

Making Tax Digital for Income Tax: Private Beta Testing

HMRC have relaunched their private beta testing phase which means you can voluntarily sign up for Making Tax Digital for Income Tax early and gain valuable insight to what lies ahead.

Why should I sign up to the private beta testing?

HMRC are encouraging individuals to sign up to the beta testing to gain crucial insight into the new Making Tax Digital for Income Tax process before it becomes compulsory for many in April 2026.

How will signing up to the private beta testing help my business?

Joining the beta has multiple benefits for your business. Some key benefits of signing up early are as follows:

- **Simplifies the filing process:** Digital record keeping reduces paperwork and creates a process with a seamless submission to HMRC.
- **Helps to reduce errors:** Online software reduces manual entry errors by integrating directly with HMRC.
- **Real-time updates:** Allows you to stay on top of your businesses' finances and track your tax position throughout the year.
- **Early adaptation:** Lets you get ahead of the system before the full rollout in April 2026, and gains you additional support from HMRC.
- **Reduce the risk of penalties:** Appropriate software prompts when submissions are due and the beta allows for no late submission penalties before April 2026.
- **Make tax planning easier:** Gain access to features including reporting and financial management tools to track your businesses' successes.

How do I join the private beta testing?

To join the MTD for Income Tax beta voluntarily you will need to be an eligible candidate. As there are quite a few restrictions to eligibility please contact us to discuss whether you meet the criteria.

Is it too late to join the private beta testing?

No, you can join the beta at any point through the tax year. However, if you join part way through you will have to retrospectively submit the quarters missed so joining as soon as possible is advised.