

## Making Tax Digital for Income Tax Self-Assessment - what you need to know

**HMRC were bringing in new regulations for all individuals to submit Income Tax Self-Assessment returns, who have income from property from April 2024, but this has now been delayed until April 2026.**

These changes were expecting all individuals who received gross rental income over £10,000 to follow the new regulations, but this threshold has also been changed. From April 2026 all individuals who have gross rental income over £50,000 will fall into Making Tax Digital for ITSA, and from April 2027 the threshold will be reduced to £30,000. This will have a significant impact both on how you keep records of your income and expenses, as well as how you submit this information to HMRC.

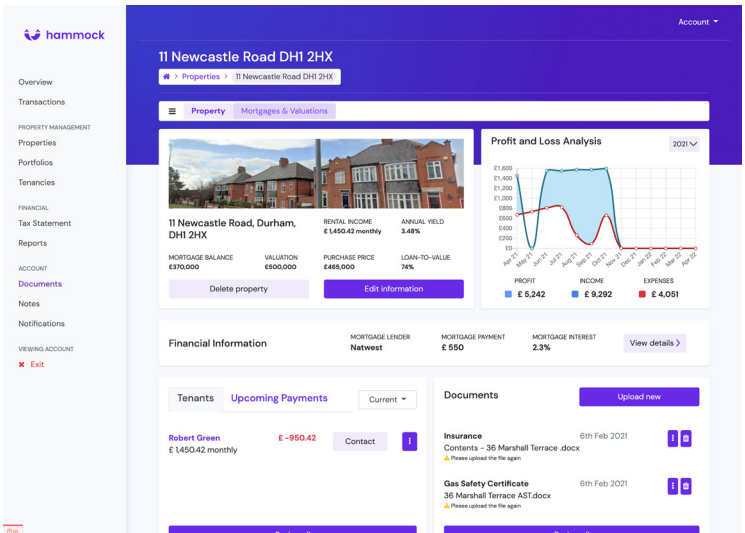
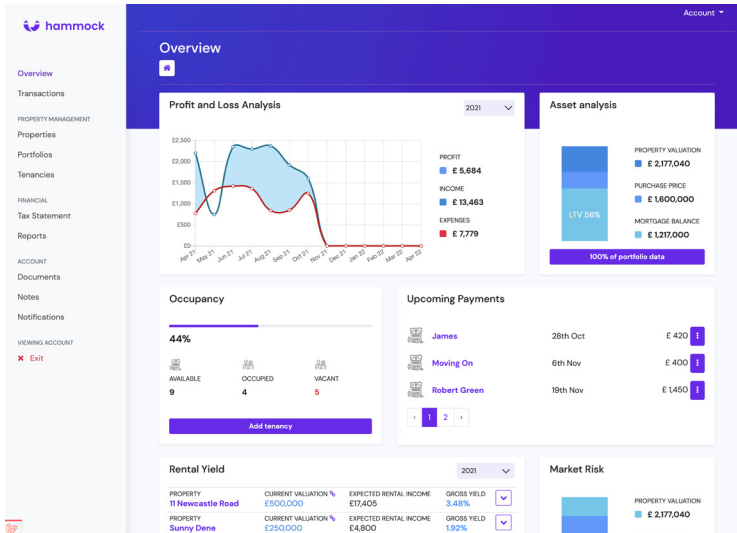
**From 6th April 2026, you will be required to submit:**

- Quarterly returns within one month of the quarter end (i.e. the quarter ended 5th July 2026 will need to be submitted by 5th August 2026);
- An End of Period Statement which summarises the previous four quarter filings and makes any required adjustments. This is due by 31st January; and
- A final return to disclose all other income, gains and reliefs (akin to the tax return you currently submit). This is due by 31st January.

There is no expected change to tax payment profiles at this stage. As further guidance comes out, we will keep you informed of any updates to this.

As well as the change to the reporting requirements, HMRC also require that the underlying records are kept digitally and there is a digital link from these records through to the submissions made to HMRC. The easiest way to achieve this is to use MTD compliant software.





This is a significant change from the current regime, and we are conscious that with all change, the key is preparation, which is why we are contacting you now to put a plan into place.

### What are we doing to support you?

We have been researching the software available to ensure you are MTD compliant and whilst doing so, we were introduced to Hammock.

It is a product that has been specifically designed for landlords, so it's not just accounting software.

It includes many features that will allow you to better manage your property portfolio, whatever the size.

We believe that all our clients who own rental property would benefit from using Hammock NOW so we are offering a special discount for the first 50 landlords to sign up. You will receive a 60% reduction to the monthly subscription price, which means that it would only cost £3/month if you have 1-3 properties and £6/month if you have 4-10 properties (over 10 properties would be priced individually). You will also receive a free one hour onboarding session (usually priced at £50). If you want to sign up, please email [mtd@monahans.co.uk](mailto:mtd@monahans.co.uk) or your Monahans contact for further information.

Getting the right system in place for you is the first step to preparing for Making Tax Digital, and Hammock will ensure that you are MTD compliant.

We are also working hard to understand all the requirements of the new reporting timetable, and the impact this will have. This will be a huge change for a large number of our clients and we want to ensure that we help to make the transition as smooth as possible. HMRC is running a Pilot Programme from 6th April 2022 so we can start to submit returns in the new way for some of our clients. The Pilot Programme currently has very stringent criteria and we will be speaking to a number of clients who are eligible, to request permission to sign them up for the Pilot. This is a key part of our plan to prepare for MTD as it will give us two year full years of submissions before the new reporting regime becomes mandatory. During this time, we will be able to confirm all the actions that need to be taken prior to the first submission, test our systems and processes work efficiently to make timely submissions during the year, and understand how the interactions work between the different systems we and HMRC have for the final returns.

As more guidance is issued by HMRC and we refine our plans during the Pilot, we will provide further updates. In the meantime, if you have any further questions, please speak to our Digital Solutions team or your Monahans contact who will be happy to help.

## All your property finances in one place.

Hammock gives landlords notifications, reminders and alerts for all property-related payments and deadlines. You will have 24/7 access to your property finances and easy prompts to keep your books in order.

### How does it work?

All you need to do is add your properties and tenancies to Hammock, securely connect your bank account through Open Banking and leave the rest to us.



#### Banking

Hammock will help you identify, search and filter all transactions related to your rental properties in real-time, even if they spread across multiple bank account.

➤ No more spreadsheets  
or paper bank statements



#### Bookkeeping

Instant reconciliation of transactions and notifications on all property payments or arrears.

➤ Stay on top of any late  
or missing payments



#### Property Tax

Full visibility on your property tax statement to plan ahead and avoid any last minute surprise tax bills.

➤ Avoid the last minute  
tax filing rush



#### Insights

Real-time access to key metrics to track your buy to let investment. Profit and loss statements, loan to value ratio, rental yields, occupancy rates: our calculator does it all for you.

➤ Monitor your income and  
expenses anytime

## How do I access Hammock?

You can log in to Hammock from your desktop, laptop, table and mobile phone. Visit our website [here](#) and then download our mobile app from the [Apple Store](#) or [Google Play](#).

