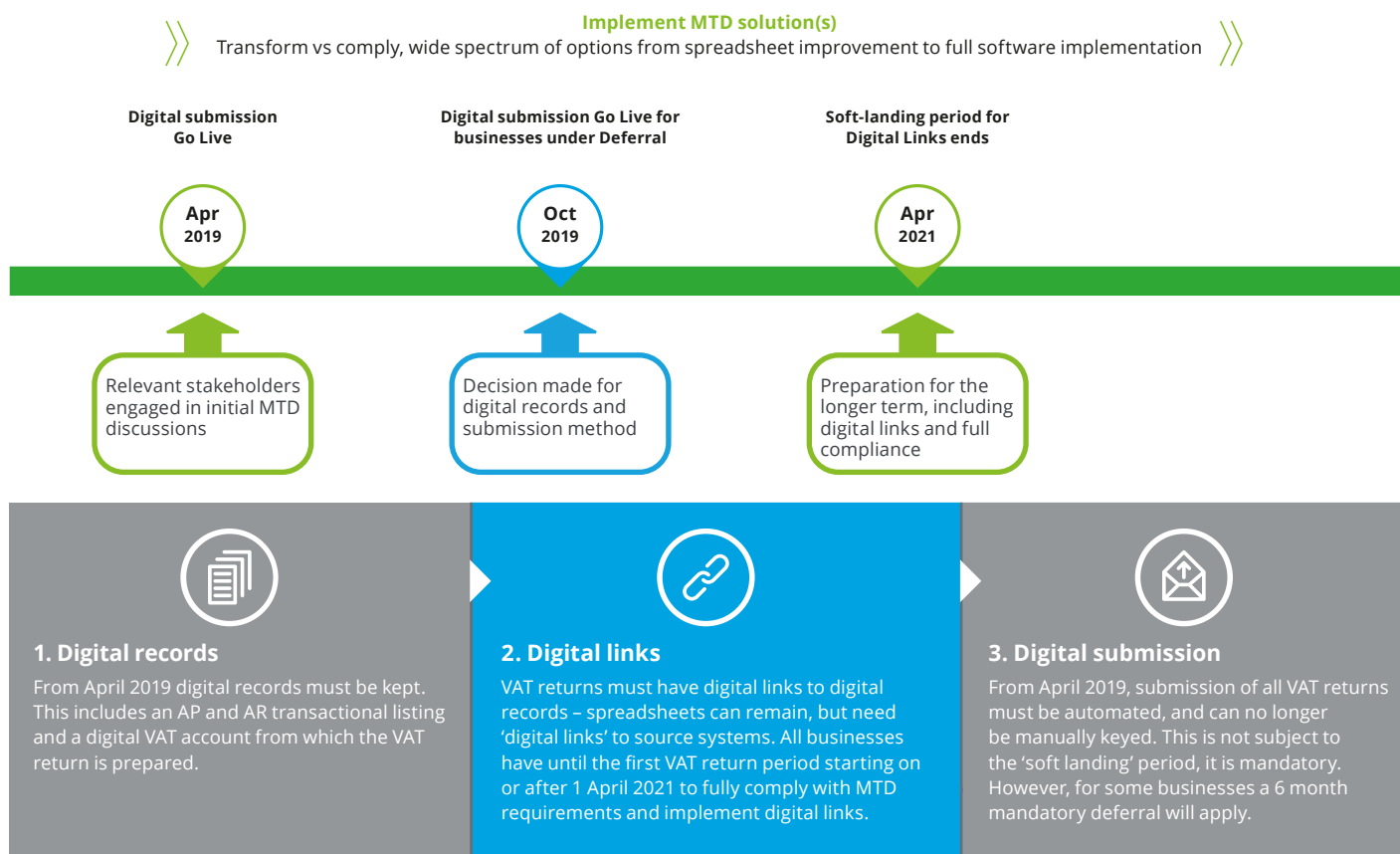


myInsight

Making Tax Digital for VAT – Digital links

The biggest challenge that HMRC's Making Tax Digital for VAT (MTDfV) rules pose to most businesses will be to satisfy the digital links requirement for April 2021. This also brings opportunity and possibilities for transformation. We offer a suite of services designed to help identify gaps, remediate and plan for the long term.

Typical Making Tax Digital Journey:

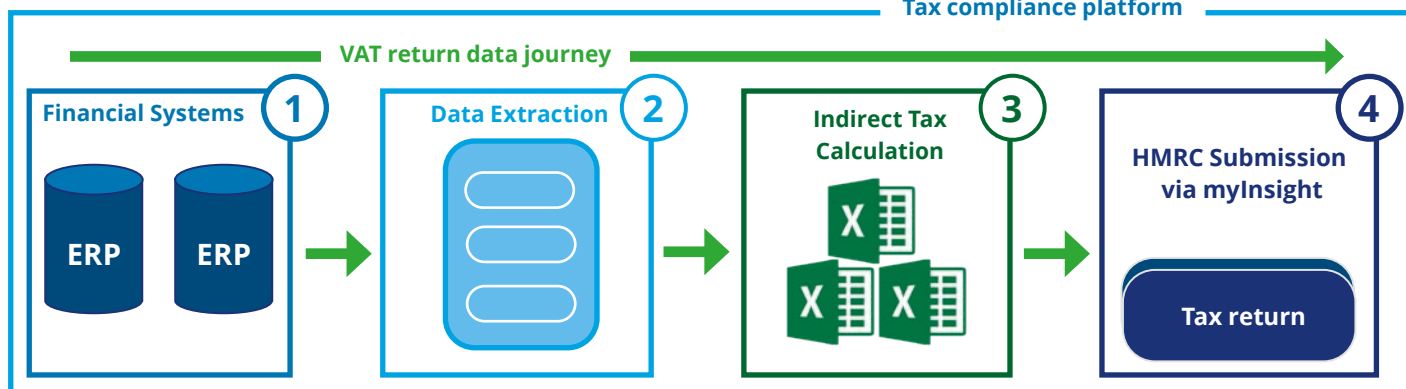


Digitisation of tax

MTDfV is set against the backdrop of a rapidly changing global tax environment, one where real time reporting requirements are becoming ever more commonplace, and the digitisation of tax is high on many tax authorities' agenda. As a result, many businesses are treating MTDfV as a catalyst for change to transform their UK and international Indirect Tax processes.

What do I need to do about digital links from April 2021?

From April 2021, Digital Links must exist between all programs that are used in your VAT compliance process. You cannot copy paste data between sources of data and you will need to automate the creation of the VAT return as far as possible.



How can we help?

1

Get data right the first time

Benefits:

Provide confidence in what is being pushed through the process



Get help on the most challenging area



Allows access to most calculation engines, potentially including your existing one



Getting data right first time is typically the most challenging part of the process. We have a variety of services that could help, including: ERP remediation and training that means data is right at source; data wrangling and collation tools that can get data in the right format; data cleansing and machine-learning enabled classification tools that makes sure the data is correct; and spreadsheet-based automation.

2

Extracting the right data

Benefits:

Reduces inefficiencies in your processes



Mitigates risk of non-compliance with digital links mandate; e.g. eliminating copying/pasting of data



Better control of flow of data



There are several ways to overcome challenges in extracting your data, and ensuring that the right data is extracted in a timely, non-disruptive manner. This includes the use of:

- Data wrangling and collation tools to get the data in the right format whilst auditing the changes made to the data
- Data cleansing and machine-learning enabled classification tools to ensure your data is correct at the point of extraction and;
- Spreadsheet based automation such as macros.

3

Automate calculation process

Benefits:

Use as a blueprint for other jurisdictions



Improve your existing process and keep costs down



Built-in vendor updates and potentially a wider ecosystem for other taxes



There are number of potential solutions here ranging from improving your existing spreadsheets to implementing third party software, and will depend on comply vs transform appetite, what shape your data is in at the start of process, and budget. Here it is important to choose an approach that fits with your process. We also offer training and visualisation services to ensure you are fully supported in your data automation journey.

4

Submission to HMRC via myInsight

Benefits:

Software used by Deloitte and clients to deliver 84,000 returns annually



Ability to easily change who does what, when



A standardised VAT compliance process across multiple jurisdictions



myInsight is Deloitte's collaborative tax compliance platform, with myInsight: Indirect Tax Compliance (ITC) underpinning all of Deloitte's indirect tax compliance services. Our platform is built to handle the increasing trend towards real-time reporting, and is a flexible web-based application that takes data in a variety of formats. Our software solution will allow you to meet the MTD digital links and digital submission requirements from one single platform.

Contacts

Demian de Souza

Partner

Email: dde Souza@deloitte.co.uk

Phone: +44 20 7303 3241

Chi Yip

Associate Director

Email: chiyip@deloitte.co.uk

Phone: +44 20 7007 7643

Shara Indrakumar

Associate Director

Email: sindrakumar@deloitte.co.uk

Phone: +44 20 7007 1902

* considered as part of digital submission

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