the accounting crew
Making Tax Digital
for the Self-Employed
A simple guide to getting ready
Everything you need to know about MTD for Income Tax, explained clearly and without the jargon.
Real accountants. Real support. Real results.

Introduction

Why This Guide Matters

You've probably heard about *Making Tax Digital (MTD)* and wondered what it means for you as someone who's self-employed. The idea of new software, quarterly submissions, and HMRC deadlines can sound complicated, but it doesn't have to be.

This guide explains everything in plain English. You'll learn what MTD is, when it starts, what you need to do, and how The Accounting Crew can make it all straightforward.

You didn't go self-employed to stress over tax rules. You did it for freedom, flexibility, and control, and that's exactly what digital accounting can give you once it's set up properly.

> You didn't go self-employed to stress over tax deadlines. That's what The Crew's here for.

Making Tax Digital at a Glance

Starts: April 2026 (income > £50k), April 2027 (> £30k), April 2028 (> £20k)

Who's affected: Sole traders & landlords

What you'll do: Keep digital records + submit 4 quarterly updates + 1 final declaration

Software required: HMRC-recognised (e.g. Xero or FreeAgent)

Main goal: Less paperwork, more accuracy, real-time visibility

Crew Tip: Start early - getting familiar with digital tools now will make your 2026 transition effortless.

What Is Making Tax Digital for Income Tax (MTD for ITSA)?

Making Tax Digital (MTD) is a government initiative to modernise how taxes are reported and paid in the UK.

It means that instead of filing one annual Self Assessment tax return, self-employed people and landlords will:

- **Keep digital records** of income and expenses.
- **Submit quarterly updates to HMRC** through compatible accounting software.
- **Send a final year-end declaration** instead of a paper or online Self Assessment form.

The goal is to make tax easier, more accurate, and less stressful, giving you real-time visibility of your income and how much tax you owe.

MTD Rollout Timeline

Start Date	Who It Applies To	Income Threshold
6 April 2026	Sole traders & landlords	Over £50,000 p.a.
6 April 2027	Sole traders & landlords	Over £30,000 p.a
6 April 2028	Sole traders & landlords	Over £20,000 p.a

If your total qualifying income is under £20,000 p.a, you won't need to join MTD for now, but you can sign up voluntarily.

Who Needs to Comply - and When

If you're **self-employed** or a **landlord,** you'll need to comply once your gross income (total income before expenses) exceeds the relevant threshold. Add together all self-employment + property income to find your total.

For example:

- £35,000 from freelancing + £20,000 from rental income = £55,000 total
  → You'll join MTD in April 2026.

Exemptions

You may not need to join if:

You can't use digital tools due to age, disability, or remoteness of location.

Your religious beliefs prevent you from using electronic communications.

Your income is under £20,000.

You can also **opt in early** to familiarise yourself with the process, something The Crew often recommends for a smoother transition.

What Changes Under MTD

MTD replaces the old Self Assessment process with something simpler and smarter.

Current Self Assessment	Under MTD for Income Tax
One annual submission to HMRC	Four quarterly updates + one final declaration
Paper records or spreadsheets allowed	Digital records required
Submit via HMRC website	Submit via approved software (e.g. Xero, FreeAgent)
Manual calculations	Automated accuracy and fewer errors

HMRC doesn't provide its own free software for Making Tax Digital.

You'll need to use an HMRC-recognised accounting solution such as Xero or FreeAgent to keep digital records and submit your returns.

At The Accounting Crew, we offer both options and help you choose the one that best fits your business.

Exclusive Client Discounts:

20% OFF Xero

Ideal for freelancers and small business owners who want advanced features and customisation.

50% OFF FreeAgent

Perfect for sole traders who want simplicity and automation built in.

And whichever you choose, we'll set it up for you properly from day one - connecting your accounts, transferring your data, and making sure everything's MTD-compliant.

The Benefits of Going Digital

MTD isn't just about compliance, it's about running your business more efficiently.

Here's what you gain:

Real-time visibility:
Always know your income, expenses, and estimated tax.

Better planning:
Quarterly updates mean no more year-end surprises.

Less admin:
Automate invoicing, payments, and expense capture.

More accuracy:
Reduce manual errors and paperwork.

Peace of mind:
Stay compliant automatically with fewer last-minute scrambles.

> Once The Crew moved me to Xero, I could see my income and tax forecasts instantly. I'll never go back to spreadsheets.
>
> *Sarah, Freelance Designer*

How to Get MTD-Ready - Step by Step

You don't need to figure this out alone. The Accounting Crew makes it easy.

Step 1:
Book a Free Discovery Call

We start with a relaxed, no-obligation chat. You tell us about your business, how you currently manage your finances, and where you're at with MTD.

We'll explain what you need to do, and more importantly, **how we'll do it for you.**

You'll get a clear roadmap and a custom quote.

Book your discovery call at theaccountingcrew.co.uk/mtd

Step 2:
We'll Set You Up for Success

Our team of qualified accountants will:

- Review and assist you in setting up your accounting software (Xero or FreeAgent).
- Handle your HMRC registration for MTD.
- Connect your business bank feed and digital records.
- Migrate any existing data from spreadsheets.
- Provide simple training if you want to learn how it works.

You'll get **20% - 50% off** your chosen software as a Crew client.

Step 3:
We'll Keep You Compliant (and Stress-Free)

Once you're set up, we'll:

- Prepare and submit your quarterly income and expense updates.
- Keep your books tidy and digital-record compliant.
- Complete your final year-end declaration.
- Send you easy-to-understand updates so you always know your tax position.

No surprises, no panic - just clarity and calm.

> I was worried about MTD at first, but The Crew took care of everything. They set up FreeAgent, showed me how to use it, and now I barely think about tax.
>
> *Tom, Self-Employed Consultant*

MTD Readiness Checklist

Use this quick checklist to see how prepared you are for Making Tax Digital.

- ☐ I know when MTD starts for me
- ☐ I've reviewed how I currently record income & expenses
- ☐ I've chosen or plan to choose MTD-recognised software
- ☐ My records are digital and organised
- ☐ I've spoken to The Accounting Crew about my next steps

Crew Tip: If you can't tick them all yet, book a free discovery call - we'll help you get MTD-ready step by step.

Common Pitfalls to Avoid

Avoid these common mistakes to make your MTD journey smooth and stress-free.

- Waiting until the deadline to prepare
- Using non-compliant software
- Copy-pasting between spreadsheets (breaks digital link rules)
- Missing quarterly deadlines
- Trying to go it alone without professional guidance

Did You Know?
Businesses that adopt cloud accounting early reduce errors by over 30%. The Crew helps you avoid these mistakes and keeps you fully compliant.

Example Timeline - Your First MTD Year

If you join in April 2026 (over £50k income):

Period Covered	Submission Deadline
Q1 (6 Apr–5 Jul 2026)	7 Aug 2026
Q2 (6 Jul–5 Oct 2026)	7 Nov 2026
Q3 (6 Oct–5 Jan 2027)	7 Feb 2027
Q4 (6 Jan–5 Apr 2027)	7 May 2027
Final Declaration 2026/27	31 Jan 2028

Crew Tip: We track all your deadlines and submissions for you — no missed dates ever.

FAQs About Making Tax Digital

Q: When does MTD start for me?

A: It depends on your income. Over £50k starts in April 2026; over £30k in April 2027; over £20k in April 2028.

Q: What if I already use accounting software?

A: Great! We'll review your setup and make sure it's fully MTD-compliant.

Q: Can I keep using spreadsheets?

A: Only if you use bridging software to link them to HMRC - but that's clunky and risky. Cloud software like Xero or FreeAgent is far easier.

Q: What happens if I don't join MTD when required?

A: HMRC may issue penalties for non-compliance, so it's best to prepare early.

Q: Can I manage MTD myself?

A: You can, but most self-employed people prefer an accountant to handle submissions. It saves time, avoids errors, and keeps you stress-free.

How The Accounting Crew Helps You

Let The Crew Handle MTD for You

When you work with The Accounting Crew, you get more than software support. You get a team of real accountants who do the heavy lifting for you.

- Register you for MTD and link your HMRC account.
- Set up and configure your accounting software.
- Handle quarterly and annual submissions.
- Keep your digital records accurate and compliant.
- Give you clear updates and proactive advice throughout the year.

Your Next Step: Book a Free Discovery Call

Book a Free, No-Obligation Discovery Call

It's not a sales pitch, we don't do those.

What to Expect:

- A friendly, no-pressure chat about your business and MTD readiness.
- A clear, tailored quote with transparent pricing.
- Useful insights, even if you don't move forward.

"At the very least, you'll leave with professional advice and clarity. At best, you'll have The Crew on your side making MTD simple."

You don't have to face MTD alone, The Crew will guide you through it every step of the way.

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About The Accounting Crew

We're a modern accountancy practice built for freelancers, contractors, and small business owners.

Our goal is simple: make accounting and tax effortless, transparent, and human.

We're real accountants, not a faceless portal.

We'll help you go digital, stay compliant, and feel confident about your finances.

Email us at: hello@thecrew.co.uk

Visit our website: theaccountingcrew.co.uk

Making Tax Digital doesn't have to be stressful.

With the right tools and the right team, it can actually make your life easier.

The Accounting Crew helps self-employed people across the UK transition to MTD smoothly - saving time, reducing errors, and bringing peace of mind.

"Real accountants, real support, real results - that's The Crew promise."

Book Your Free Discovery Call Today
Learn More at theaccountingcrew.co.uk/mtd

Disclaimer
This guide provides general information and should not be considered financial or tax advice. For personalised guidance, speak with a qualified accountant.

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Call us on: 0203 859 6188
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