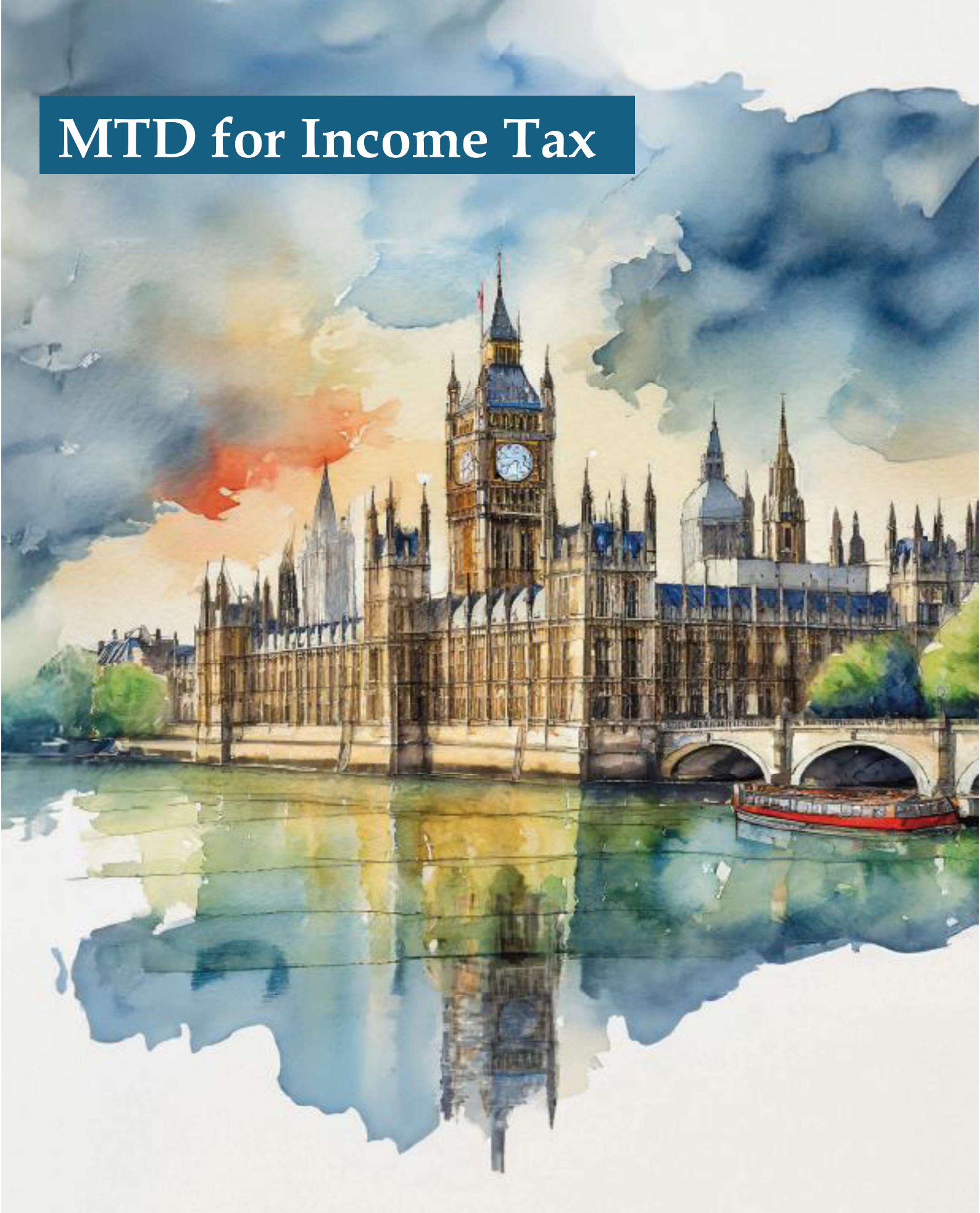


# MTD for Income Tax



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# Making Tax Digital for Income Tax: What Changes from 6 April 2026

**Making Tax Digital for Income Tax Self Assessment (MTD for ITSA)** represents a major shift in how self-employed individuals and landlords report their income. From **6 April 2026**, anyone with **qualifying income over £50,000** from self-employment and/or property must keep digital records and submit quarterly updates to HMRC using approved software.

This replaces the traditional once-a-year reporting model with a more frequent, digital-first system designed to reduce errors and give taxpayers a clearer view of their tax position throughout the year.

## Who Is Affected in 2026

You must follow MTD for ITSA from **6 April 2026** if:

- You are **self-employed**, a **landlord**, or both.
- Your **combined gross income** from these sources exceeds **£50,000**.

Thresholds will reduce to **£30,000 in April 2027** and **£20,000 in April 2028**, bringing more taxpayers into the regime.

## Quarterly Reporting Requirements

Under MTD, you must submit **four quarterly updates** each tax year. These updates summarise income and expenses for the period and must be submitted using HMRC-recognised software. They do **not** calculate your final tax bill – they are in-year summaries.

## Standard Tax-Year Quarters and Deadlines

Quarter	Period Covered	Submission Deadline
Q1	6 April – 5 July	7 August
Q2	6 July – 5 October	7 November
Q3	6 October – 5 January	7 February
Q4	6 January – 5 April	7 May

Quarterly updates must be submitted even if you have **no income or expenses** in the period.

## The Final Declaration Process

Quarterly updates alone do **not** finalise your tax position. After the tax year ends, you must complete:

### 1. End of Period Statement (EOPS)

This is where you make accounting adjustments, claim reliefs, and correct any provisional figures submitted during the year.

### 2. Final Declaration

This replaces the traditional Self Assessment tax return for those in MTD. You must submit your Final Declaration by **31 January** following the end of the tax year. The Final Declaration confirms:

- All income sources
- All adjustments
- Your final tax liability

Only after this submission is your tax position complete

## **Software Requirements**

HMRC requires all affected taxpayers to use **MTD-compatible software** to:

- Keep digital records
- Submit quarterly updates
- Submit the EOPS and Final Declaration

Using spreadsheets alone is not sufficient unless linked via approved bridging software.

## **Kershena Fairfax Limited: Ready for MTD**

**Kershena Fairfax Limited already has fully compliant MTD-compatible software in place**, ensuring clients can transition smoothly to the new reporting system. This includes:

- Digital record-keeping tools
- Automated quarterly update submission
- Support for EOPS and Final Declarations

Clients can therefore be confident that they are fully prepared for the 2026 changes and will remain compliant from day one.



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