

Making Tax Digital for Income Tax

Farming Advice Service
December 2025



HM Revenue
& Customs

TAX IS CHANGING IN APRIL 2026



OFFICIAL-SENSITIVE

Welcome to Making Tax Digital

Who needs to sign up:

Individuals will need to use Making Tax Digital for Income Tax if ***all*** of the following apply. They are:

- ✓ are an individual registered for Self Assessment
- ✓ get income from self-employment or property, or both
- ✓ have qualifying income of more than £50,000

Who's affected:

- From April 2026: Sole traders and landlords with turnover over **£50,000**
- From April 2027: Sole traders and landlords with turnover over **£30,000**
- From April 2028: Sole traders and landlords with turnover over **£20,000**

Important to note:

HMRC won't automatically sign customers up, making proactive engagement essential. Therefore, customers should check their own self assessment returns and use tools available to check their eligibility:

[Find out if and when you need to use Making Tax Digital for Income Tax - GOV.UK](#)

Welcome to Making Tax Digital

Tax returns are changing – with a new way to record and report their income and expenses. This is called ***Making Tax Digital for Income Tax***.

Individuals won't fill out a tax return all at once,
Instead, they will split and spread the admin throughout the year.

From April 2026, [Making Tax Digital \(MTD\) for Income Tax](#) will transform how self-employed individuals and landlords manage their tax.

What's changing:

This new way of doing tax returns requires compatible software to:

- create, store and correct digital records of their income and expenses.
- send quarterly updates to HMRC.
- submit their tax return by 31 January the following year.



What do Self-employed individuals and Landlords need to do?



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Use recognised software

such as an app on your phone or laptop
to record income and expenses

Send quarterly updates

to HMRC from this software

Submit your tax return

by 31 January each year

- Individuals will use software that works with Making Tax Digital to send quarterly updates.
- HMRC provides a list of approved software options on their website, including free and low-cost tools.

- Individuals will submit updates every quarter, bringing the tax system closer to real-time.
- These are the standard update periods and deadlines, which line up with the tax year (6 April to 5 April)
 - Or, if they prefer, they can choose to match your update periods to the calendar year.

- At the end of the year, individuals will need to check previously sent quarterly updates and make any corrections or changes before they submit their tax return for that tax year through Making Tax Digital compatible software.

Getting ready for MTD:



Check if they are affected – Work out qualifying income from self-employment and property to see when they need to start using MTD



Find out the start date, based on their income:

- £50,000 for the 2024 to 2025 tax year, they will need to use it from **6 April 2026**
- £30,000 for the 2025 to 2026 tax year, they will need to use it from **6 April 2027**
- £20,000 for the 2026 to 2027 tax year, they will need to use it from **6 April 2028**



Choose software – Find compatible software that works with Making Tax Digital (including free options for simple affairs)



Start keeping digital records – Begin using chosen software to record income and expenses.

We are aware that around 25% of individuals affected are unrepresented — this means approximately 200,000 sole traders and landlords are expected to be mandated for Making Tax Digital from April 2026.



Making Tax Digital - Resources



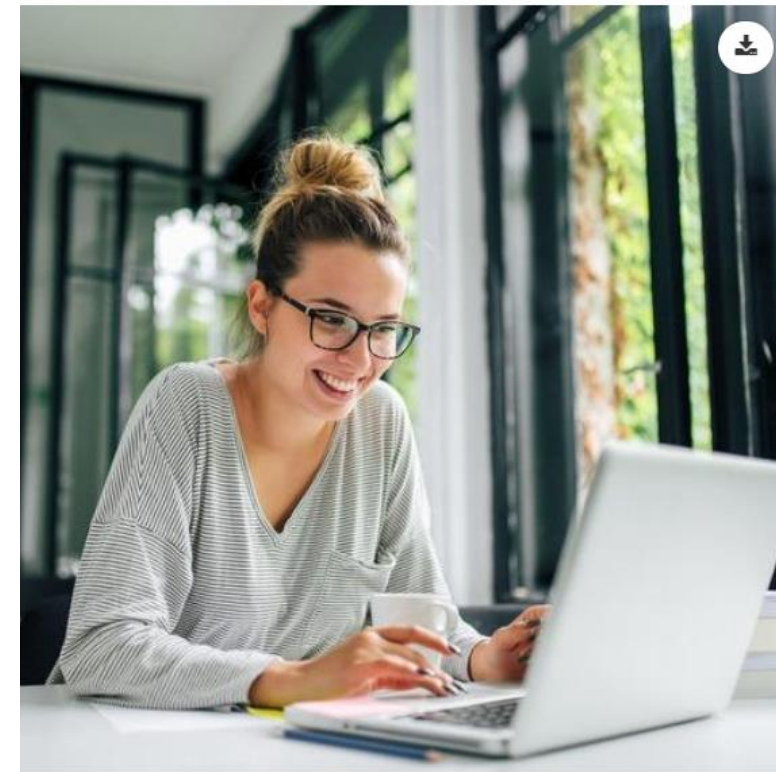
Ready to use assets

You'll find free, ready to share, assets that you can use across your own channels to support customers with the change to Making Tax Digital. We have included key messages, imagery and ad/newsletter copy.



Resources for agents

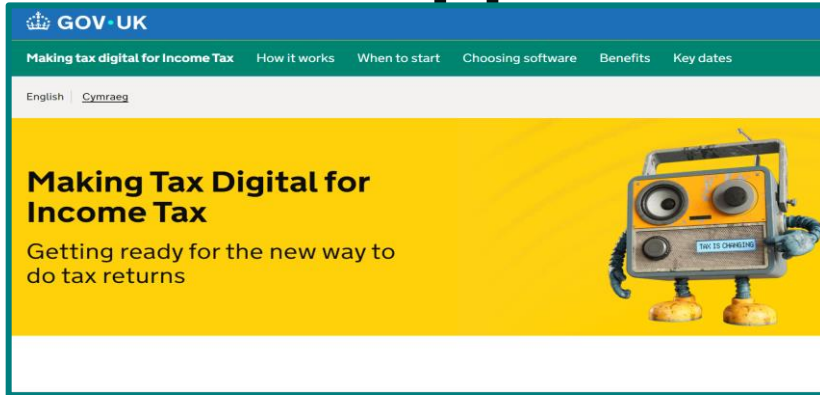
Are you an agent? We've included resources designed to support you and your clients with Making Tax Digital, including step-by-step video guides and expert-led webinars.



How-to videos

Help customers to get started. Share our quick videos and webinars for step-by-step guidance on Making Tax Digital.

Further support



[Making Tax Digital for Income Tax - HMRC guide](#)

Visit for more information on:

- How MTD works
- When to start using MTD, : [Find out if and when you need to use Making Tax Digital for Income Tax](#)
- Choosing software: <https://www.gov.uk/guidance/find-software-thats-compatible-with-making-tax-digital-for-income-tax>



- [HMRC videos and webinars for Making Tax Digital for Income Tax - GOV.UK](#)
- Learn more about Making Tax Digital for Income Tax.
- **Subscribe to the [HMRC help and support email service](#)** to get information on a wide range of topics for individuals, business, employers and agents.



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- [The HMRC YouTube Channel](#)

If you do have any further questions or wish to arrange a conversation surrounding MTD, Please contact the Making Tax Digital for Income Tax – External Readiness Business Customer Team:

- mtdexternalreadinesssteam@hmrc.govuk



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