/

MTD VAT web version

User Guidelines

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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 .For more information please click on the following link: https://www.gov.uk/government/news/hmrc-publishes-more-information-on-making-tax-digital 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 Pre-requisites for using MTD VAT

- The 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 employers 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. Click on the following link for more information: https://www.gov.uk/government/publications/making-tax-digital/overview-of-making-tax-digital
- Currently HMRC software doesn't provide the option to submit your VAT returns. You will need to find a compatible and cost effective commercial software to fulfil your MTD requirements. Click on the following link for more information: http://webpayrolltraining.co.uk/MTDVAT_PWA/src/main/webapp/WEB-INF/app/news/MTDfB-VAT%20E2E%20Customer%20Journeys%20v3.0.pdf

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
April 2020	MTD proposed for Income Tax and Corporation Tax

Table 1.2.1 MTD timeline

1.3   What 12BridgingMTD VAT provides you?

12BridgingMTDVAT' allows you to view all your VAT data available on the HMRC website in the application itself. Our application will access the HMRC website and show you the following details:

1. Your VAT return Data (the actual 9 boxes of VAT data) of the date you chose.

2. VAT liabilities (amount due and dates)

3. Payment (what you have paid HMRC).

To start using our service, you'll have to follow the steps below:

2.   Sign up to create an account

2.1   Create HMRC MTD account

Step 1: To start using HMRC's services you'll need to create a new MTD HMRC account.

Step 2: Go to the HMRC'S website https://www.gov.uk/guidance/agents-use-software-to-send-income-tax-updates 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.

2.2   Where and how to log in for a demo account

To create a MTD account in our application, go to https://test.12bridgingmtdvat.com/portal/signup and click on 'Demo/Training' button in the 12BridgingMTDVAT home page. You will be given two choices one is for buisness/trader and the other for accountant/bookkeepers

Then click 'register demo' and follow the screens to register for a demo account. You will receive an e-mail containing an activation link. Click the link within the e-mail and set up your login details for your demo account

Road Map:

Click on activation link → Set up your log In security details (password, pattern word etc.) → Final Confirmation

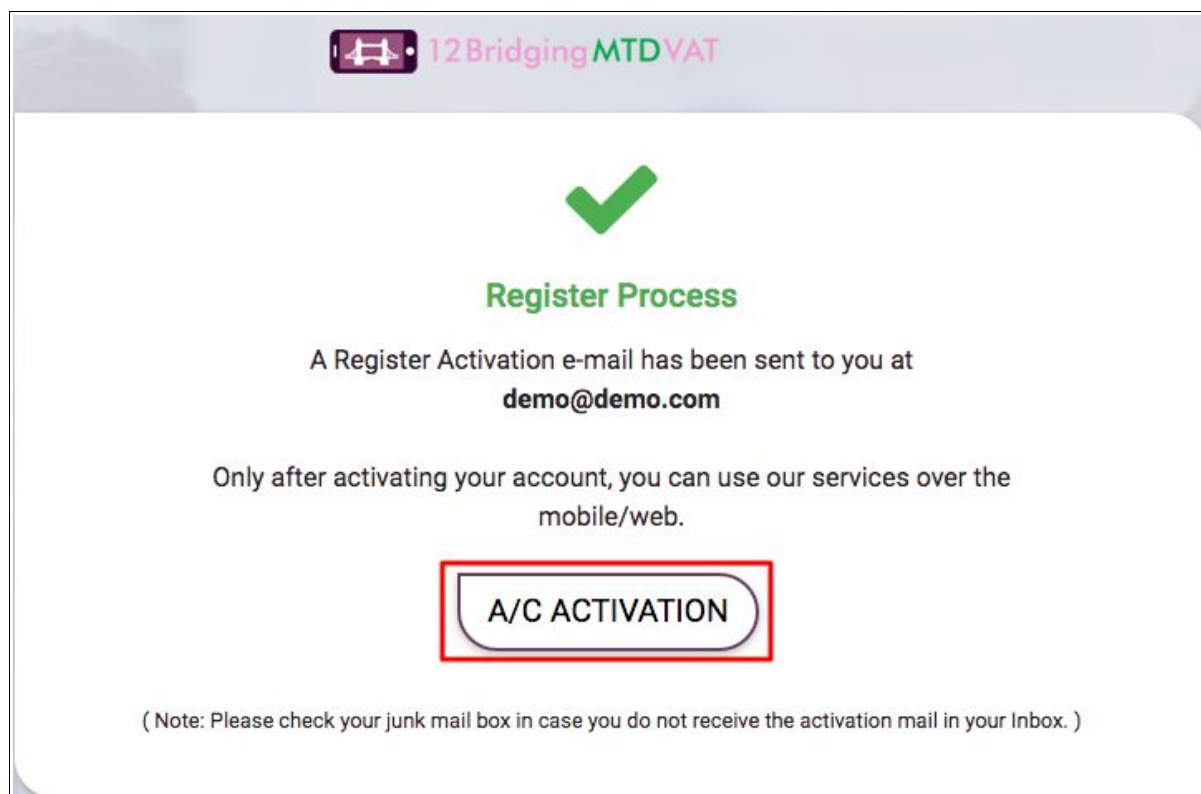After your demo account has been created, log in to the account from the link https://test.12bridgingmtdvat.com/portal/signup.
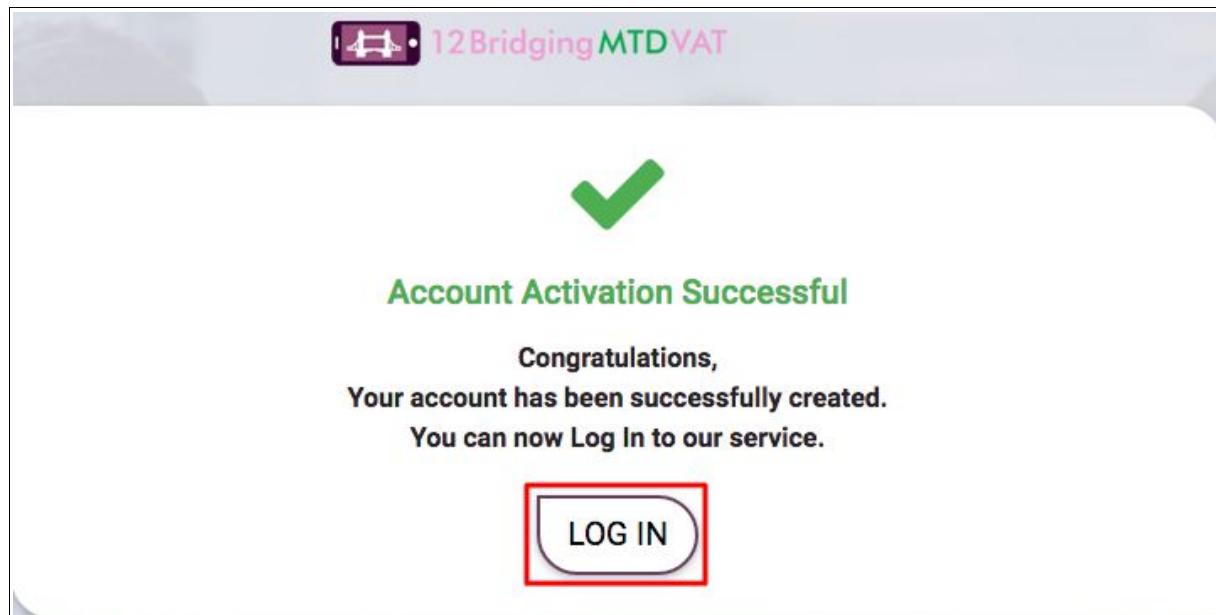
Figure 2.2.1 Register process

Figure 2.2.2 Account activation sucessful

2.3 Login to the account

After the account activation you can proceed to log in to the '12BridgingMTDVAT' account with the user id, login password, user email id and the pattern word.
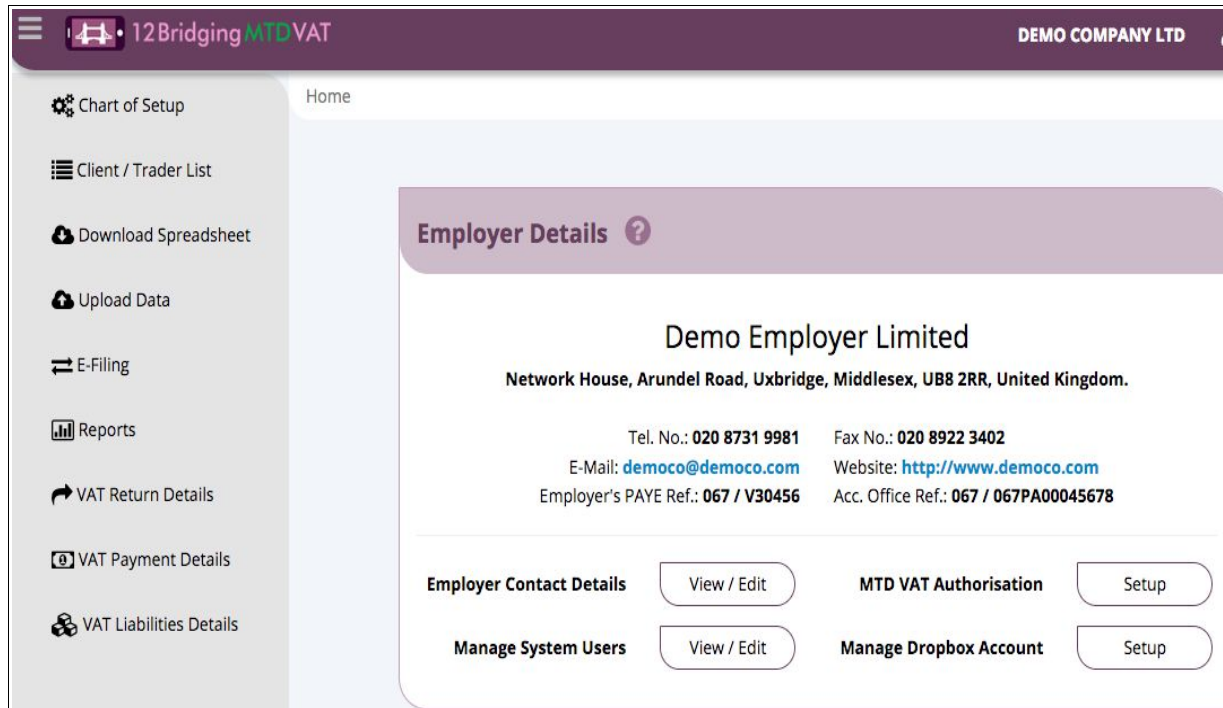

Figure 2.3.1 Homescreen

3. Activate HMRC credential to grant authorisation

Authorisation for MTD VAT return is a mandatory setup you will need to do after signing in to our application. You will need to first register afresh with HMRC and get the grant Authorisation User ID and Password. Further enter these details in the app to trigger the link to HMRC. If you do not complete the authorisation process, the mobile phone will not be authorised to access your account to view your VAT.

When you sign in to MTD VAT app for the first time, you can proceed to any other function only after completing the authorisation process.

For MTD VAT authorisation setup follow the steps below:

Step 1: Login to the '12BridgingMTDVAT' application

Step 2: Click on the 'MTD VAT Authorisation' setup in the homepage .

Figure 3.3 MTD VAT authorisation setup

Step 3: Click 'Proceed to HMRC for MTD VAT authorisation' button.

Figure 3.4 MTD VAT authorisation setup

Step 5: You will be next directed to HMRC website. Follow the on-screen instructions and complete the authorisation process. You can then proceed with your e-filing related tasks.

Figure 3.5 MTD VAT authorisation setup
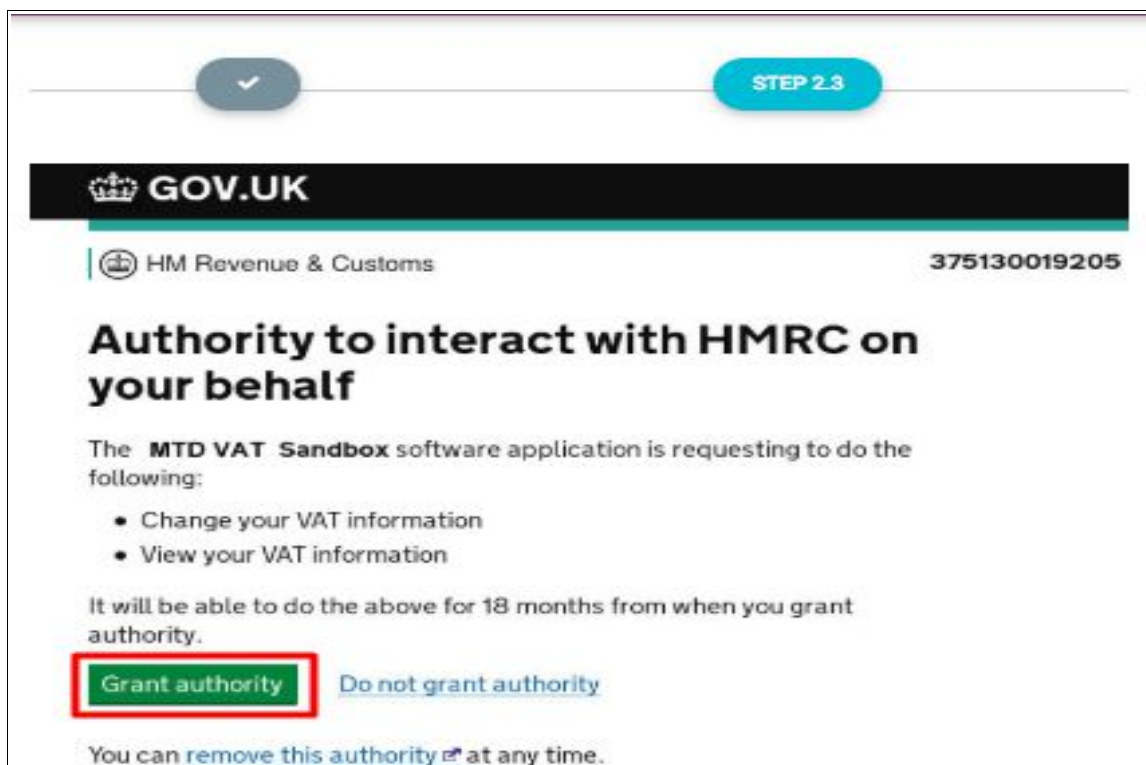
Figure 3.6 MTD VAT authorisation sign in
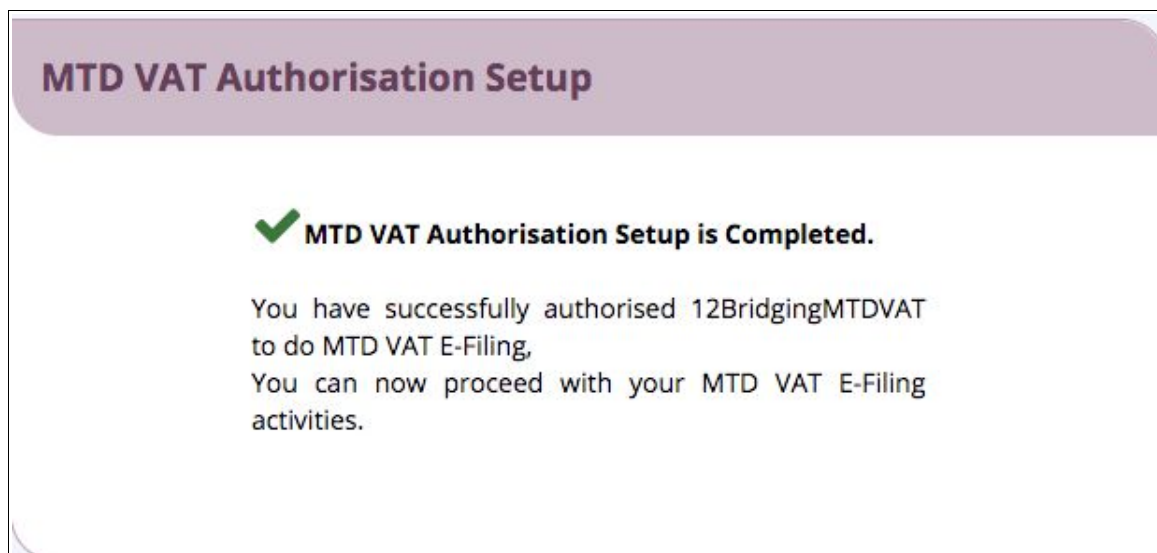
Figure 3.8 Grant authorisaton

Figure 3.9 MTD VAT authorisation setup completed

4. Add new Client/Trader

A Client/Trader is someone for whom the MTD VAT data has to be e-filed. You can create the client/trader inside the application by entering some basic client details. Follow steps below to add new Client/Trader.

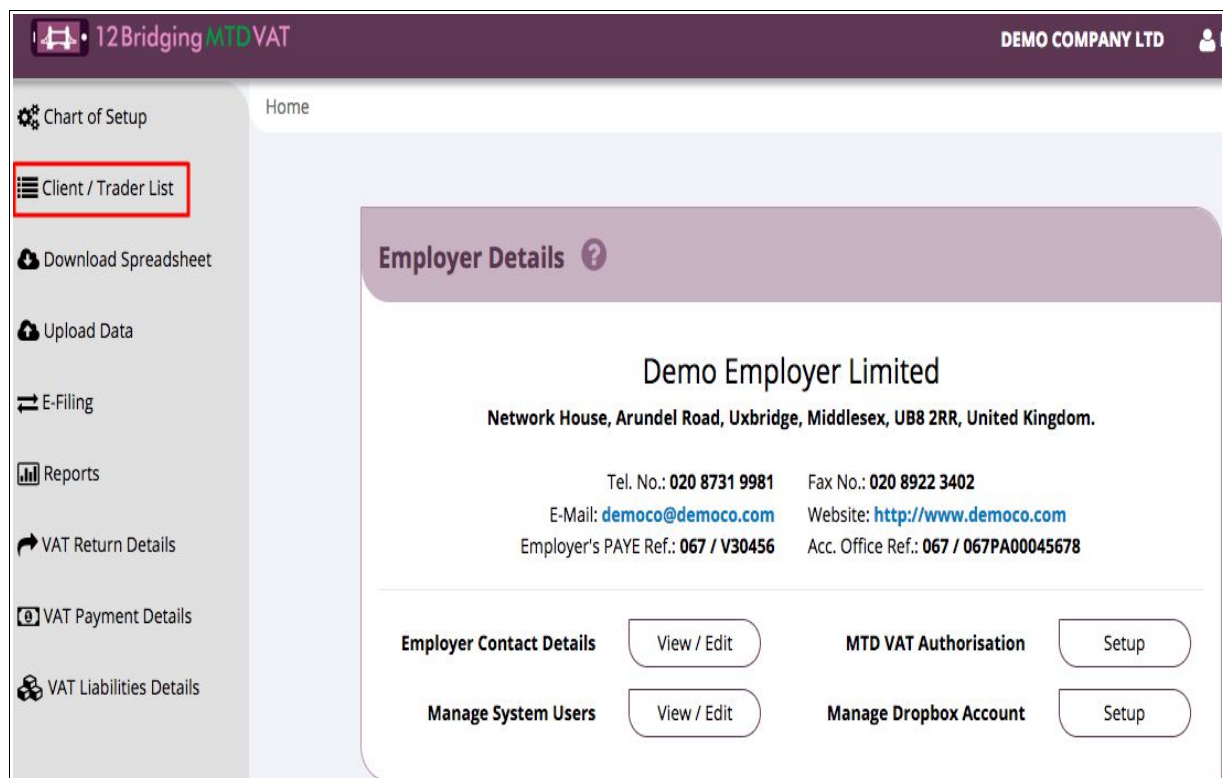**Step 1:** Go to 'Client/Trader List' menu.

Figure 4.1 Add Client/trader

Step 2: Click 'Add New Client/Trader' button.

Step 3: Enter client details, click 'Continue'.

Step 4: Finally click 'Submit'.

Figure 4.2 New client/trader created successfully

(**Note:** For Sage users, it is important to add Client/Trader before importing your data into 12BridgingMTDVAT. This is because the MTD VAT output format you download from Sage doesn't contain details like VAT Period, Trader Name and VAT Registration Number.)

4.1   View/edit client/trader contact details

Please follow roadmap for view/edit client contact details

Roadmap:

Client/trader → client/trader setup → contact details → view/edit → edit → save

4.2   Employer details

Please follow the roadmap to view/edit the employer contact details:

Roadmap:

Employer details → employercontact details → view/edit → edit → save.

4.3   Manage system user

In this section employer can view the log book details, manage internet account, give system user access rights, resend the login details and edit the system user personal details.

Figure 4.3.1 Manage system user

- Please follow the roadmap to view the log book details

   Roadmap:

   Manage system user → log in log book → view

(**Note** : You can print the log in log book details if needed)

- Please follow the roadmap to manage internet account status

   Roadmap:

   Manage system user → internet a/c status → enable/disable → confirm

- Please follow the roadmap to view/edit system user access rights

   Roadmap:

   Manage system user → system user access rights → access rights → save

- Please follow the roadmap to resend log in details

   Roadmap:

   Manage system user → forgot login details → resend details

- Please follow the roadmap to view/edit system user personal details

   Roadmap:

   Manage system user → system user personal details → edit → save

5. Import MTD VAT data

When you login to our application for the first time, you will have to complete the mandatory three step process. Login to '12BridgingMTDVAT' and complete the following mandatory steps.

Step 1: Enter the login details and continue

Step 2 : Complete MTD VAT authorisation and click on continue.

Step 3 : This is the final step wherein you have to choose a method to import your data into our application. Following are the two methods to import your MTD VAT data:
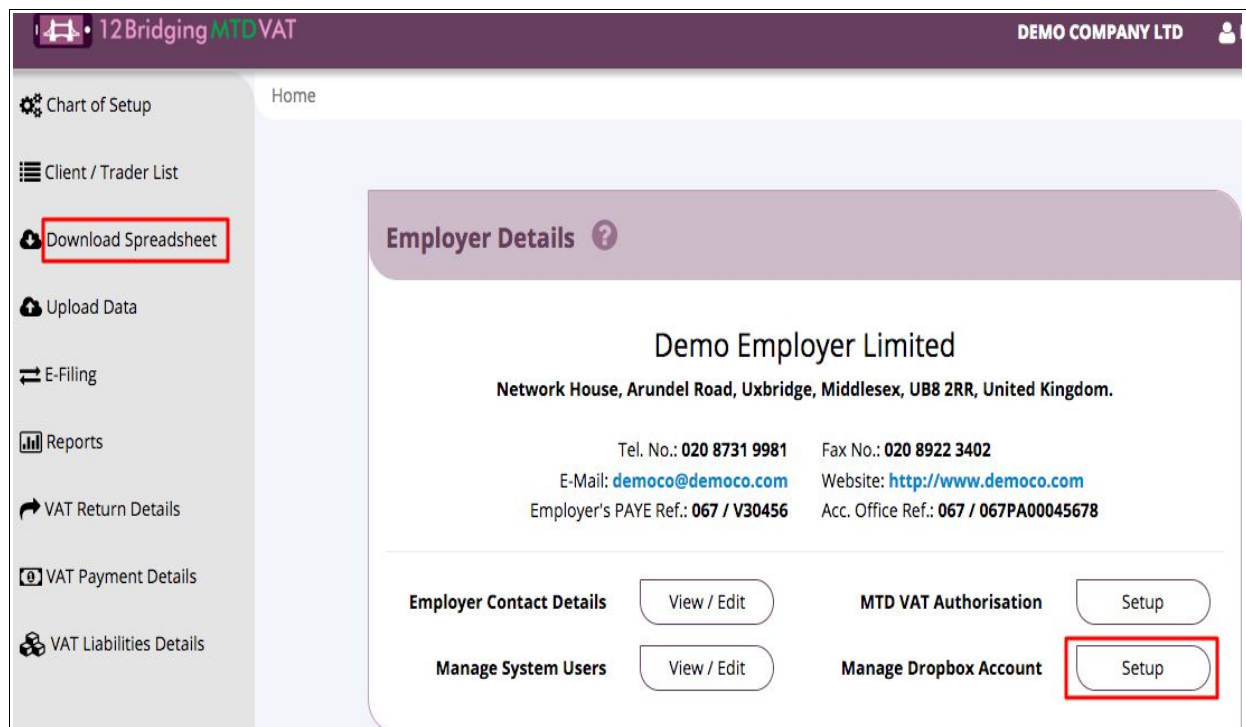
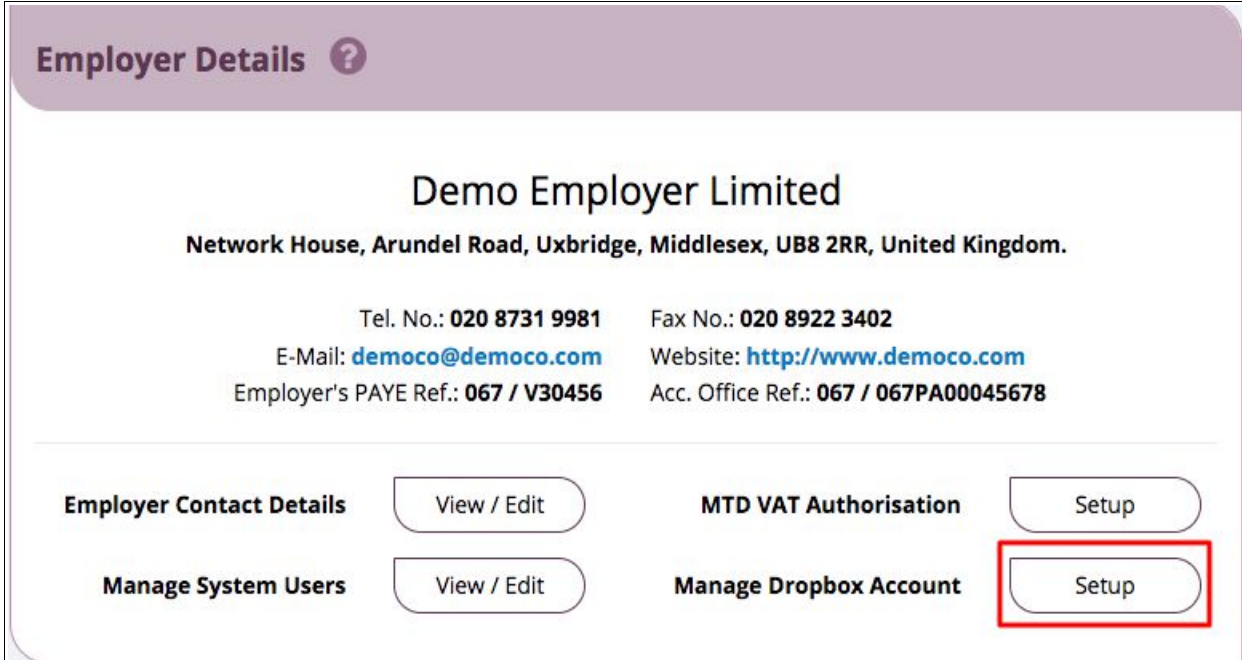- Drop Box Method
- Manual method

Figure 5.1 Importing data

6. Dropbox method

Dropbox method is used to import the client MTD VAT data into the application. Dropbox allows you to sync, share and manage your files. A Dropbox basically creates a separate folder in the user's computer and also keeps a track on every changes your file has gone through.

The Dropbox setup is a one-time setup after which you can upload the MTD VAT files in the Dropbox folder.

Step 1: To complete the Dropbox setup, log in to your account, and continue to the welcome page.

Step 2: Go to 'Manage Dropbox Account - Setup' link.

Figure 6.1 Dropbox setup

Figure 6.2 MTD VAT Dropbox account created

Step 3: You will get a message in your email from the Dropbox team displaying "Go to folder". This is the designated shared folder to upload your MTD VAT data.
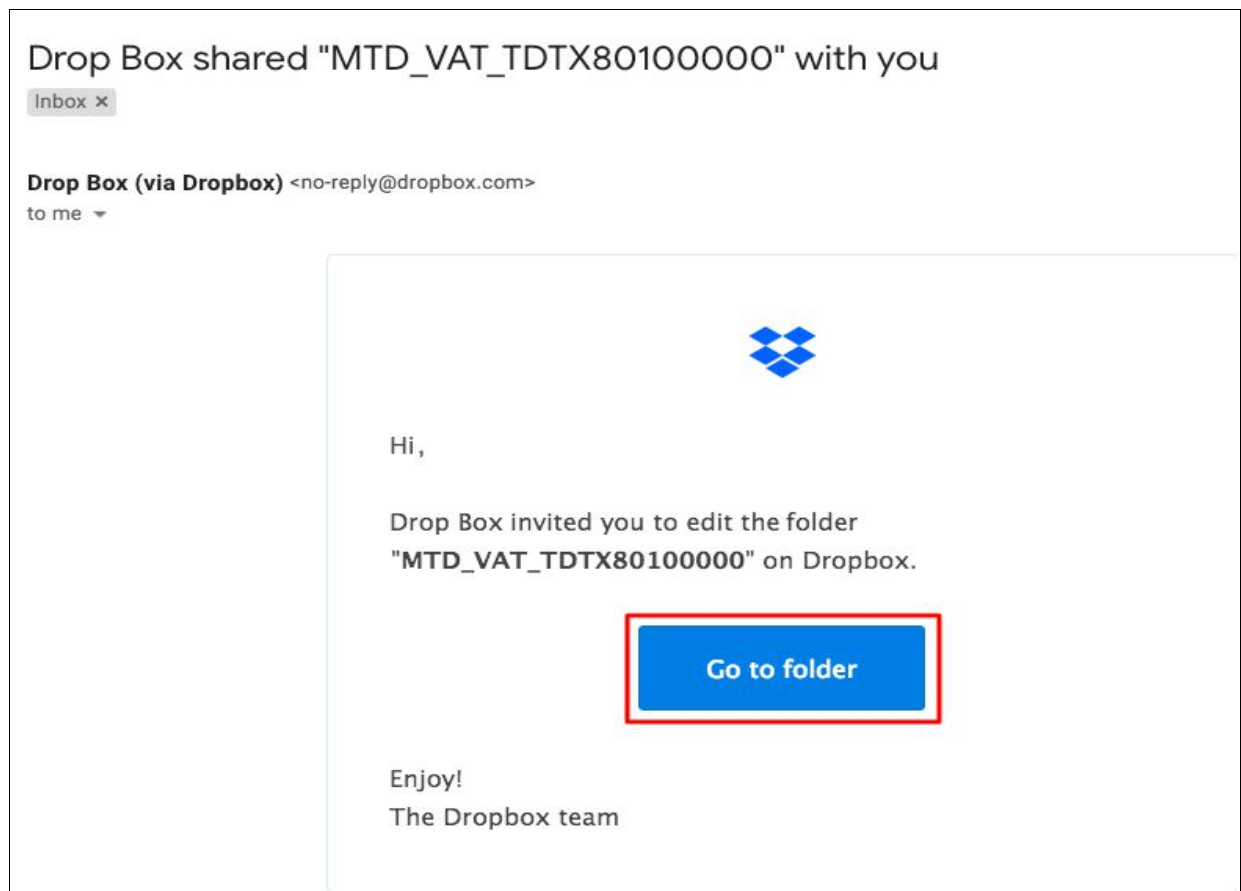
Figure 6.3 Go to folder

Step 4: Once you click the 'Go to folder ' link.

Step 5: You will be directed to the Dropbox official homepage . There are three ways you can use the Dropbox services

- If you already have a Dropbox account use that accounts credentials to sign in.
- You can as well login to Dropbox account using google id.
- if you do not have a Dropbox account you can create an account and then log in.

Figure 6.4 Sign into Dropbox
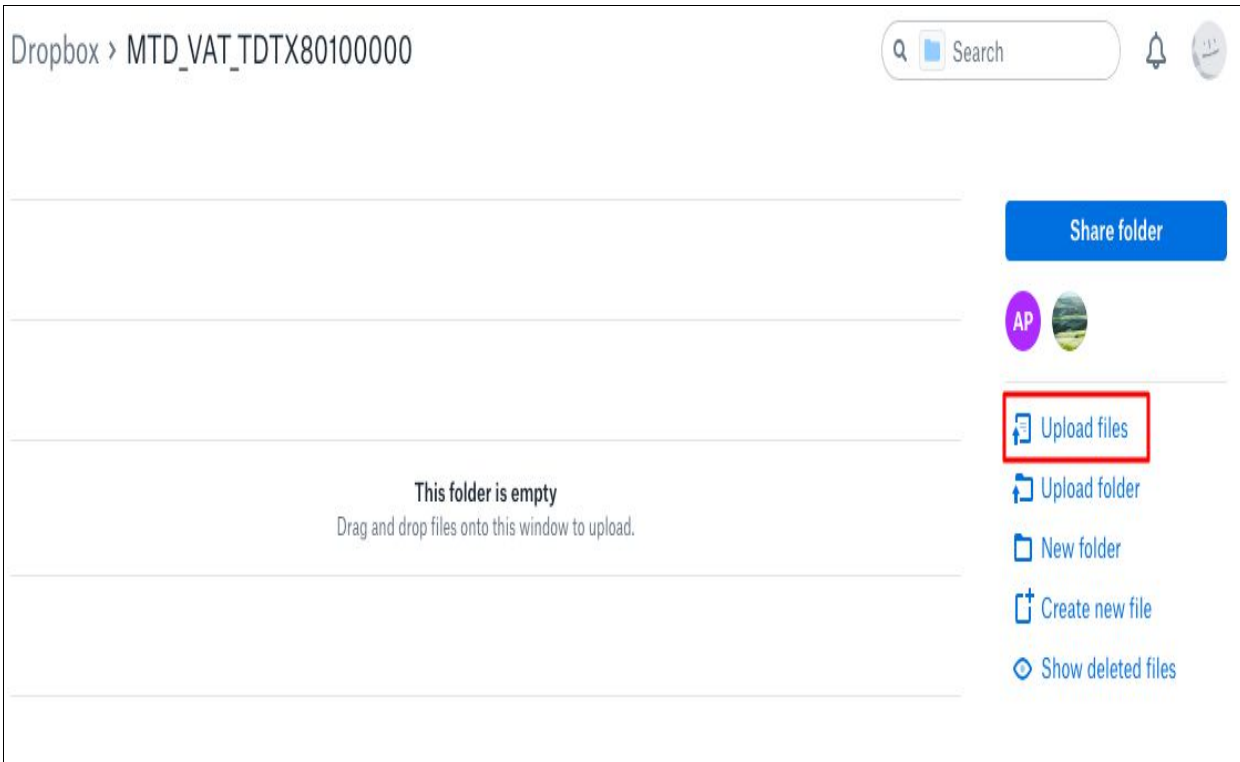
Figure 6.5 Upload data
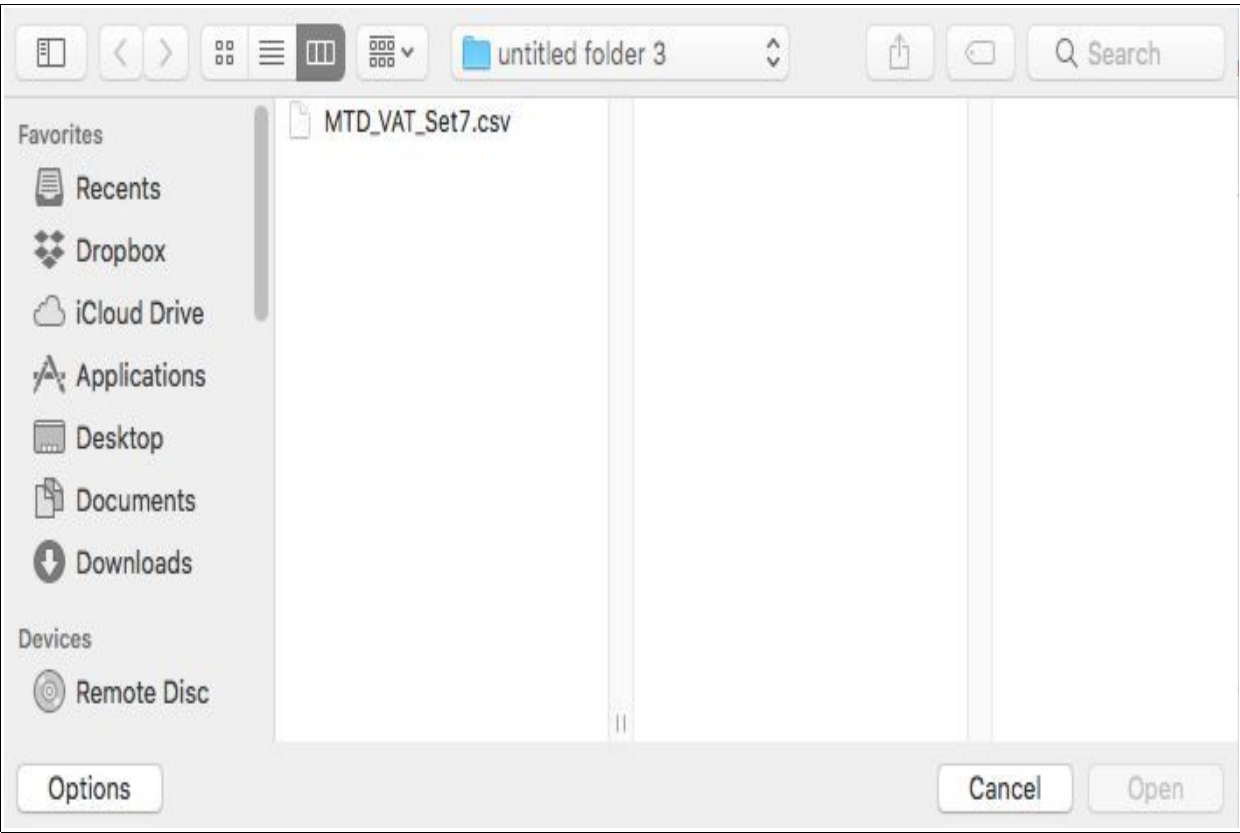
Figure 6.6 Browse file

Step 6: Once you sign into the Dropbox account. Click on 'upload files'. A 'Browse file' screen will pop up. Select the file you would like to upload to Dropbox and upload it. You will receive an e-mail notification of the upload details in your Dropbox account.
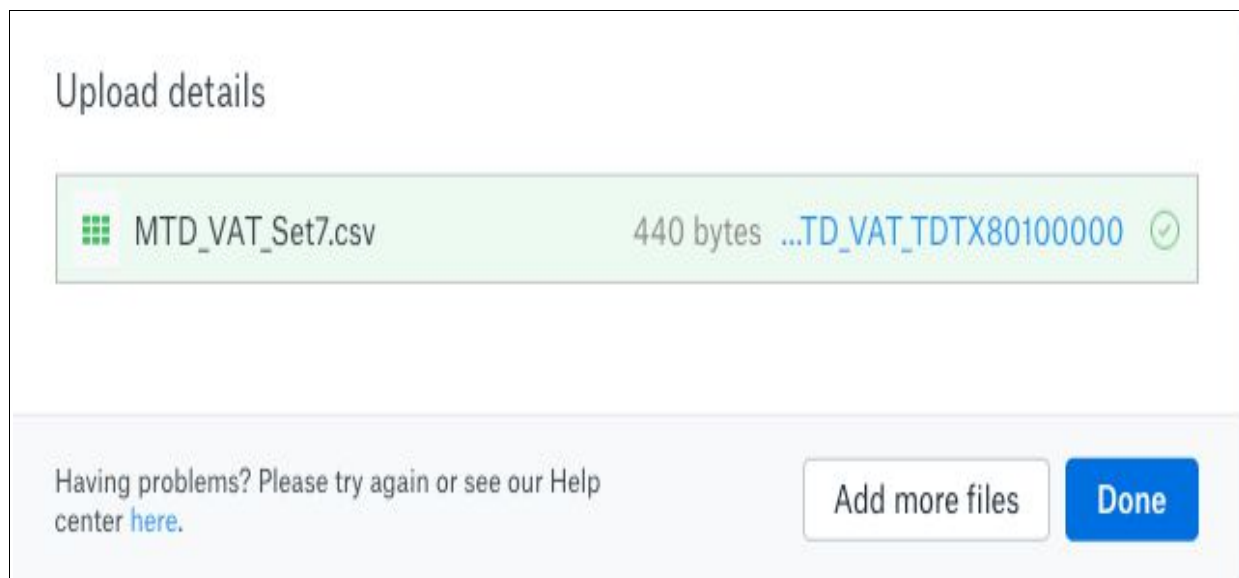

Figure 6.7 Uploaded data

Step 7: Once the data is uploaded via Dropbox, our system will automatically pick up the files for processing. You will simultaneously receive notifications on the processing status of your MTD VAT data.

7. Manual method

7.1   Download spreadsheet

You can download the MTD VAT spreadsheet available on the website to enter your VAT data. Follow the below road map to download MTD VAT template.
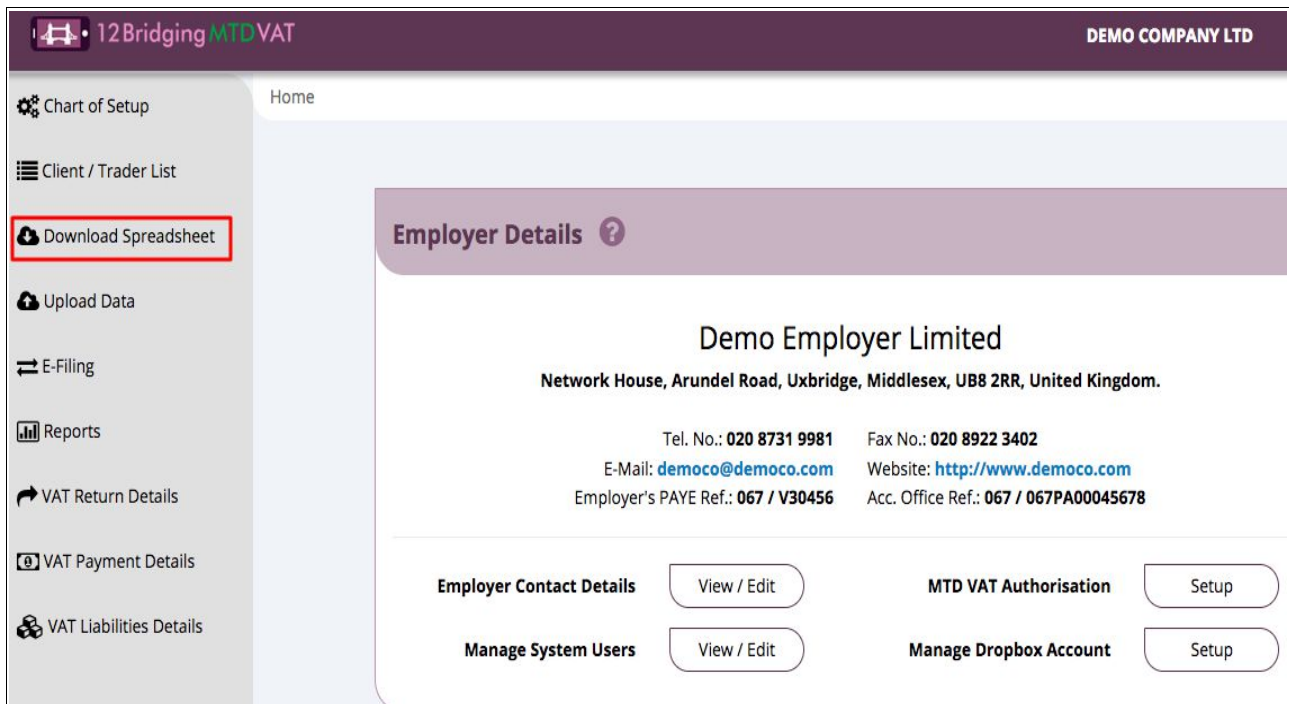
Figure 7.1.1 Download spreedsheet

Road Map:

Download spreadsheet → download MTD VAT return spreadsheet

We recommend you to download and read the instructions before you populate your data into the spreadsheet.
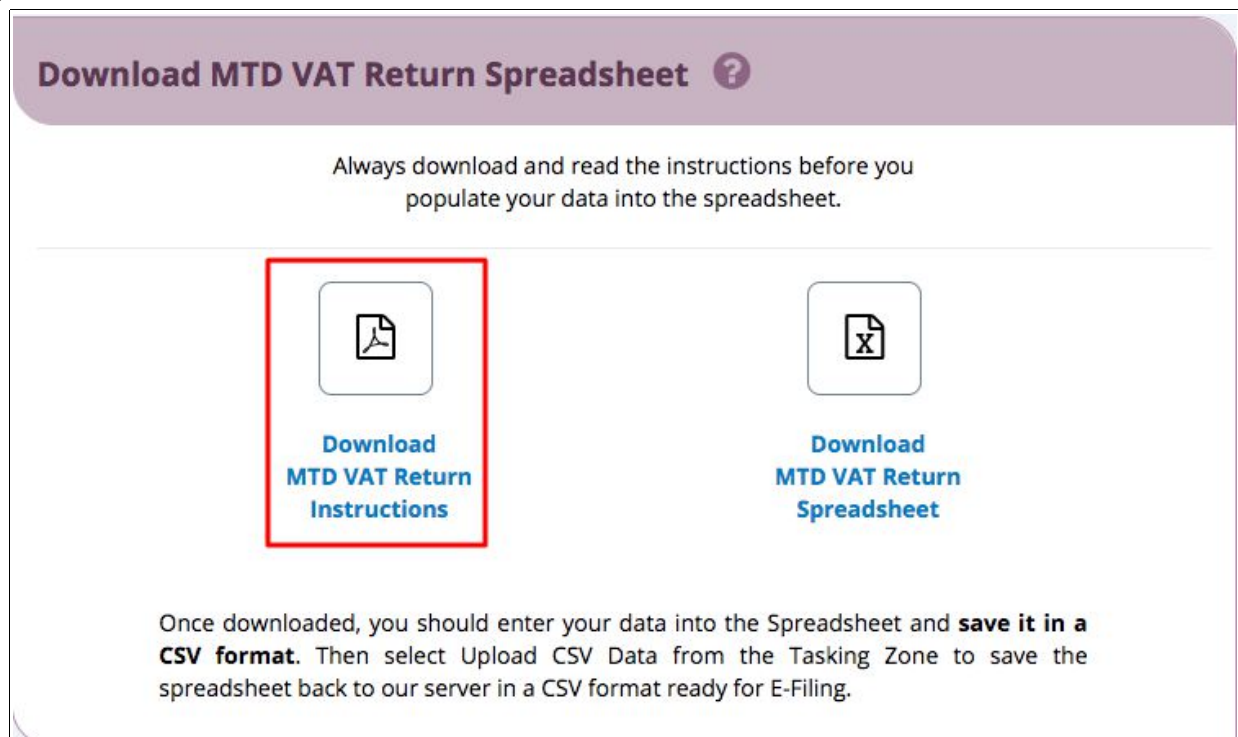

Figure 7.1.2 Download return instructions

Once downloaded, you should enter your data into the spreadsheet and save it in a CSV format.

It is not necessary to use the template we provide. You can also upload the VAT data extracted from your accounting system in the accepted format.

7.2   Upload data

Now you can Browse and upload the CSV file

Now you can upload the VAT data spreadsheet to 12BridgingMTDVAT. Please follow the road map below:

Road Map:

Upload Data → upload MTD VAT return CSV File → browse → upload CSV file

Figure 7.2.1 Upload data

Pick up the MTD VAT return CSV spreadsheet file you saved in your local system by clicking on the 'Browse' button. Enter a reference of your choice for the CSV file you are uploading. This is optional, you can leave it blank. Then click on the 'Upload CSV File' button to upload the file to the our server.
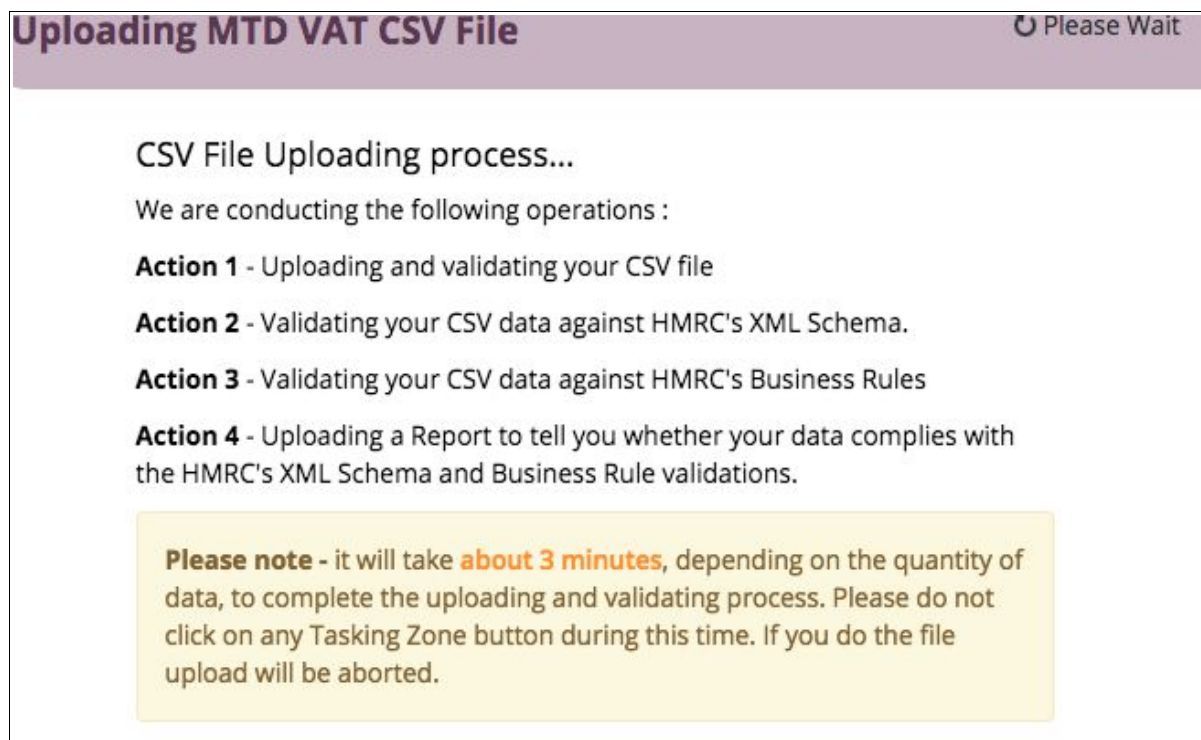
Figure 7.2.2 Upload MTD VAT CSV file

Figure 7.2.3 Upload successfully

NOTE: Do not click the screen while the upload is in progress because it might interrupt the upload. If no errors are found in the uploaded data, an upload successful message will be displayed

8. E-file VAT data

The files uploaded via Dropbox or manual method will appear in the e-file data page. In case of error occurs for automatic e-filing of data, you can proceed for manual e-filing.

Follow the procedure for e-filing the uploaded MTD VAT data.

Step 1: Go to 'E-File VAT return' option in the menu.

Figure 8.1 E-filing

Step 2: Select the appropriate file you want to e-file.

Step 3: Click 'E-File All' button to e-file all the files listed in the page or click 'E-File' button to e-file selected files.

Figure 8.1 E-filing uploaded data

If you need to check the e-filed status then go to report section in the menu. Click on 'MTD VAT E-Filed details'.

8.1 Download MTD VAT success certificate and reports

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.

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

Road Map:

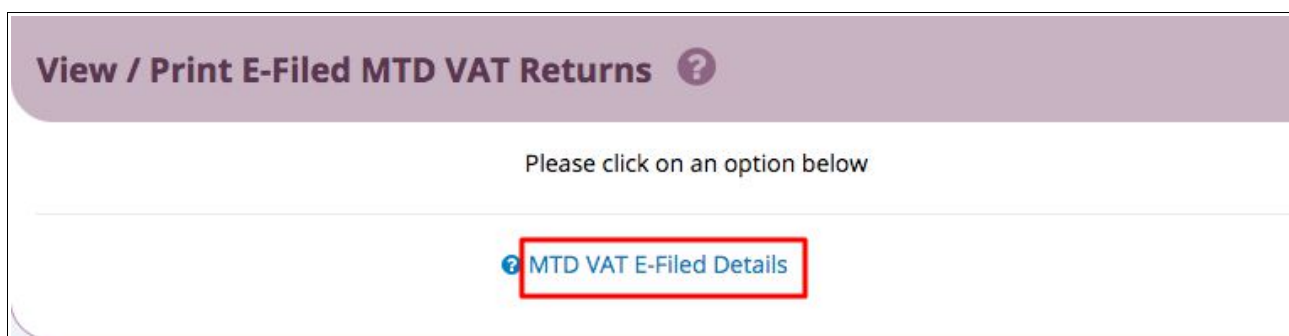Reports → MTD VAT E-Filed Details → MTD VAT E-Filed Status List → Print Certificate

Figure 8.1.1 E-filed details

VAT Period (YYYY - MM)	Trader Name	VAT Registration Number	Box 1 VAT due in this period on sales and other outputs	Box 2 VAT due in this period on Acquisitions from other EC Member States	Box 3 Total VAT	Box 4 VAT reclaimed in this period on purchases and other inputs	Box 5 Net VAT to be paid to HMRC or reclaimed by you	Box 6 Total value of sales and all other outputs	Box 7 Total value of purchases and all other inputs	Box 8 Total value of all supplies of goods and related costs	Box 9 Total value of all acquisitions of goods and related costs	E-Filed Status	View / Print E-File Status
2018 - 02	Demo Trader Ltd.	999901001	100.00	150.00	250.00	50.00	200.00	125000	130000	40	10250	INITIATED	View
2018 - 04	Hannah Distilleries Ltd.	999902002	100.00	150.00	250.00	50.00	200.00	125000	130000	40	10250	COMPLETED	View/Print

Figure 8.1.2 E-filed status list

Figure 8.1.3 Digital certificate

8.2   VAT reports

The MTD mobile application will fetch your data from HMRC and the data is refelected in the reports section. You have to select the desired details and click retrieve

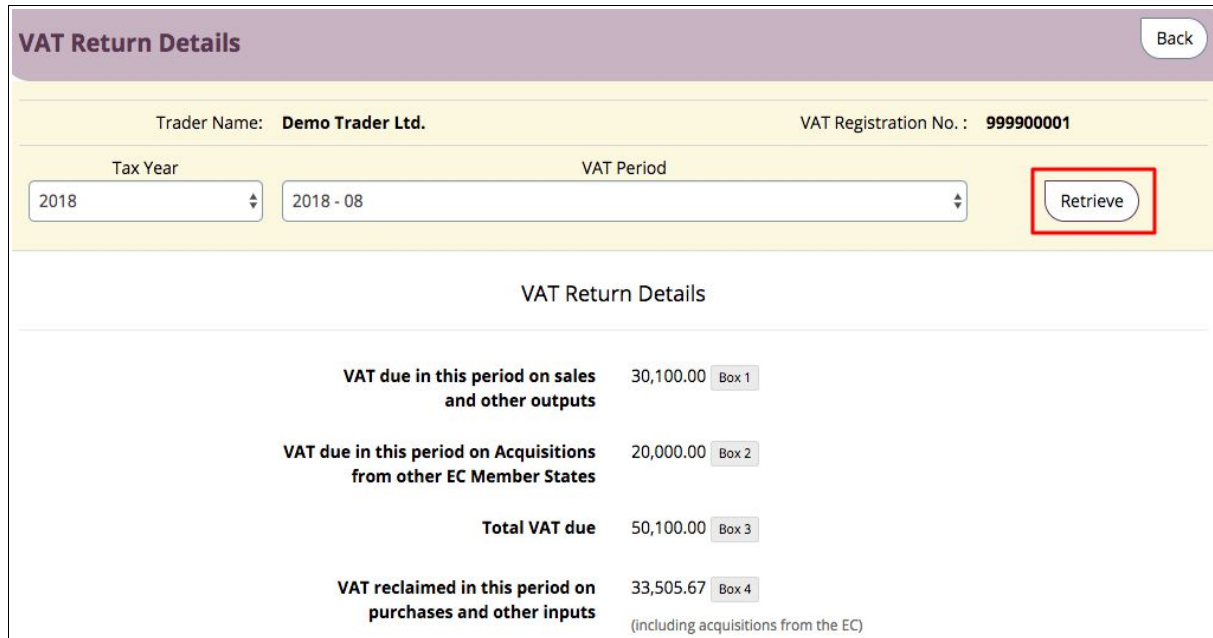**Figure 8.2.1 VAT return details**

- **View VAT payment details**

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

Figure 8.2.2 VAT payment details

- **View submitted VAT return details**

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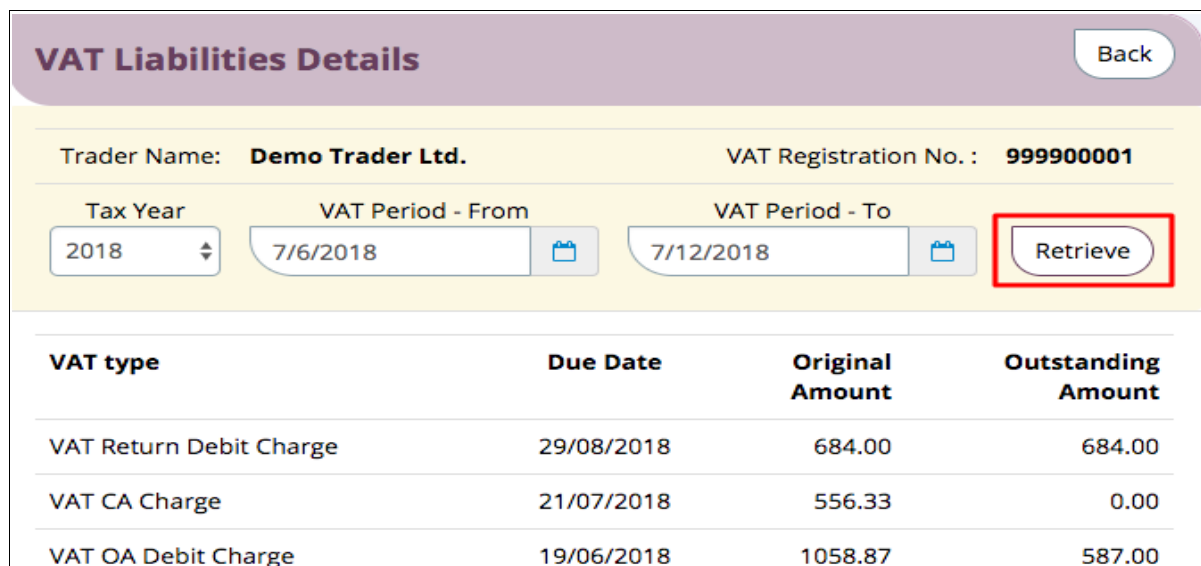

Figure 7.4 VAT return details

- **View 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 click 'Retrieve'.Your MTD app fetches the liabilities details from HMRC and will display it to you.

Figure 7.5 VAT liabilities details