VAT: migration of taxpayers data to the system used for Making Tax Digital

Indirect Tax

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HMRC are migrating the VAT data for taxpayers not yet registered for Making Tax Digital to the same IT platform used for taxpayers registered for Making Tax Digital. VAT agents should take action in respect of these clients.

The VAT records of all VAT registered taxpayers registered for Making Tax Digital (MTD) are stored on HMRC's IT platform known as the Enterprise Tax Management Platform (EMTP). The VAT records for taxpayers who are registered for VAT but not yet for MTD are on separate, older storage platforms. As part of HMRC's digital strategy to streamline their systems, they will migrate those VAT registered taxpayers stored on their older IT platforms to ETMP, commencing in March 2021 and continuing in a phased programme until complete.

What will change?

There will be no changes for VAT registered taxpayers who are already registered for MTD and no changes for their agents.

For VAT registered taxpayers not registered for MTD, following the migration of their data to ETMP, their VAT agents will be unable to use the online service account for filing VAT returns. Instead, these VAT returns must be filed through the Agent Service Account (ASA).

Next steps for VAT agents

Prior to the migration exercise taking place, agents that do not already have an ASA should create an account and copy across authorities for each client for whom they file non-MTD VAT returns from the existing agent portal. Note that this process does

not sign up these clients for MTD. It should be noted that if the client data is already migrated to ETMP prior to the agent setting up the ASA, it will be a much more time consuming exercise to set up these clients in the ASA post-migration.

We will provide further details around the above changes, and action to take, when they become available.