



M+A

Partners



Making Tax Digital (MTD) for VAT - the final steps

1. Choose the right software for your business;
 2. Sign up for Making Tax Digital (MTD) for VAT with HMRC - Click here: [>](#)
 3. Authorise your software.
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Authorise your software - QuickBooks

Once your business has signed up to MTD for VAT with HMRC, the next step is to activate MTD within your chosen software package - enabling it to interact with HMRC.

Step 1 - Enable MTD in QuickBooks

- + Click on the **Gear icon**, then **Account** and **Settings**.
 - + In the Accounts and Settings page, select **Advanced** on the left menu. Then, select the Making Tax Digital header to expand the section. Click on **Learn how to connect**.
 - + On the Get started with digital tax page, click on **Let's go**.
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Step 2 - Authorise QuickBooks to interact with HMRC

- + Upon clicking on Let's go, you will be directed to the HMRC page. Click **Continue** to sign in.
- + Enter your HMRC credentials to sign in.
- + Once logged in, click on **Grant authority** to continue. The authorisation process will begin.
- + Once the authorisation has been given, you will receive a **'You're connected to HMRC'** message. Click **Continue**.

- + When the process has been completed, click on **Take a look**.

After these steps have been completed, the MTD badge will be enabled on the Taxes page and VAT returns for MTD can be submitted through QuickBooks.

How to re-authorise MTD

MTD in QuickBooks will need to be re-authorised every 18 months, in-line with HMRC guidelines.

For businesses that have been submitting their returns for 18 months, the following error message might be displayed - **client_or_agent_not_authorized**

Firstly, you will be required to disconnect

- + Click the gear icon and select **Account** and **settings**.
- + In Advanced, select **Making Tax Digital**.
- + **Learn how to disconnect** and follow the steps.

Once you have successfully disconnected, you will need to reconnect

- + Make sure you are using the correct sign in credentials. To check, sign in to the HMRC website and if the **Making Tax Digital** message appears on the homepage then you are using the correct account. **Note:** If you do not know what your MTD credentials are, check your inbox and search for an email sent to you by Government Gateway. It will contain the correct MTD credentials.
- + In QuickBooks, go to the Advanced section under Account and settings, select **Learn how to connect**.
- + **Let's go**, this will take you to the HMRC page. Once you have read the guidelines, select **Continue**. Follow Step 2 in this factsheet.

You will now be reconnected and able to submit VAT returns for MTD through QuickBooks.

If you would like to receive further detailed information about MTD for VAT using QuickBooks from our resident expert, please get in touch with:



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