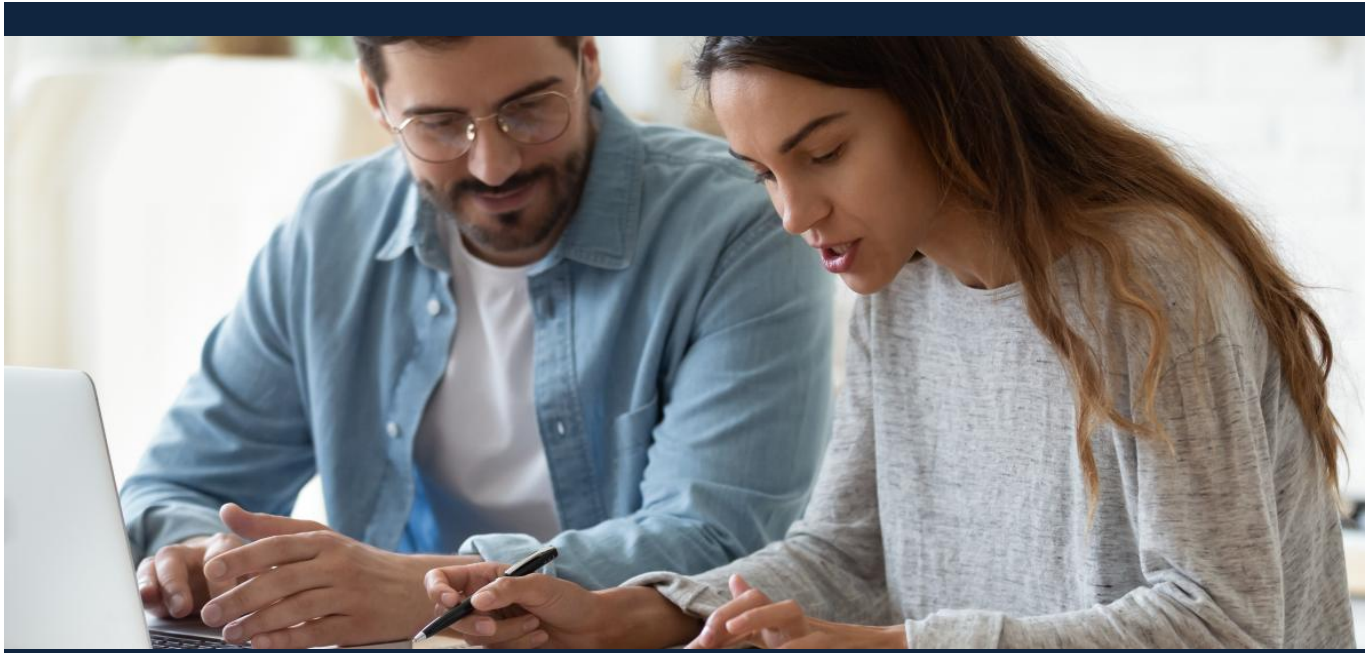


01753 888211  
[www.nhllp.com](http://www.nhllp.com)



**Making Tax Digital (MTD) will become mandatory for sole traders and landlords with an annual income of more than £50,000. However, some may be able to avoid the requirements.**

HMRC has opened applications for an exemption from MTD for income tax for those who consider themselves to be digitally excluded. This may be where a person lives in an area without access to broadband, or cannot comply because of age, health or disability, or doesn't use a computer for religious reasons.

#### **Digitally excluded criteria**

- **Internet access:** This means no internet access at your home or business, because of the location, and where access is not available at a suitable alternative location.
- **Age, health or disability:** You will need to show that your age, health condition or disability stops you from using a computer, tablet or smartphone to keep digital records or submit them to HMRC
- **Religious reasons:** This will apply to practising members of a religious society or order whose beliefs mean they do not use a computer, tablet or smartphone for business or personal use.

There may be other reasons that you are classed as digitally excluded, and HMRC will consider all applications on a case-by-case basis.

Anyone who is exempt from using MTD compatible software for VAT returns will also be exempt from MTD for income tax provided their circumstances have not changed.

## Not digitally excluded

HMRC will not accept an application for exemption if the only reason for applying is that a person:

- Has previously only submitted paper self assessment tax returns;
- Is unfamiliar with accountancy software; or
- Only has a small number of digital records to create each tax year.

The fact that additional costs will be incurred, or that extra time will be required for MTD, is also not a valid reason for HMRC to grant exemption.

HMRC guidance on applying for an exemption from MTD can be found [here](#).

## We Can Help

If you feel this alert could help a business colleague or family member, please feel free to share it with them. Call us on **01753 888 211** or email **[info@nhllp.com](mailto:info@nhllp.com)**, we are here to help.