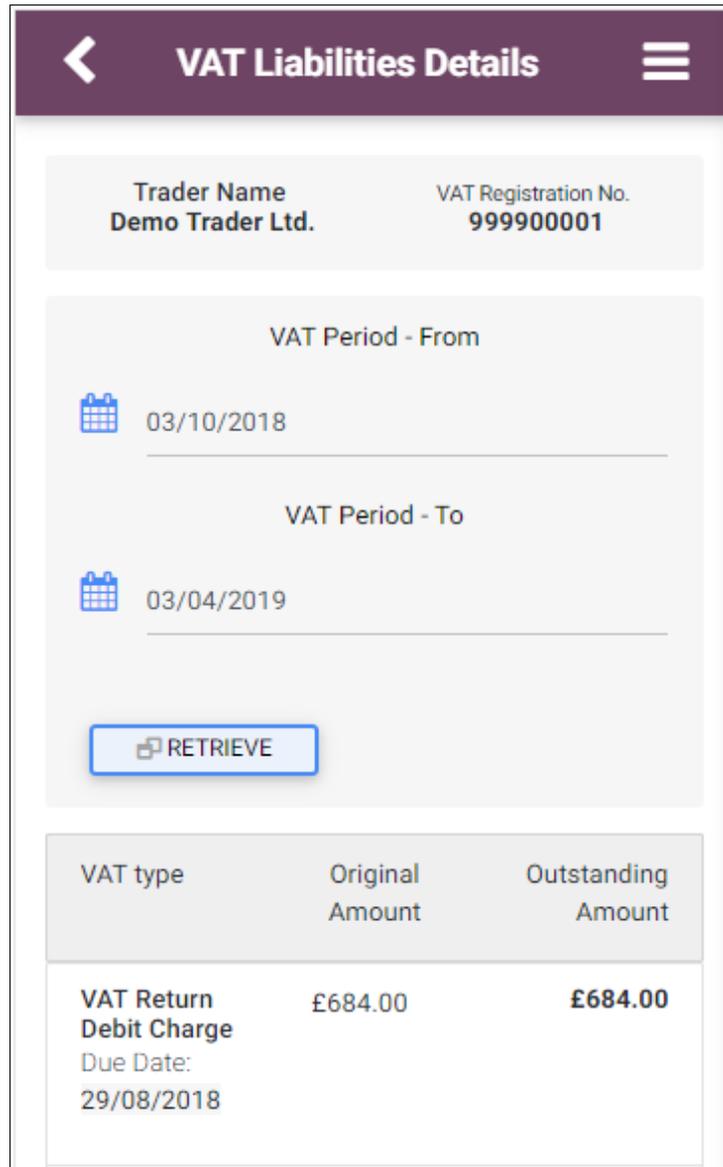


Figure 9.2.3 VAT liabilities details report

10. Chart Of Setup

Chart of setup basically will help you to edit the account setting for all different features provided by the mobile app. In this section you can edit the company details, upload company logo, enable support request, manage your Dropbox account, manage your system user, and also do MTD authorisation if your authorisation process is not completed.

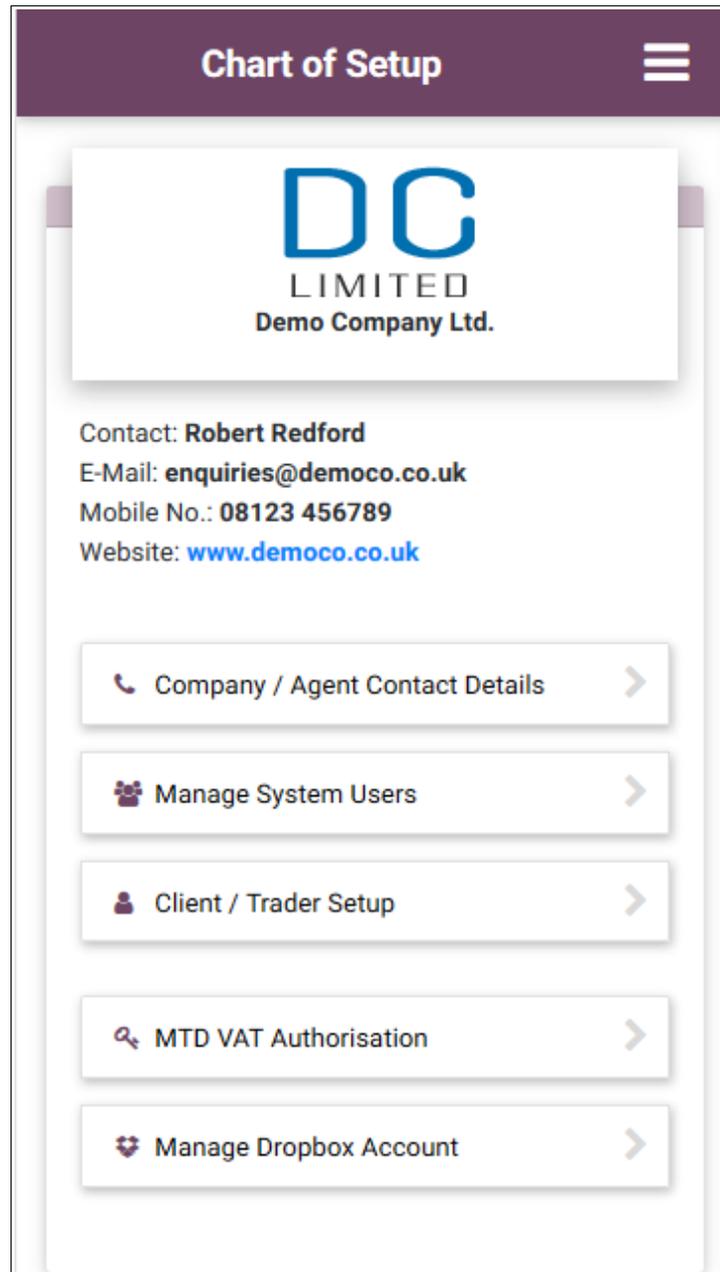


Figure 10.1 Chart of setup

11. Manage accounts

This section is gives you access to change the system administrator internet details.

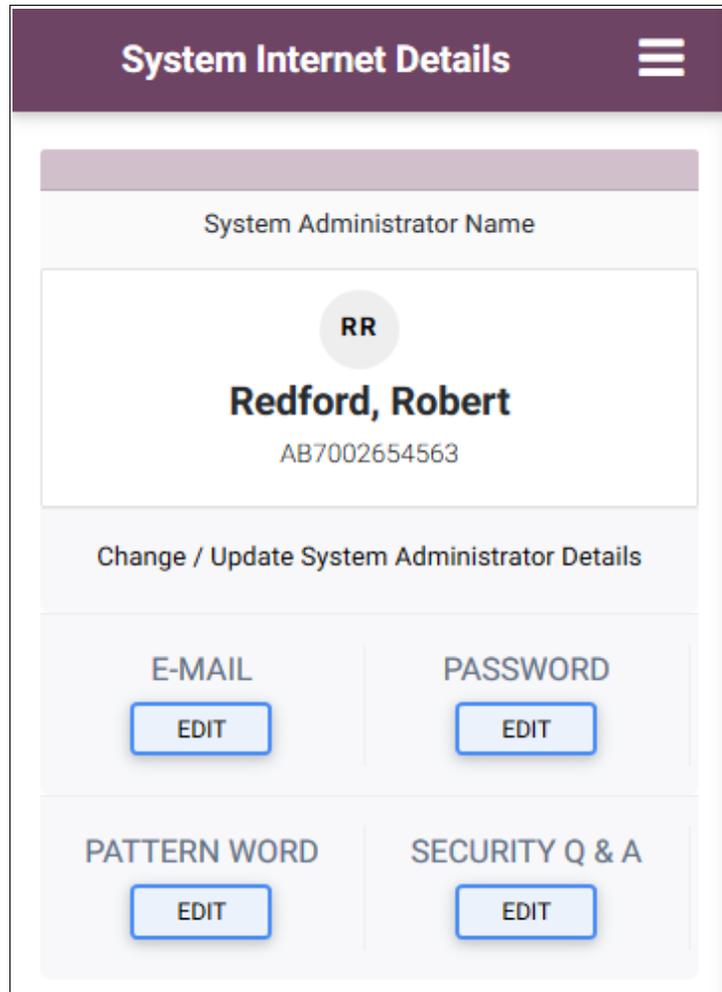


Figure 11.1 Manage accounts

- **To view and/or edit the System administrator's personal details**

You can tap on the manage account option in the homepage.

Roadmap: To view / edit additional system user details

Manage Account -> personal details -> view/edit

- **To change the System administrator pattern word**

Roadmap: To edit the system administration pattern word:

Manage Account -> pattern word -> edit -> Enter 12 digit alphanumeric pattern word -> continue.

- **To change the System administrator password**

Tap on the manage account option in the homepage.

Roadmap: To edit the system administrator password details

Manage Account->password edit->change system administrator password->continue

- **To change the system administrator e-mail id**

Roadmap: To edit system administrator e-mail details

Manage Account ->e-mail edit->change system administrator e-mail-> continue

- **To change the system administrator security question & answer**

Tap on the manage account option in the homepage. You can change the security question and answers you have entered into the app. You should give a final conformation of all details and then proceed.

Roadmap: To edit the security question and answer

Manage Account -> security question edit-> system administration details-> continue