Technical Newsdesk: April 2026

Welcomes

April 2026



20 March 2026

It would be remiss of me not to open this issue by wishing readers a very happy new (tax) year. An obvious gag, admittedly, but one that will no doubt echo around many tax workplaces as we slide into 2026-27. It is a moment that always brings a mix of renewed focus and quiet reflection across the profession.

And this new tax year is rather a special one: at long last, we have reached the official start date for Making Tax Digital (MTD) for Income Tax. Many commentators have described this as the biggest change to the tax system since the introduction of self-assessment in the late 1990s. It is, in many respects, a defining milestone for how taxpayers will interact with HMRC going forward.

And what a journey it has been to get to this point.

The story begins with the March 2015 Budget, when the government unveiled an ambitious plan to modernise the tax system, with George Osborne confidently declaring that the reforms would spell ‘the death of the annual tax return’. The

timetable was optimistic, with early proposals suggesting that most businesses would be reporting income tax digitally by 2018.

Consultation quickly exposed concerns and practical issues: the burden on small businesses, software readiness, and the challenge of quarterly reporting for those taxpayers whose accounting system still involved a carrier bag of receipts. The government responded by introducing the reforms in stages.

MTD for VAT finally arrived in April 2019. Income tax was meant to follow in April 2023, but pilot testing soon made it clear that quarterly reporting would constitute a far bigger behavioural shift than MTD for VAT had required – prompting yet further delays, initially to April 2024… and then again to April 2026. It is understandable that some wondered whether it would ever happen at all.

But now, after more than a decade of consultation, delay and redesign, the digital future of income tax has (for some) finally arrived – even if it has taken rather longer than anyone first expected. However, many concerns about the behavioural shift and taxpayer readiness continue to loom.

Reaching this point of MTD mandation is only the beginning. There will undoubtedly be plenty of learning, adjustment and hiccups along the way – not just for advisers and firms but for HMRC and, importantly, for taxpayers themselves. The real work is just starting. In many ways, implementation will prove just as significant as the policy itself.

You will see that in this month’s Technical Newsdesk, LITRG’s Laura Cumins and ATT’s Emma Rawson have summarised some of the MTD resources that both teams have developed to help advisers and taxpayers navigate the road ahead. Do check them out!

Finally, on a lighter note, the start of the tax year is always extra special for me because I happen to have a 6 April birthday (please, no need to send a card!). Perhaps a career in tax was inevitable. Though it does raise an awkward thought: if I happen to be self-employed when I reach state pension age, and the Class 4 NIC rules remain unchanged, it may also turn out to be the least tax-efficient birthday imaginable. Still, that’s a problem for another decade… or two… maybe even three by the time my state pension date rolls around.