

## Step-by-Step guide to Making Tax Digital (MTD) sign up

### Before you begin:

- Agents need to create an Agent services account, which provides the agent with the log in details required to access the VAT APIs. Agents will also need to use the link existing clients' service, if they want to submit for a client who they have an existing relationship with in VAT.
- Businesses submitting their own VAT returns only need to complete steps 3 and 4. They can do this using existing Government Gateway (GG) ID if they have one OR they can set up a new one.
- Be prepared - once signed up to MTD returns MUST be submitted using MTD compatible software, don't sign up unless you are ready.
- Where a business pays by Direct Debit and email address must be provided.
- Business that pay by Direct Debit have to sign up at least 7 working days before they need to submit.

### Important: The role of the Business Tax Account (BTA)

- A business **does not** have to set up a BTA for an agent to link clients to the new ASA.
- A business **does not** have to set up a BTA to be signed up to MTD by an agent (the journey only requires them to validate an email address).
- A business **does** need to have a BTA set up to authorise a new agent relationship.
- Once a business is signed up to MTD, the BTA will be used to send them notifications to file and provide a view of their VAT returns, so whilst the journey itself **does not** require the business to sign up to BTA being in the service and interacting with HMRC digitally **does**.

### Step 1 : Create agent services account (ASA)

- Before signing up to MTD you must first create an Agent Services Account (ASA). For guidance and to create an account go to: <https://www.gov.uk/guidance/get-an-hmrc-agent-services-account>
- You may already have an ASA if you've signed up for the Trust Registration Service (TRS), you do not need to create a new one for MTD.
- The ASA is currently only used for the TRS, MTD VAT and MTD Income Tax. The GG ID which is generated in this journey is the one you will use to access MTD services. You will still need your old GG IDs to access other HMRC online services.

### Step 2: Copy existing agent/ client relationships

- Once the ASA is created, you can use the service to copy existing authorised SA and VAT relationships you already have with a business, by following the guidance to copy existing clients.
- The copy clients service is accessed from inside the ASA, once done you will see a 'Client Relationships Copied' message.
- This process requires you to input your existing GG IDs so that we can identify the relationship already exists.
- All the clients that exist under a specific GG ID are linked to the ASA (if you have multiple GG accounts you may need to repeat this step to link all of your clients).

**Important:** The client list cannot be viewed from within the ASA however you are now able to view the number of client relationship copied over from HMRC online services.

### Step 3: Authorise MTD compatible software

- Before signing a client up to the pilot you must make sure you have compatible software, see: <https://www.gov.uk/guidance/software-for-sending-income-tax-updates>
- If using existing software you need to make sure your provider's MTD capabilities have been enabled – contact your provider to discuss.
- You must delegate authority to the MTD compatible software (this applies to both new and existing software).

### Important:

Once signed up returns **must** be submitted using MTD compatible software. You cannot use the previous channel.

### Step 4 : Sign business up to Making Tax Digital (MTD)

- Using the new GG ID generated at step 1, you can sign up clients by going to: <https://www.gov.uk/guidance/agents-use-software-to-submit-vat-returns>
- You will receive confirmation that the client's information has been received. We will email you (usually within 24 hours, but can take up to 72 hours) confirming you can start using MTD software to submit the client's return.
- You should tell your client you are now submitting returns through Making Tax Digital.
- Each client needs to be signed up individually or the client can sign themselves up.

### Important:

For an Agent, when connecting software to HMRC you **must** use your new ASA GG ID (provided at step 1). If you attempt to log in with another GG ID our systems will not be able to recognise the MTD relationship with your client so you will receive an error message and be unable to file the return.

**For more information on Making Tax Digital go to GOV.UK and type 'Making Tax Digital for VAT' into the search bar**