



Update for Agents

Dear Agent,

Welcome to edition number 15 of our Making Tax Digital (MTD) Update for Agents.

Please send any suggestions for topics you would like us to cover in future editions of this update to our mailbox at:

makingtaxdigital.mailbox@hmrc.gov.uk

This is also the email address to use to be added or removed from the distribution list.

Contents

- [1. VAT Release 19](#)
- [2. Front End Changes](#)
- [3. Recovery of Repayment Supplements \(RS\)](#)
- [4. VAT New Repayment Scheme](#)
- [5. Digital Links](#)
- [6. ASA – New Email Advising of Expiring Authorisation Requests](#)
- [7. ASA – Further Updates](#)
- [8. Agent Services – De-authorising ITSA vs Legacy](#)
- [9. CT Consultations](#)
- [10. Tax Agent Toolkits](#)
- [11. Agent Forum Update](#)
- [12. Useful Links](#)

1. VAT – Release 19

VAT Release 19 is the latest in a series of functionality releases in MTD for VAT, as part of HMRC's ongoing Making Tax Digital programme.

On the 15th March we introduced the following enhancements:

- Improved end to end insolvency functionality for customers – they will no longer be able to view their BTA payments or returns once declared insolvent.
- Improvements to the front-end customer journeys – this will allow customers the ability to change their organisational or individual names in the BTA, they will also be able to add, change and remove trading names. A change to the BTA to add a VAT tile, which will allow the customers more functionality for their VAT services.
- Automated Printed Outputs for Payment on Account (POA) and Complex Interest.
- Incremental enhancements to the new VAT Registration Service (VRS).
- Functionality to recover overpaid Repayment Supplement (RS).

2. Front End Changes

We are also introducing several Front-end changes, streamlining some customer online journeys including:

- Overseas traders will be able to change their Principal Place of Business (PPOB) address in the BTA.
- The Accounting Statement View will show how the allocation of payments against charges is displayed to the customer, to reduce confusion.
- All customers, including groups, partners and divisions will be able to change their organisation or individual names – in the BTA.
- Customers and authorised agents will be able to change, add and remove business trading names via the BTA. Agents will also have access to change this on behalf of a client via the agent access route.
- The customer can declare they are below the threshold for MTD for VAT, however, they must ensure they follow the mandate criteria and do not incorrectly opt out.
- A VAT tile will be introduced in the BTA which will allow MTD for VAT customers to view their tax account, personalise the BTA page and show them what they need to do in a timely manner.
- We are making minor improvements to the MTD Sign Up journey.

3. Recovery of Repayment Supplements (RS)

There will be a new charge type created for Recovery of Repayment Supplement and will show on BTA. This will be needed when they are no longer entitled to a repayment supplement due to changing their return, for customers it will mean we are able to recover these supplements and they will be able to view in their BTA.

This package will enable overpayments to be recovered by posting an RS recovery charge. This will appear on the customer's MTD account and feed through to debt management record.

4. VAT New Payment Scheme

If your client deferred VAT payments due between 20 March and 30 June 2020 and still has payments to make, they can now join the online VAT deferral new payment scheme.

The new scheme lets your client pay their deferred VAT in equal instalments, interest free. Your client can spread their payments across 2 to 11 monthly instalments, including their first payment, depending on when they join. The earlier they join, the more months they must spread your payments across.

- 11 instalments if your client joins by 19 March 2021
- 10 instalments if your client joins by 21 April 2021
- 9 instalments if your client joins by 19 May 2021
- 8 instalments if your client joins by 21 June 2021

Your client can join the scheme online quickly and simply without the need to call. To find out more information, including what your clients need to do before joining, go to www.gov.uk/hmrc/vat-deferral. The online service will close on 21 June 2021 and if your client wants to join the scheme online, they must do so before 21 June. If your client is on the VAT Annual Accounting Scheme or the VAT Payment on Account Scheme, they'll be invited to join the new payment scheme later in March 2021.

If your client can pay, their deferred VAT by 31 March 2021 they should do so. If your client needs more help, then go to www.gov.uk/difficulties-paying-hmrc.

If your client has a Time to Pay arrangement already in place for deferred VAT, they are unable to join the VAT deferral new payment scheme for their deferred VAT but can amend their Time to Pay arrangement to include all of their deferred VAT. Your client can contact HMRC to do this.

A reminder that if any of your clients have deferred VAT payments, the VAT Deferral new payment scheme is now open to join up until 21 June 2021. Instead of paying the full amount by 31 March 2021, the new scheme lets you pay in 2 to 11 smaller, interest free instalments. The number of instalments depends on when you join the scheme. There is no agent journey for this scheme and all VAT returns must be up to date when joining the scheme.

If your client is on the VAT Annual Accounting Scheme or the VAT Payment on Account Scheme, they cannot yet join the scheme but will very soon be able to sign-up to the scheme in March 2021.

5. Digital Links

Businesses will be required to have digital links between software programs on their first VAT return starting **on or after 1st April 2021**. A digital link is an electronic or digital transfer, or exchanging of data, between software programs, products of applications.

HMRC accepts that the following as digital links:

- Emailing a spreadsheet containing digital records so the information can be imported into another software product
- Linked cells in spreadsheets.
- Transferring a set of digital records onto a portable device (for example, a pen drive, memory stick, flash drive) and physically giving this to someone else who then imports that data into their software
- XML, CSV import and export, and download and upload of files
- Automated data transfer
- API transfer

Please see VAT Notice 700/22 4.2.1 – 4.2.1.3 for more information on digital links and exemptions.

Please use link to register for the Digital Links webinar -

<https://attendee.gotowebinar.com/rt/1852554361301926925?source=Gov>

Date	Time
30-Mar	11:45
01-Apr	11:45
07-Apr	15:45
08-Apr	15:45
12-Apr	09:45
16-Apr	13:45
20-Apr	11:45
23-Apr	15:45
26-Apr	11:45
28-Apr	09:45

6. ASA – New Email Advising of Expiring Authorisation Request

A new information email was released early March, to advise agents their authorisation request for a client has not been responded to and will expire in five days. The existing email to advise that the authorisation request for a client has expired after the twenty-one-day period is being updated and will be available soon.

New email - authorisation request about to expire in 5 days

GOV.UK
HM Revenue & Customs

The authorisation request[s] you sent to your client[s] will expire on [date]

Dear [agent's name]

[x]/[An] authorisation request[s] you created on [date request created] will expire on [date of expiry].

What you can do next

If you still want your client[s] to authorise you, remind them to select the link you sent them. Selecting this link takes them through the authorisation process.

To track or cancel your authorisation request[s], sign in to your agent services account and follow the links to 'track your recent authorisation requests'.

Do not reply to this email – it is an automatic message from an unmonitored account.

From the HMRC agent services team.

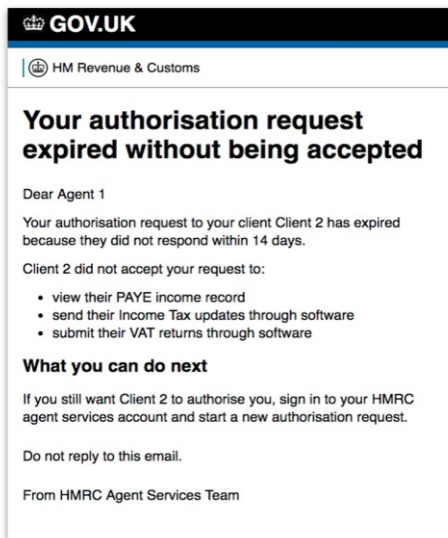
Scenario - an agent has one or more authorisation requests for one or multiple clients that have not been responded to and will expire in 5 days

Outcome - one email is sent, warning the agent that they have authorisation requests about to expire in 5 days and to log in to their agent services account to check if they want to take action. Only one of these emails is ever sent per day

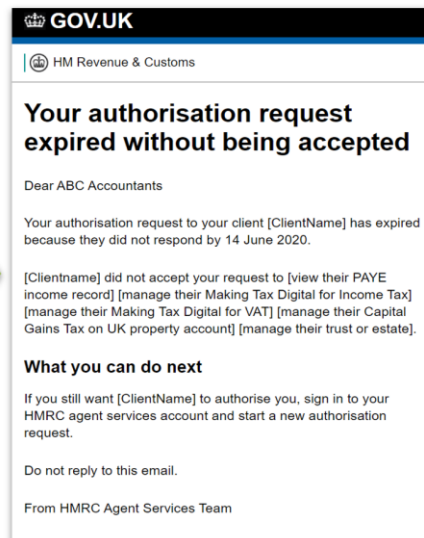
[square brackets] show dynamic content that changes based on the scenario

Updated email - authorisation request has expired

Prior to update:



After update:



Scenario - an agents authorisation request for a client has expired after the 21 day period

Outcome - the agent receives one email for each authorisation request that has expired on the day it expired. One email per client and per service

[square brackets] show dynamic content that changes based on the scenario

7. ASA – Further Updates

We are updating the ASA subscription journey with more service content to help agents understand how the information being supplies is used by HMRC.

The new look ASA homepage changed on 3rd Feb. A link to the ITSA service should be attached to the ASA homepage in April 2021.

Summary of changes:

- New welcome banner.
- Client authorisation section prominently at the top of the page, since this is used most by agents.
- Tax services hidden in expandable accordions so agents can choose what they want to see information on.
- New other tax service accordion to help agents better understand when they need to go elsewhere to Agents Services.

Other tax services section is all new content:

- If a tax service in not in Agent Services, this guides users to sign into the relevant credential they use to access legacy/classic services
- Final link takes users to relevant guidance on tax services for agents –

<https://www.gov.uk/government/collections/hmrc-online-services-for-agents#hmrc-online-services-for-agents-account>

ASA Homepage Following Update

The screenshot shows the 'Agent services account' homepage on GOV.UK. At the top, there are navigation links for 'Account home', 'Manage account', and 'Sign out'. A 'BETA' notice states: 'This is a new service - your feedback will help us to improve it.' The main heading is 'Welcome to your agent services account' with the account number 'XARN 123 4567'. Below this is a section for 'Client authorisations' with a brief explanation and four links: 'Ask a client to authorise you', 'Track your recent authorisation requests', 'Copy across VAT and Self Assessment client authorisations', and 'Cancel a client's authorisation'. A 'Tax services' section follows, with an 'Open all' link and four expandable items: 'Making Tax Digital for VAT', 'Trusts and estates', 'Capital Gains Tax on UK property', and 'Other tax services', each with a plus sign.

ASA Homepage Following Update - Expanded VAT and Trusts & Estates Accordions

Making Tax Digital for VAT

Sign clients up for Making Tax Digital for VAT

You copied across existing client authorisations to your agent services account. This means you can now sign these clients up to Making Tax Digital.

[Sign clients up for Making Tax Digital for VAT \(opens in a new tab\)](#)

Manage your client's VAT details

Use this service to update your client's VAT registration status, business name (if they are a limited company), principal place of business and VAT stagger.

[Manage your client's VAT details \(opens in a new tab\)](#)

Trusts and estates

Find guidance on registering a trust or an estate

[How to register your client's trust \(opens in a new tab\)](#)

[How to register your client's estate \(opens in a new tab\)](#)

Register or maintain your client's trust or estate

Use the following services for trusts and estates.

[Register or maintain a client's trust](#)

[Register or maintain a client's estate](#)

- Content and links remain mostly unchanged from the boxes in the old homepage design

ASA Homepage Following Update - Expanded CGT and Other Services Accordions

Capital Gains Tax on UK property

Before you start

Your client must first [set up a Capital Gains Tax on UK property account \(opens in a new tab\)](#).

They must then [authorise you to act on their behalf \(opens in a new tab\)](#).

Manage a client's Capital Gains Tax on UK property

[Report your client's Capital Gains Tax on UK property and view payments and penalties](#)

Other tax services

To manage other tax services, you will need to sign in to HMRC online.

[Sign in using the Government Gateway user ID you use to access these services.](#)

Once you have signed in, you will be able to manage other taxes, for example:

- Self Assessment
- Corporation tax
- PAYE for employers

[If you are still not sure which account is for you, read the guidance.](#)

- Content and links remain mostly unchanged from the boxes in the old homepage design
- Other tax services section is all new content:
 - If a tax service is not in Agent Services this guides users to sign into the relevant credential they use to access legacy/classic services
 - Final link takes users to relevant guidance on tax services for agents - <https://www.gov.uk/government/collectons/hmrc-online-services-for-agents-hmrc-online-services-for-agents-account>

8. Agent Services – De-authorising ITSA vs Legacy

When a client is de-authorising an agent for ITSA from Agent services we can confirm **it does not** remove any legacy authorisation.

ITSA de-authorisation for clients before update

Current journey for a client to de-authorise an agent for ITSA from their manage your tax agents page:

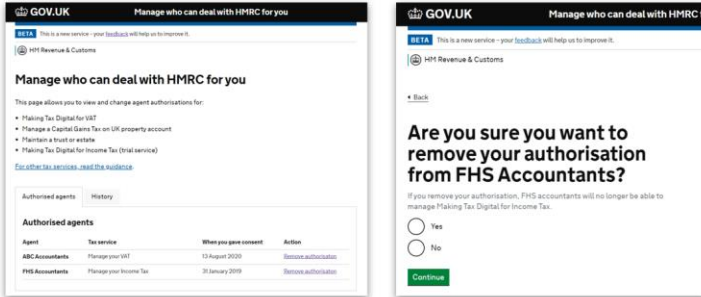
The screenshots illustrate the current user journey for de-authorising an agent for ITSA from the 'manage your tax agents' page. The first screenshot shows the 'Authorised agents' table with columns for Agent, Tax service, When you gave consent, and Action. The second screenshot shows a confirmation dialog asking 'Are you sure you want to remove your authorisation from FHS Accountants?' with 'Yes' and 'No' radio buttons and a 'Continue' button. The third screenshot shows the confirmation message: 'You removed your authorisation from Adams and Company to manage your Income Tax' with a 'Continue' button and a link to get help.

Agent	Tax service	When you gave consent	Action
ABC Accountants	Manage your VAT	13 August 2020	Remove authorisation
FHS Accountants	Manage your Income Tax	31 January 2019	Remove authorisation

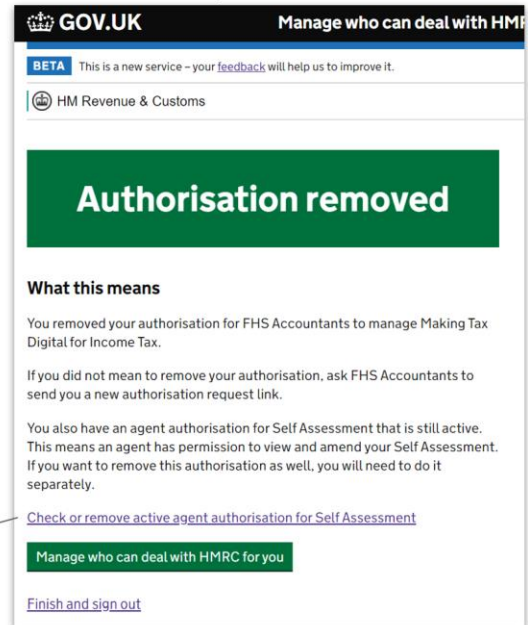
ITSA de-authorisation for clients post update - scenario 1

New content on final page of journey to make it clearer that a client may still have an authorisation in place for legacy SA.

Scenario 1 - the client has a legacy SA enrolment (IR-SA), with an agent relationship, on their signed in credential:



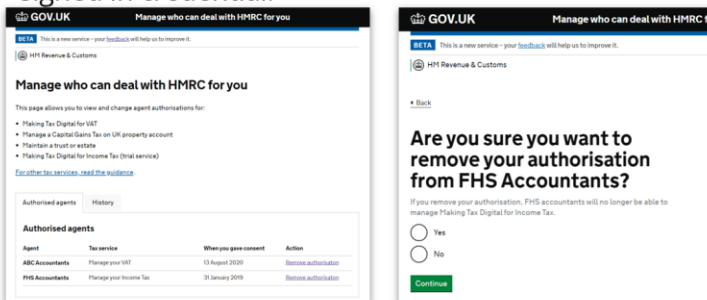
Link takes the user directly to the legacy SA page where they can view their authorised agent and decide if they want to remove that authorisation too



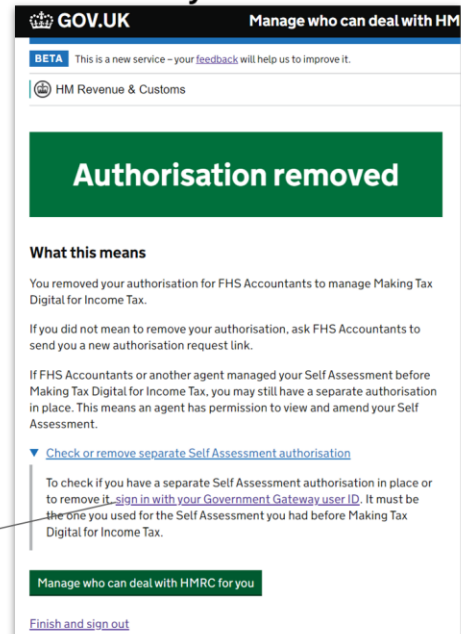
ITSA de-authorisation for clients post update - scenario 2

New content on final page of journey to make it clearer that a client may still have an authorisation in place for legacy SA.

Scenario 2 - the client does not have a legacy SA enrolment (IR-SA) with an agent relationship on their signed in credential:



Link signs the client out and takes them to sign in with another government gateway. Following this they will be taken to the tax account router



Customer service added to prompt customers to also check legacy service when removing relationship with and agent in MTD

We have added content to the MTD service to advise customers that they need to ensure when they break/remove a relationship with an agent in MTD they need to check the Classic ITSA service too or vice versa.

We will be updating the content for customers in the classic services too and for agents, expected end of March however this is subject to change.

9. CT Consultations

Agents will be aware that our MTD for Corporation Tax (CT) consultation, which opened in November 2020 and ran for 16 weeks, closed on 5th March 2021.

We are now in the process of analysing the responses and hope to provide more information on the consultation results, later this year.

<https://www.gov.uk/government/consultations/making-tax-digital-for-corporation-tax>

10. Tax Agent Toolkits

HMRC have 19 agent toolkits available for you to download and use. They have been designed to address the most common errors seen from previous years. They include checklists of the key issues to consider and links to HMRC technical guidance and manuals.

The complete catalogue of toolkits has been updated to assist you with completion of:

- [2019 to 2020 Company Tax Returns](#)
- [2019 to 2020 Self Assessment Tax Returns](#) including [Capital Gains Tax toolkits](#)
- [2019 to 2020 National Insurance Contributions and Statutory Payments, employers' end of year forms and 2020 to 2021 record keeping](#)
- [2019 to 2020 Property Rental Income](#)
- [2020 VAT toolkits.](#)

By identifying the most common errors using checklist and additional information this may prompt a conversation between you and your client to help you identify common errors, support you in submissions and help you tackle any issues you may be having.

12. Agent Forums

The Agent Forum is a platform where agents raise potential widespread systemic operational issues which may have significant impacts to the agent community. Agents can highlight issues they are experiencing and share this with members on the forum. The forum can also be used to communicate important changes within HMRC legislation or processes and is a quick and effective way to get messages out.

HMRC are currently planning to improve the design of the landing and forum pages to make it easier to navigate and place important articles in a prominent place.

The forum has seen an increase in membership throughout 2020 but particularly since the issue of the agent journey email in November from the agent community. The forum is invaluable to HMRC in quickly identifying issues agents are being experiencing and helps us take the necessary steps to resolve them.

HMRC work closely with agent professional bodies through HMRC forums such as Issues Overview Group and the Agent Support Group, where together issues for prioritisation are identified and are taken forward with Subject Matter Experts (SMEs) to assess impact and to seek a satisfactory resolution.

Recent issues trending on the forum include:

(Please note to access via the links in the following sections you must be logged into the Agent Forum. Use the link for direct access to the thread)

- [SA-9232 - Delays in processing SA1s and UTRs](#)

The Agent Forum team are requesting information on the following topics to assist investigation:

- Currently we are not seeking examples for any outstanding threads

Recent successful results on the Agent Forum include

- [SA2021-9237 Self Assessment late filing penalty update](#)
- [TRS-8250 - Updating the register - 15 minute time out and one person limit](#)

13. Useful Links

[Help and support for Making Tax Digital](#)

[HMRC service availability and issues page on GOV.UK.](#)

[Sign in to your agent services account](#)

[Making Tax Digital for Corporation Tax](#)

[Consultations Making Tax Digital for Corporation Tax](#)

[Sign Your Client Up for Making Tax Digital ITSA](#)

[Follow the Rules for Making Tax Digital ITSA](#)

[Find Software that is Compatible with Making Tax Digital ITSA](#)

[Making Tax Digital for VAT](#)

[Making Tax Digital for VAT as an agent: step by step](#)

[Check when a business must follow the rules for Making Tax Digital for VAT](#)

[Sign up your client for Making Tax Digital for VAT](#)

[Keep digital records for Making Tax Digital for VAT](#)

[Sign your business up for Making Tax Digital for VAT](#)

[Making Tax Digital for VAT: service availability and issues](#)