

## Gemini Systems - HMRC Making Tax Digital (MTD) User Guide.

### Compliance with VAT Notice 700/22: Making Tax Digital for VAT

The Making Tax Digital rules apply from your first VAT period starting on or after 1 April 2019. A 'VAT period' is the inclusive dates covered by your VAT Return. [Source HMRC VAT Notice 700/22 revision 18 January 2019].

To meet this new regulatory notice, Gemini Systems have developed the MTD module. To compile the VAT returns in the finance system, allow for the uploading of manual VAT calculations from spreadsheet and complete return submissions via HMRC's MTD Api (Application Programming Interface).

The MTD module is compatible with both single and multi-company Evolution DX configurations.

#### Do your users know they need to subscribe to MTD?

Feedback suggests that some customers, who have MTD compliant software, are not aware that they still need to subscribe to Making Tax Digital to be able to submit an MTD VAT return. We would appreciate it if you would make clear in your products and guidance that unless they subscribe to the service they are not meeting their legal obligations under MTD.

It is also important to note that there are no plans to migrate customers, in bulk, after Apr 19 so they will still need to join the service. They can do this here:

<https://www.gov.uk/guidance/sign-up-for-making-tax-digital-for-vat>

[Source HMRC MTD Developer Update: March 2019].

#### Configuration.

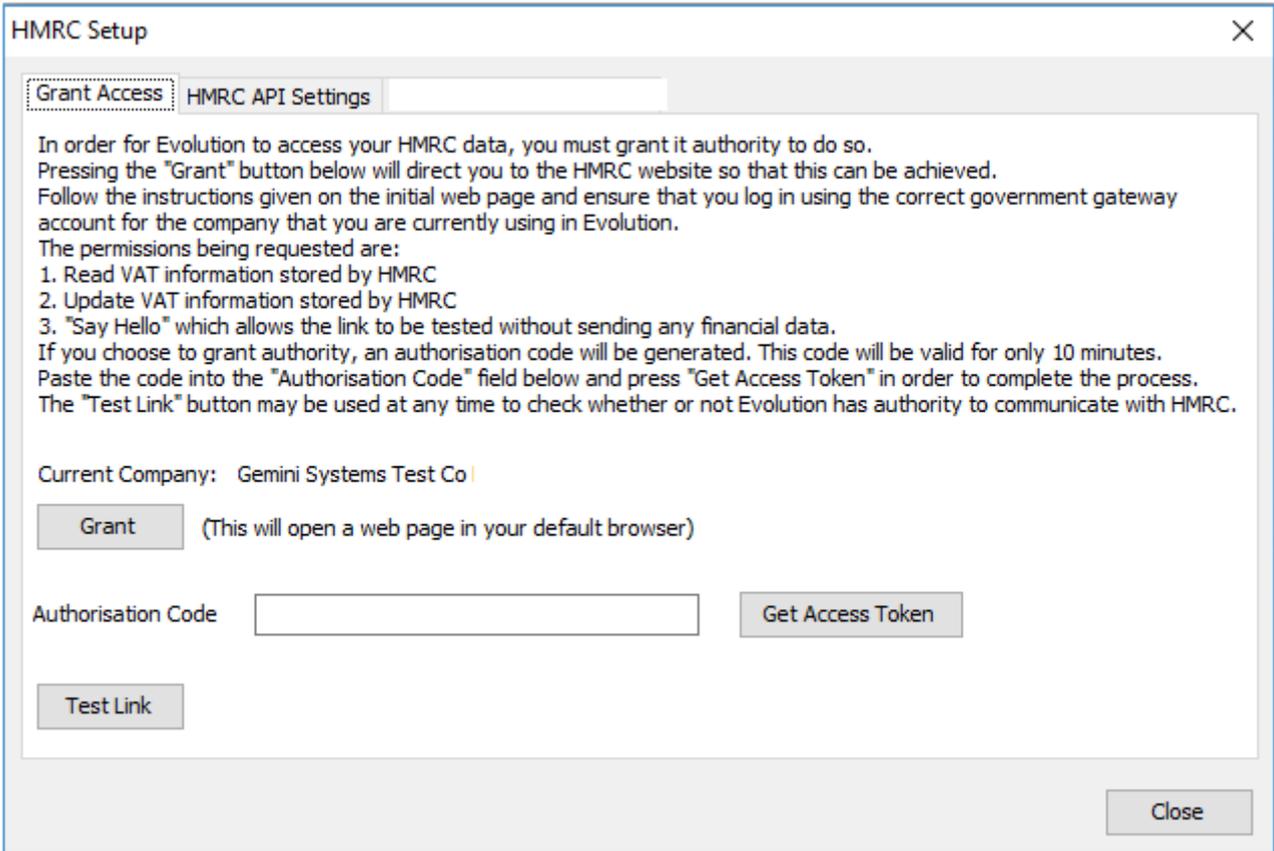
The *Accounts* menu in Evolution now includes *VAT Returns* and *HMRC Setup*. To enable access to these new additions, check the '*Allow access to VAT returns*' switch in general user privileges. This assumes the user also has Accounts Menu access privilege.

##### 1. HMRC Setup – grant access.

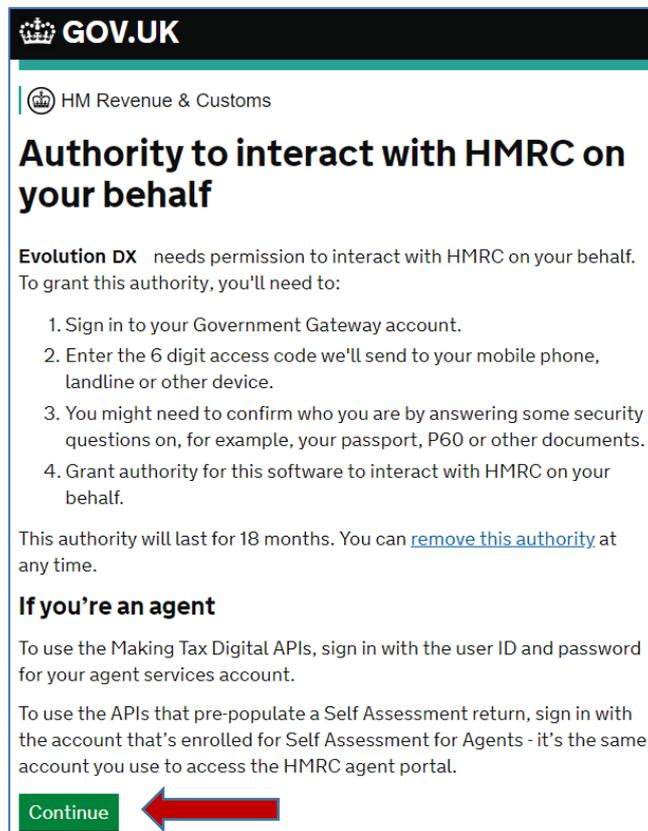
To enable submissions and replies with HMRC's api, you will need to grant access. Ensure the current company corresponds with your Government Gateway user information. You will need your gateway user and password credentials.

For multi-company setup, change to a Site, from the front screen, corresponding to each company.

(NB. When completing VAT returns in a multi-company environment, you must ensure the correct site/company is selected, as the VRN in financials is checked against, or the process will fail). This safety check will prevent misfiling.



Select **Grant** (This will open a web page in your default browser)



Select 'Continue'.

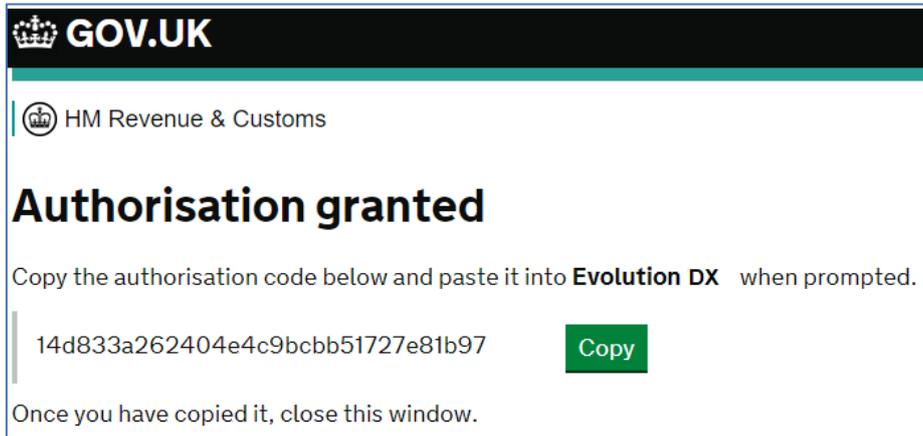
The screenshot shows the GOV.UK sign-in page for HM Revenue & Customs. At the top is the GOV.UK logo. Below it is the HM Revenue & Customs logo and name. The main heading is "Sign in". Below the heading is the instruction "Enter your User credentials to sign in." There are two input fields: "User ID" with the value "724304040138" and "Password" with masked characters. A green "Sign in" button is at the bottom.

Enter YOUR gateway details and sign in.

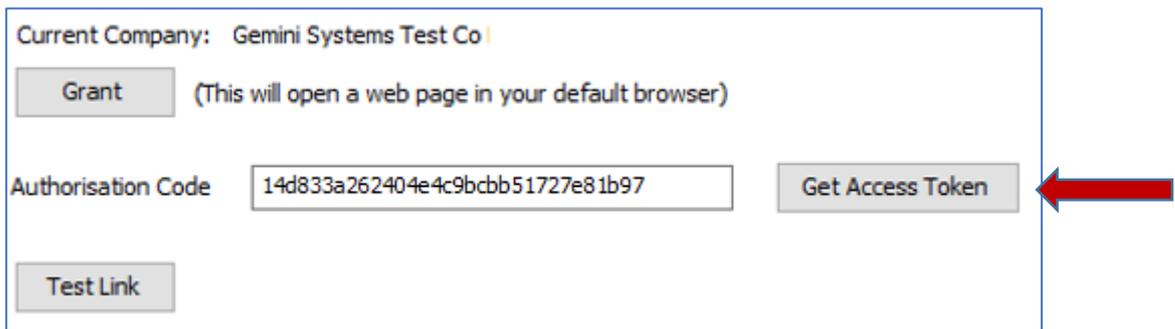
This will take you to 'grant Evolution DX authority to interact'

The screenshot shows the GOV.UK page for granting authority to interact with HMRC. At the top is the GOV.UK logo. Below it is the HM Revenue & Customs logo and name. The main heading is "Authority to interact with HMRC on your behalf". Below the heading is the text "The Evolution DX software application is requesting to do the following:" followed by a list of permissions: "Say Hello", "View your VAT information", and "Change your VAT information". Below the list is the text "It will be able to do the above for 18 months from when you grant authority." There are two buttons: a green "Grant authority" button and a blue "Do not grant authority" button. At the bottom is the text "You can [remove this authority\\_\(opens in a new tab\)](#) at any time."

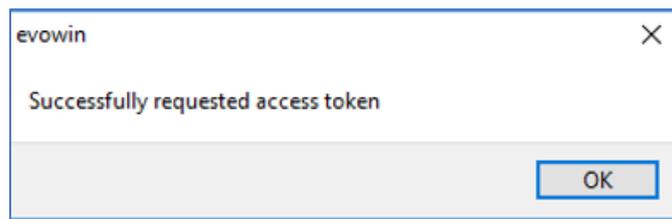
Select 'Grant authority'.



In Evolution DX, paste the copied authorisation code and select 'Get Access Token'.

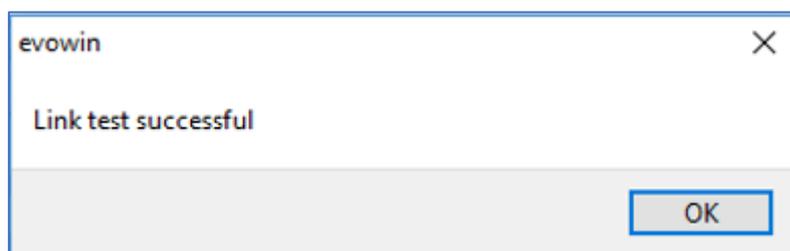


Confirmation of request.



If at this stage you receive an HTTP error, you will need to start the process from the gateway login again.

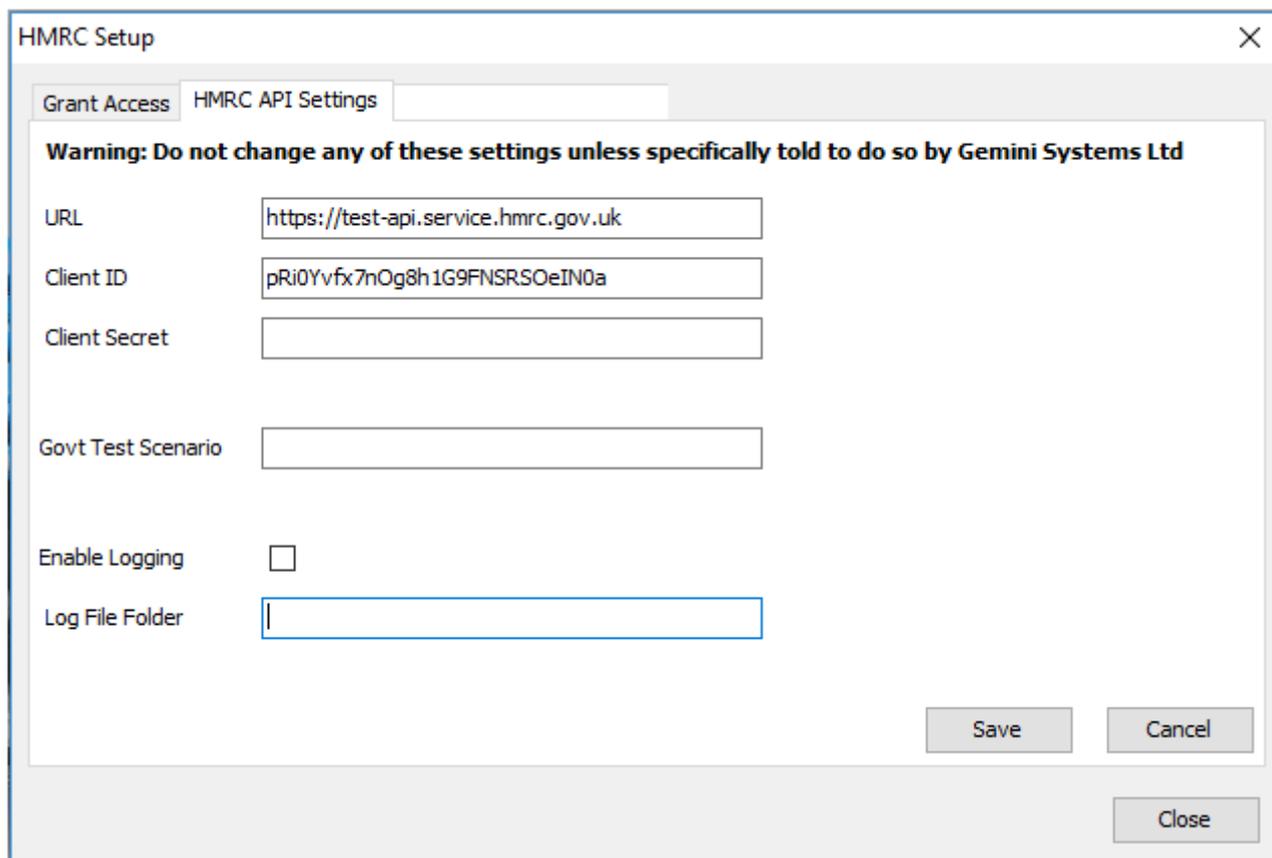
Test Link if required!



2. HMRC Setup – api settings.

These settings are only ever to be updated if requested by HMRC or Gemini Systems.

Should HMRC update any requirements directly with Gemini Systems, a member of support will contact you and implement any necessary changes using SQL scripts.



The image shows a software dialog box titled "HMRC Setup". It has a close button (X) in the top right corner. Below the title bar, there are two tabs: "Grant Access" and "HMRC API Settings", with the latter being selected. A warning message reads: "Warning: Do not change any of these settings unless specifically told to do so by Gemini Systems Ltd". The form contains several fields: "URL" with the value "https://test-api.service.hmrc.gov.uk", "Client ID" with "pRi0Yvfx7nOg8h1G9FNRS0eIN0a", "Client Secret" (empty), "Govt Test Scenario" (empty), "Enable Logging" (unchecked checkbox), and "Log File Folder" (empty). At the bottom right, there are three buttons: "Save", "Cancel", and "Close".

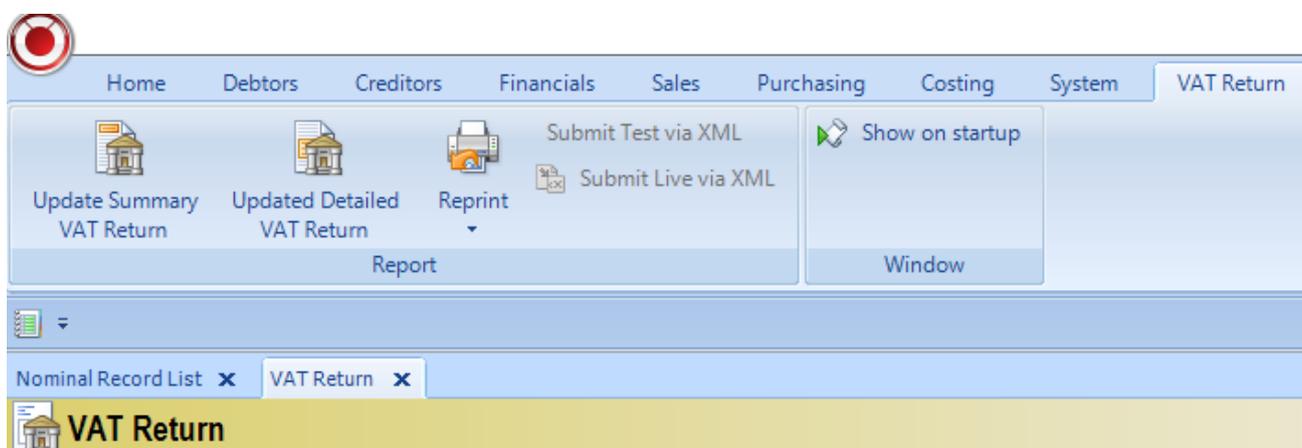
Once authorisation has been granted, the HMRC access token is valid for 18 months. If HMRC implement any changes to their API or there is a configuration change, the authorisation process may need to be completed again.

### Completing VAT returns.

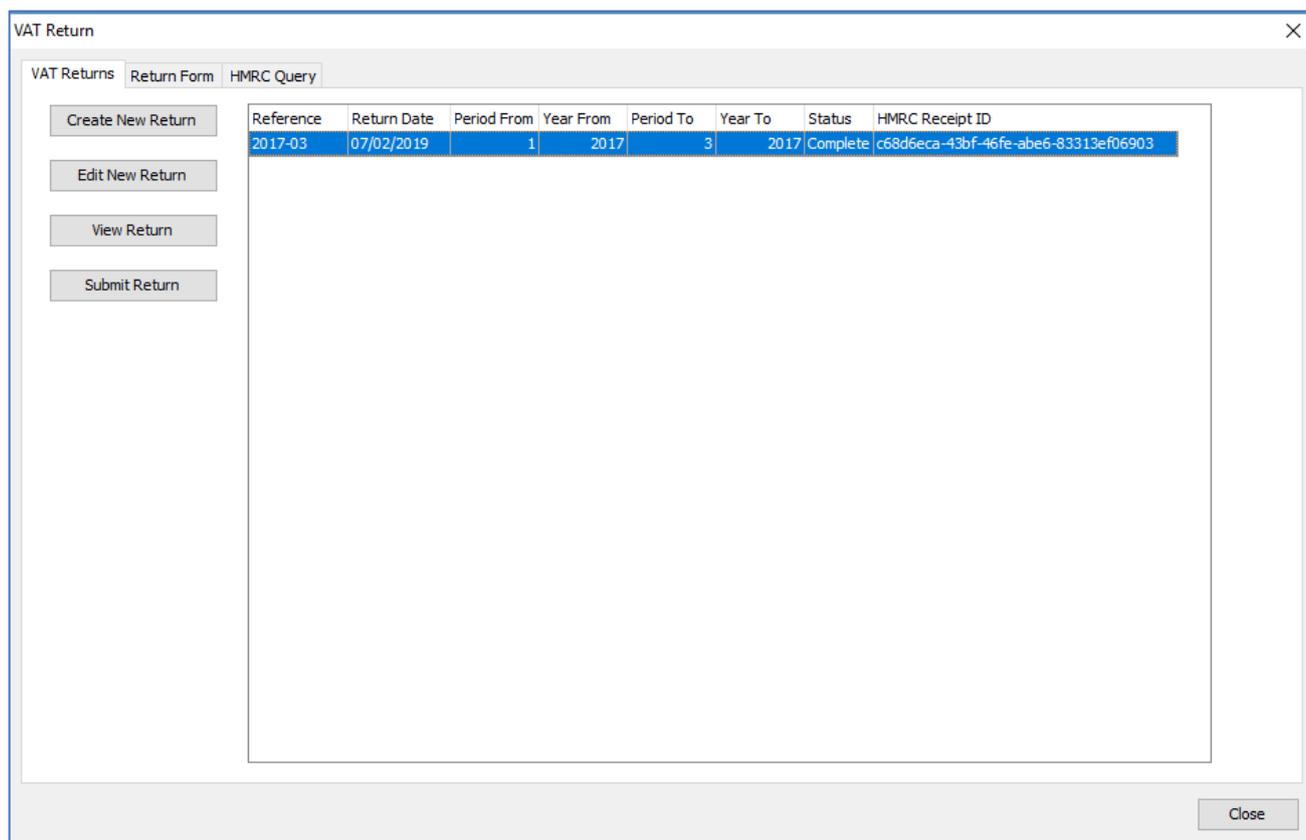
The MTD module will compile the return in Access Financials, complete and submit to HMRC.

Prior to carrying out the return process in Evolution, you can continue to run either Update Summary or Detailed VAT Returns for preview or export only. You will no longer use the PRINT function to complete the return in financials.

The reprinting of a completed return and all other VAT reporting will continue in Access Financials.



## VAT Return.



The vat return screen is set out over 3 tabs.

*VAT Returns*: - to create a new return, edit an unsubmitted return dates or reference, view (submitted or new) and submit. Once a return is submitted and receipted, it is no longer editable. The latter process also completes the return in financials.

*Return Form*: - displays the current return or a previous return selected on double click.

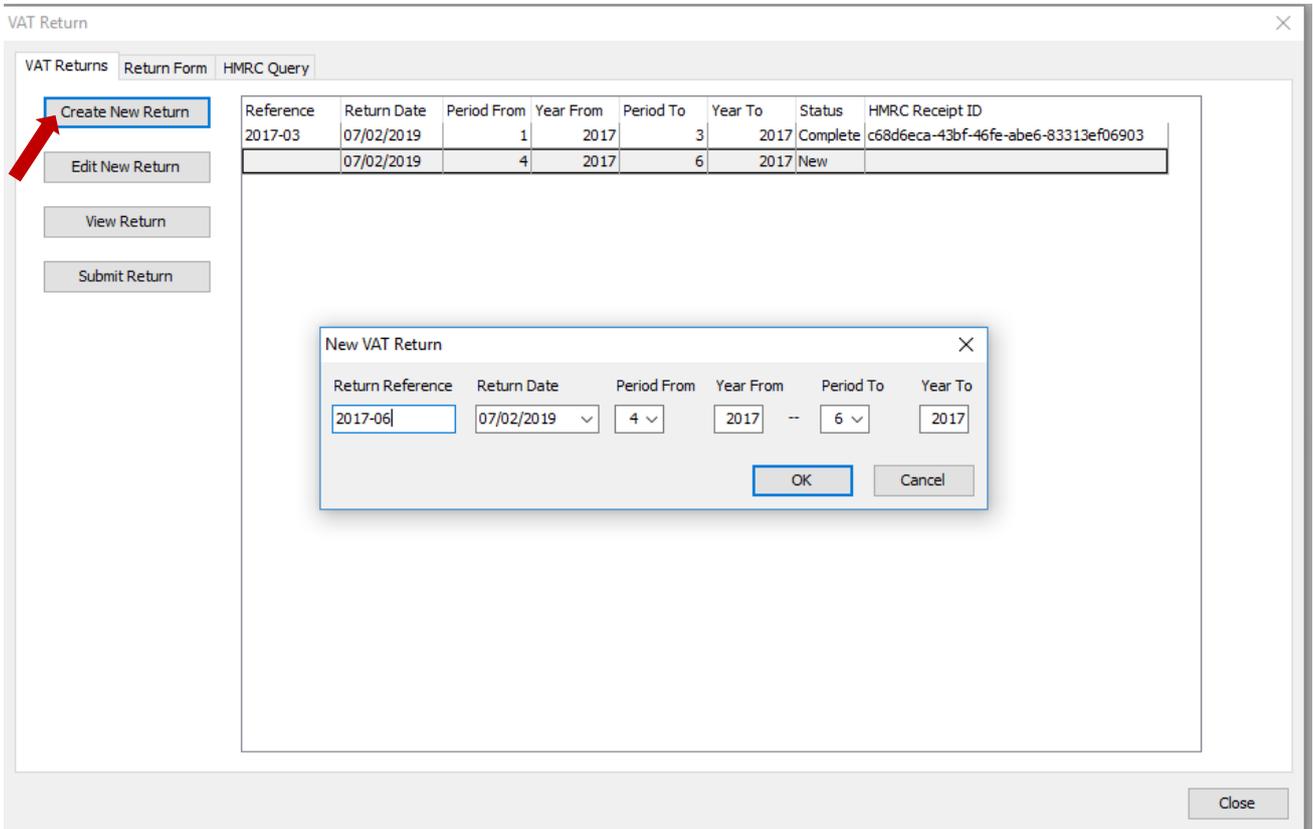
*HMRC Query*: - returns information from HMRC on vat return status, obligations, liabilities and payments.

### **Process:**

Assuming that all pre return checks and preview reporting completed.

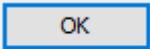
(Multi-company, ensure correct site / company selection in Evolution DX).

Create New Return.



In the dialog box, enter your return reference, date of return and the periods from and to. Periods are as per those configured as your financial periods ledger defaults.

(The dialog will prepopulate with the next period from and to from the last return submitted to HMRC).



Select *View Return* or double click on the line.

Return Form.

VAT Return

VAT Returns | Return Form | HMRC Query

Return Reference	Return Date	Period From	Period To	HMRC Receipt ID	HMRC Receipt Timestamp	HMRC Payment Indicator
2017-06	07/02/2019	04/2017 (01/07/2017)	06/2017 (30/09/2017)			

	Accounts	Import	Submission
Box 1: VAT due on sales and other outputs	Box 1: £475,407.52	Box 1: <input type="text"/>	Box 1: £475,407.52
Box 2: VAT due on acquisitions from EC members	Box 2: £0.00	Box 2: <input type="text"/>	Box 2: £0.00
Box 3: Total VAT due	Box 3: £475,407.52	Box 3: <input type="text"/>	Box 3: £475,407.52
Box 4: VAT reclaimed on purchases and other inputs	Box 4: £329,206.12	Box 4: <input type="text"/>	Box 4: £329,206.12
Box 5: Net VAT Due	Box 5: £146,201.40	Box 5: <input type="text"/>	Box 5: £146,201.40
Box 6: Total value of sales and other outputs ex VAT	Box 6: £5,242,115.00	Box 6: <input type="text"/>	Box 6: £5,242,115.00
Box 7: Total value of purchases and other inputs ex VAT	Box 7: £1,723,736.00	Box 7: <input type="text"/>	Box 7: £1,723,736.00
Box 8: Total value of supplies to EC members ex VAT	Box 8: £0.00	Box 8: <input type="text"/>	Box 8: £0.00
Box 9: Total value of acquisitions from EC members ex VAT	Box 9: £0.00	Box 9: <input type="text"/>	Box 9: £0.00

Refresh From Accounts      Import CSV      Delete Import

Close

Displays the return ref and date, from and to periods and dates, and if a submitted return, receipt id, timestamp and payment indicator from HMRC.

Boxes 1 to 9 under *Accounts* heading, populated with the return values as broken down on the financials return preview.

*Import* heading will display the results of any 'exceptional spreadsheet calculations' uploaded.

*Submission* is the total of *Accounts* and *Import*. These 1 to 9 values are those submitted to HMRC.

As part of HMRC's requirement, all values populating the returns module must have a digital journey. As such, no 1 – 9 box fields in either column can be edited.

Refresh From Accounts

Any adjustments made in financials covering an open returns period can be refreshed to reflect the changes in the *Accounts* column.

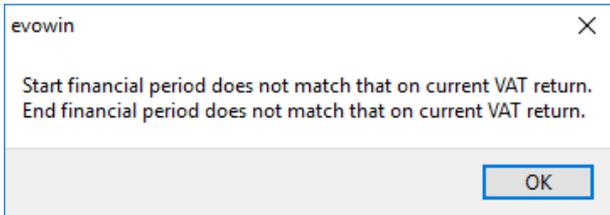
Import CSV

This will facilitate any VR calculations required but exist outside of normal financial operations.

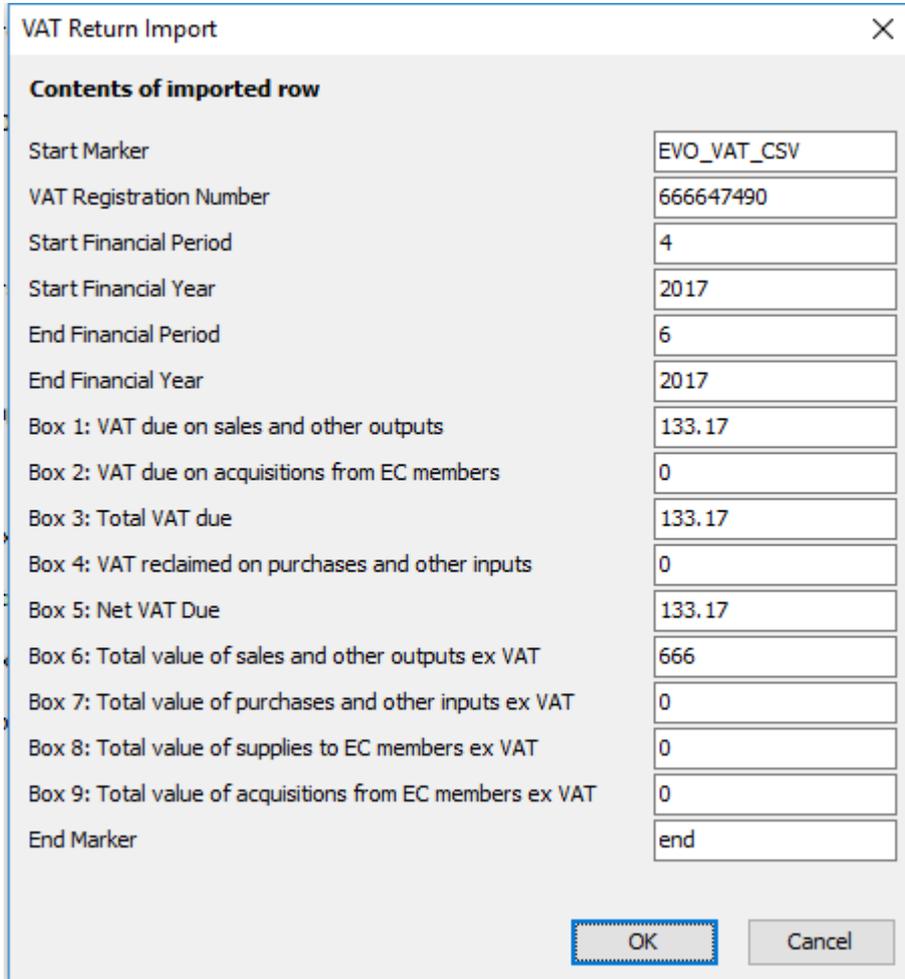
Providing these exceptional calculations are completed on or to a spreadsheet, they can be saved and imported as a csv file.

Click Import CSV to open the location of the csv file to import. On selection, there will be a conformity check on the VRN, periods / year and start and end markers.

An example error might be:

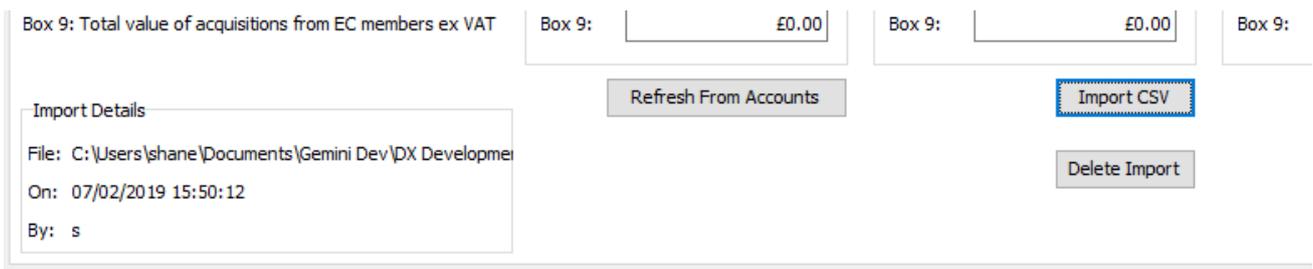


On a successful import, the following popup will be displayed.



On OK, the figures will be populated to the *Import* column and calculated to the *Submission* column.

Closing out of the return form will retain the figures. You can delete and reimport the csv at any time prior to submission. Note the Import Details box below. This forms part of the digital journey recording the imported file / location, date & time and user.

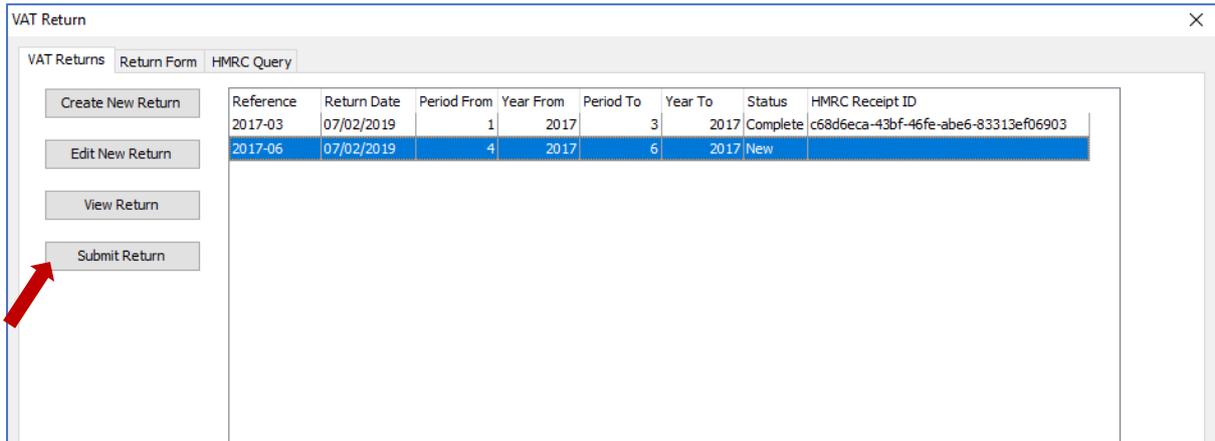


## Spreadsheet Example.

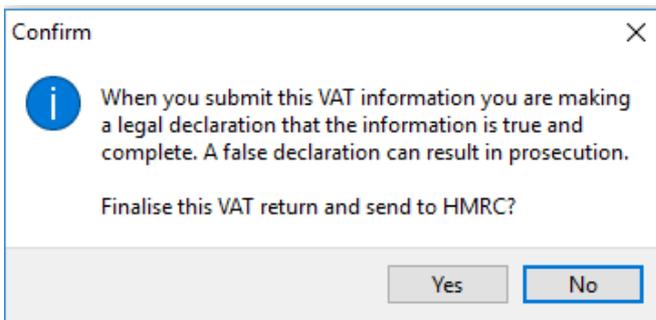
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
1	Example VAT return import																			
2					output	output ec	input	sales	purch	ec-sales	es-purch					Fuel Scale charges				
3	let's say we have some calcs		p10	201122	10111	9012	1054655	54655	456	101			or scale charges	Q1	133.17	665.83				
4			p11	987123	1234	587	6124778	4566	6546	202				Q2	133.17	665.83				
5			p12	124111	98712	45785	568988	874555	4577	303				Q3	133.17	665.83				
6				1312356	110057	55384	7748421	933776	11579	606				Q4	133.17	665.83				
7																				
8	The following is the row that will be imported:																			
9	start	VRN	From Per	Year	To Per	Year	Box 1	Box 2	Box 3	Box 4	Box 5	Box 6	Box 7	Box 8	Box 9	end				
10																				
11	EVO_VAT_CSV	666117528	10	2017	12	2017	133.17	0	133.17	0	133.17	666	0	0	0	end				
12																				
13																				
14	Explanation of the import Columns												Box 1	VAT due on sales and other outputs						
15	A: This is the start marker for the import row. It needs to be in column A and is needs to read "EVO_VAT_CSV"												Box 2	VAT due on acquisitions from EC members						
16	B: This is the VAT reg number. It must match that of the company being imported into												Box 3	1 + 2						
17	C/D: The start financial period. Must match that on the return being imported into												Box 4	VAT reclaimed on purchases and other inputs						
18	E/F: The end financial period. Must match that on the return being imported into												Box 5	Net VAT to be paid / reclaimed						
19	G thru O: Boxes 1 to 9												Box 6	Total value of sales and other outputs excluding VAT						
20	P: The end marker. Must read "End".												Box 7	Total value of purchases and other inputs excluding VAT						
21													Box 8	Total EC supplies						
22	This sheet must be saved as CSV (Comma delimited) before it can be imported.												Box 9	Toatl EC acquisitions						
23																				
24	It is possible to have workings on other sheets as long as the sheet with the import row is saved as CSV																			
25	NB. If using additional sheets, saving as a CSV will remove these. Save as xlsx and then save a copy as csv for upload.																			
26	Row 11 is not defaulted, as long as the row exists in sheet 1 in the format exempld that's fine. Only one return row can exist.																			
27																				

The highlighted row contains the fields that are captured to the csv import. Please note the prerequisites for a succesful import.

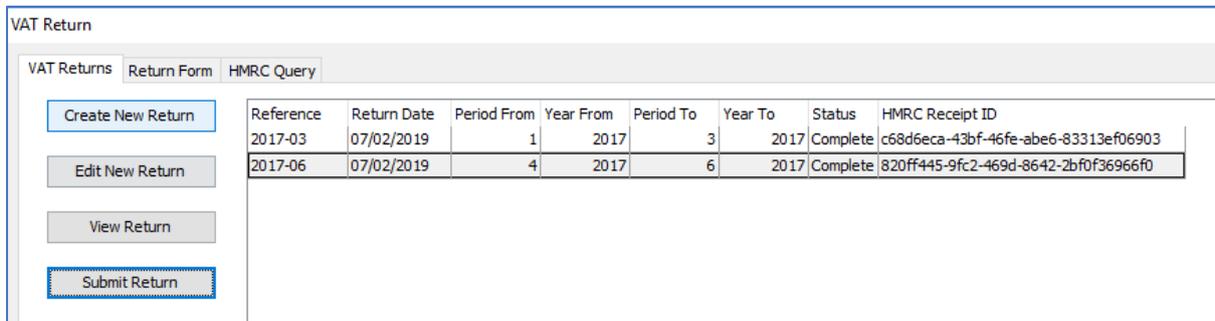
Submit.



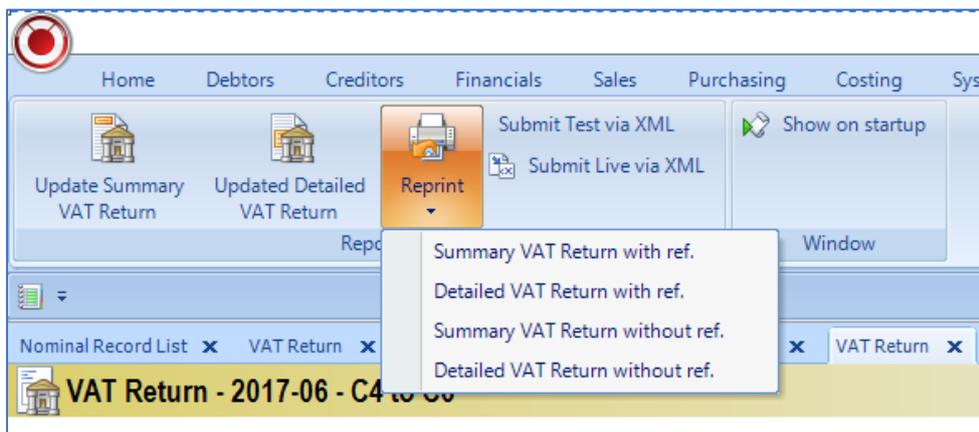
Once all checks completed and figures are agreed, submit.



HMRC's api will handshake with the authorisation token and check the VRN and return periods for the submission. On successful submission, receipt ID received. Submitted returns are stored for future reference and view.



In financials, you can now view that the submitted return is closed and available for reprinting with or without reference.



HMRC Query tab.

Here you can select to query HMRC on obligations...

Select obligations from the Query Type and *Submit Query*.

VAT Return

VAT Returns Return Form **HMRC Query**

From Date 08/02/2018 To Date 07/02/2019 Query Type Get VAT Obligations Submit Query

VAT Obligations

Start	End	Due	Status	Received
01/01/2017	31/03/2017	07/05/2017	Finalised	06/05/2017
01/04/2017	30/06/2017	07/08/2017	Finalised	06/08/2017
01/07/2017	30/09/2017	07/11/2017	Finalised	06/11/2017
01/10/2017	31/12/2017	07/02/2018	Open	

Show VAT Return

VAT period 01/07/2017 to 30/09/2017

VAT due on sales and other outputs 475,540.69

VAT due on acquisitions from EC members 0.00

Total VAT due 475,540.69

VAT reclaimed on purchases and other inputs 329,206.12

Net VAT Due 146,334.57

Total value of sales and other outputs ex VAT 5,242,781

Total value of purchases and other inputs ex VAT 1,723,736

Total value of supplies to EC members ex VAT 0

Total value of acquisitions from EC members ex VAT 0

VAT Liabilities

Period From	Period To	Type	Original	Outstanding	Due
Search not yet performed or no results to display					

VAT Payments

Received	Amount
Search not yet performed or no results to display	

Close

In VAT Obligations box, select a line and click *Show VAT Return*. These are the submitted figures.

Other queries include Liabilities and Payments as exemplified below. These exemplified figures are HMRC examples only and bear no reference to the test submission completed in the above walk through.

VAT Return

VAT Returns Return Form **HMRC Query**

From Date 08/02/2018 To Date 07/02/2019 Query Type Get VAT Payments Submit Query

VAT Obligations

Start	End	Due	Status	Received
01/01/2017	31/03/2017	07/05/2017	Finalised	06/05/2017
01/04/2017	30/06/2017	07/08/2017	Open	

Show VAT Return

VAT period 01/04/2017 to 30/06/2017

VAT due on sales and other outputs £15.00

VAT due on acquisitions from EC members £0.00

Total VAT due £15.00

VAT reclaimed on purchases and other inputs £0.00

Net VAT Due £0.00

Total value of sales and other outputs ex VAT £15.00

Total value of purchases and other inputs ex VAT £0.00

Total value of supplies to EC members ex VAT £0.00

Total value of acquisitions from EC members ex VAT £0.00

VAT Liabilities

Period From	Period To	Type	Original	Outstanding	Due
01/01/2017	05/04/2017	VAT Return Debit Charge	£463,872.00	£463,872.00	12/05/2017
01/04/2017	30/04/2017	VAT Return Debit Charge	£15.00	£0.00	09/06/2017
01/08/2017	31/08/2017	VAT CA Charge	£8,493.38	£7,493.38	07/10/2017
01/10/2017	01/12/2017	VAT OA Debit Charge	£3,000.00	£2,845.00	31/12/2017

VAT Payments

Received	Amount
07/10/2017	£1,000.00

Close