



LAUNCH IT

FounderFinance Academy

MTD 2026 Made Simple

Alison Robinson – AIMS Accountants

Startup Legal Structures

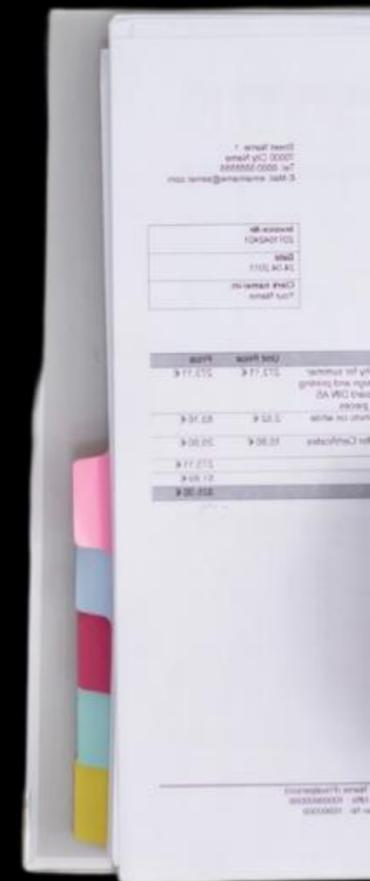
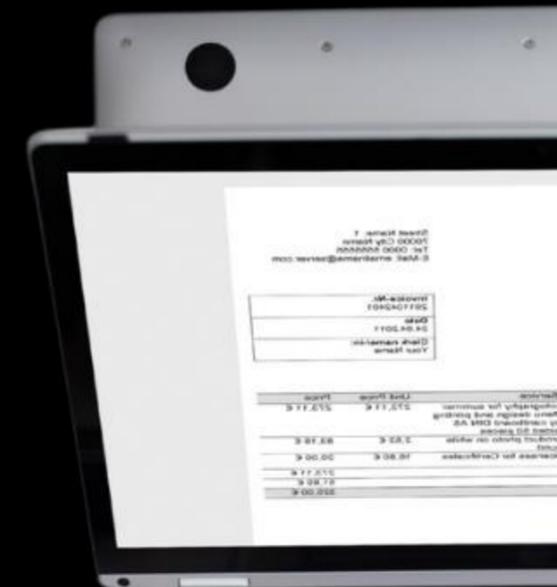
- **Sole Trader** MTD from April 2026
 - One person
 - Register with HMRC
- **Partnership** No date yet
 - More than one person
 - Register with HMRC
- **Limited Company** Not part of MTD
 - One or more people
 - Separate legal entity
 - Register with HMRC and Companies House

MTD – The new way to do tax returns

Do you work for yourself as a **sole trader** or earn **money from property**?

HMRC are rewiring the way you do Income Tax

You won't fill out your tax return all at once



What you will need to do

Use recognized software

Send quarterly updates by **7th August, 7th November, 7th February and 7th May**

Submit your tax return by **31st January** each year



How to get ready

Know your start date

- turnover above £50,000 – April 2026
- turnover above £30,000 – April 2027
- turnover above £20,000 – April 2028

Choose your software

- free options
- bridging software

Sign Up



How does it work

Log receipts and invoices as you go

Send Updates

- quarterly income and expenses
- straight from your software

Quarterly Updates are not tax returns

What will you get out of it

- estimate of the tax you owe
- payments will still be in January and July based on your final tax return, submitted before 31st January

Tips to make this easier

- Use a **dedicated bank account** for your business
- **Link this bank account** to an app or accounting software
- Send your **quarterly submissions** direct from this software
- Use the software to help **produce your end of year tax return**



What happens if I don't comply

There will be penalties for not submitting quarterly returns

You will gain a penalty point for each submission that is late

Get too many points and you will be given a fine

Example: VAT Returns are already submitted under MTD and **you can get 3 points before you get a fine.** Each point **stays on your record for 12 months.** If you get a fourth point then you pay a £100 fine.

What happens if I make a mistake

If you find a mistake in a previous period. Make the adjustment in your software to correct the mistake.

The correction should then be sent automatically with your next quarterly report.



Any Questions?