



Title of document	How to Set up Making Tax Digital
Author	Naomi Williams
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Purpose

This procedure has been created to guide the user through how to set up Making Tax Digital (MTD). Making Tax Digital is part of HMRC's plan to modernise the way the tax system works, making it more effective and more efficient.

Here at Lineal we've been working closely with HMRC to make sure you know exactly what to do and when to do it by providing a simple step by step guide to walk you through the process to set up MTD and submitting your VAT returns moving forward.

Making tax digital – making tax easy - Become compliant with HMRC's MTD for VAT.

Scope

This procedure applies to Management, Admin and Finance staff who intend to utilise the Accounts features of SQLWorks within their business environment. The procedure is aimed at the end user, who will be operating the SQLWorks client.

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Change History:

Date	Version	Created by	Description of change	Approved by
03/07/20	1	Naomi Williams		
26/11/20	2	Naomi Williams		

MTD setup requirements

1. Prior to setting up MTD please ensure you have your HMRC govt gateway login name and password. You will need your HMRC User ID and password for the HMRC website, and your VAT number for sign in. Your access may also be linked to a mobile phone number or email so please ensure you have this device/details to hand.
2. Once you have enrolled for MTD, you will no longer be able to submit data in the previous way, so before progressing make sure you have completed all of your old filing processes first.
3. If you need to double check whether you have registered for MTD, please go to the HMRC Government Gateway and login to your account, you can get to the page by clicking on the following link and clicking on the green Sign in button <https://www.gov.uk/log-in-register-hmrc-online-services>.

If you scroll down you will see whether or not you are registered, the example below is of someone who has just registered by following the steps and filling in the information requested on the HMRC portal.

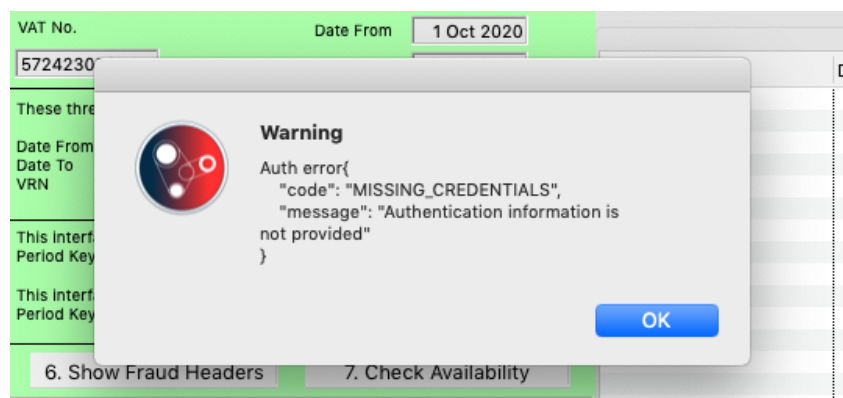
Your Making Tax Digital for VAT account is being set up

You were recently signed up to the new Making Tax Digital service. This is so you can submit your VAT Returns to HMRC using compatible software.

It will take up to 72 hours for your account to be set up.

Check back again later.

4. If you have previously registered for MTD in SQLWorks, when you go to submit your VAT, and select 'Retrieve VAT Obligations' for the month, if you need to reauthenticate your MTD to HMRC, you will receive the below 'Warning' notification to do so.



Where to find the MTD tab

5. To locate the MTD tab, select Account Prefs under the Preferences section from the Nav bar on the left, and click 'Edit' at the top.

This will open a new window showing all of your Business specific accounts preferences.



6. Click on the MTD tab on the far right - **Note:** there is a list of instructions on the left that may also help with this process.

(Please note if the MTD tab is missing check your user privileges).

Registering with HMRC

7. To start the process, click on the 'Begin Authorisation' button on the right.

This will open a new browser window, click OK on the 'Authorisation Started' pop-up box opened in SQLWorks. An amber coloured 'Pending' box indicates you have started the HMRC Authentication process.

The screenshot displays the HMRC authentication process. On the left, the GOV.UK website is visible with a blue banner for 'Making Tax Digital for VAT: service availability and issues'. On the right, a 'Pending' window is open, showing the 'HMRC End User Account Details' form. The form includes fields for 'HMRC User ID' (EK), 'HMRC User Password' (masked), and 'VAT Reg Number (VRN)' (572423056). A red box highlights the '1. Begin Authorisation' button. Below this is a 'Click to paste in Auth Code' link. Further down is the '2. Submit New Auth Code' section with a date field showing '23 Nov 2020 18:22' and a 'Last Successful Auth' status. At the bottom are fields for 'Access Tokens', 'Current Auth Code', 'Current Refresh Code', and 'Expiry time of Token'.

8. Insert your login details as requested, you can use the blue copy & paste icons next to your HMRC User ID and password to copy, then paste into the relevant field in the browser window. You will see a notification pop up informing you that the details have been copied to your clipboard.
9. After signing in, you may be asked to verify your account either by a call/text to the number associated with the account, or an email sent to the relevant email address. Please make sure you have these accounts/devices available and accessible. Enter the access code in the relevant field.
10. Once you have confirmed your credentials status, select Grant authority.

11. Copy and paste the Authentication code into the field on the right-hand side above the 'Submit New Auth Code' button and then click this button, which will automatically save this information.

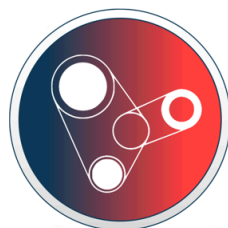
The screenshot shows the HMRC Making Tax Digital for VAT service availability and issues page. The page is titled 'Making Tax Digital for VAT: service availability and issues' and is updated as of 12 November 2020. The page is divided into three main sections: Instructions, Guidance, and a right-hand sidebar. The Instructions section contains seven steps for setting up MTD. The Guidance section features a blue banner with the title 'Making Tax Digital for VAT: service availability and issues' and a link to 'Contents'. The right-hand sidebar is titled 'Pass' and contains a green banner with the word 'Pass'. Below this, there are fields for HMRC End User Account Details (EKL, HMRC User ID, HMRC User Password, VAT Reg Number (VRN)), an oAuth2 Access token, and a section for '1. Begin Authorisation' and '2. Submit New Auth Code'. The '2. Submit New Auth Code' section is highlighted with a red box, showing a field for the authentication code and a button to submit it.

12. If all the information is accepted, you will be presented with a Green 'Pass' box to confirm MTD has been set up correctly.

If for any reason you have not been successful, a Red 'Fail' box will show.

The screenshot shows the HMRC Making Tax Digital for VAT service availability and issues page with a 'Fail' status. The page is titled 'Making Tax Digital for VAT: service availability and issues' and is updated as of 12 November 2020. The page is divided into three main sections: Instructions, Guidance, and a right-hand sidebar. The Instructions section contains seven steps for setting up MTD. The Guidance section features a blue banner with the title 'Making Tax Digital for VAT: service availability and issues' and a link to 'Contents'. The right-hand sidebar is titled 'Fail' and contains a red banner with the word 'Fail'. Below this, there are fields for HMRC End User Account Details (EKL, HMRC User ID, HMRC User Password, VAT Reg Number (VRN)), an oAuth2 Access token, and a section for '1. Begin Authorisation' and '2. Submit New Auth Code'. The '2. Submit New Auth Code' section is highlighted with a red box, showing a field for the authentication code and a button to submit it.

If this happens please double check your sign in details. If you have to re-authenticate every time you try to submit your VAT, please contact our SQLWorks team.



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