

MTD for Income Tax:

a change to the way we work together



From April 2026, you'll need to follow HMRC's rules for Making Tax Digital (MTD) for Income Tax, which will change the way you work with your accountant or bookkeeper.

What's changing?

MTD for Income Tax is a huge change to the way that many people report their income to HMRC. The initiative will affect the following taxpayers with a total business and/or property income above £50,000 per year:

- Self-employed business owners
- Landlords

What you'll need to do

- Keep digital business records using MTD-compatible software
- Send quarterly digital business income and expense updates to HMRC
- Finalise your business's income in an annual declaration and send it to HMRC

How FreeAgent can help

Your accountant or bookkeeper would like to get you set up on FreeAgent accounting software before your first MTD for Income Tax submission so you can:

Keep digital records

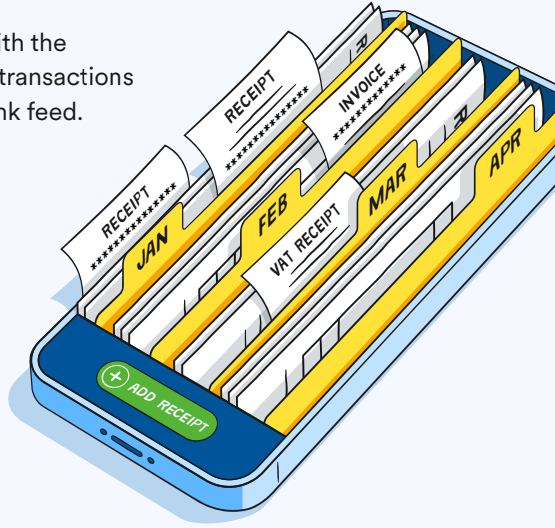
Manage your business admin on the go with the FreeAgent mobile app and pull your bank transactions directly into FreeAgent by setting up a bank feed.

Share your data easily

Collaborate and share data with your accountant or bookkeeper in real time. This will be particularly handy when it's time to submit quarterly and annual updates to HMRC.

Go beyond compliance

Stay on top of your cashflow and keep an eye on your business spending while you comply with HMRC's rules for MTD for Income Tax.



Keep your costs down

You can get FreeAgent for free while you retain a business bank account with NatWest, Royal Bank of Scotland or Ulster Bank, or make at least one transaction a month through a Mettle bank account. Optional add-ons may be chargeable.



Speak to your accountant or bookkeeper about getting set up on FreeAgent ahead of the introduction of MTD for Income Tax.