



1 SAGE

You can submit VAT returns direct from SAGE where you are on monthly subscription (and you download the updates) or older SAGE versions where you have bought the monthly/annual MTD subscription. For older SAGE versions, where you have not upgraded or purchased the MTD subscription, you can use bridging software (see below) to file your VAT return.

1.1 Submitting direct from SAGE:

1.1.1 Complete the VAT settings:

- In SAGE – Settings – Company preferences
- VAT tab
- Enter your Government Gateway ID and password in eSubmissions Credentials and complete eSubmissions Contact Details
- Tick the box 'Enable Making Tax Digital for VAT submissions
- OK

1.1.2 Prepare your VAT return

- Run the VAT return as normal
- Enter any adjustments
- Reconcile
- Submit online

1.2 Submitting using bridging software:

- Run the VAT return as normal
- Enter any adjustments
- Reconcile
- Print – select VAT Return and preview - run
- Report to excel
- Save the excel report
- Use bridging software to link to this excel report to submit the return

2 Excel

You can submit your VAT return from excel records using bridging software.

3 Excel Bridging software

This is a digital tool (incorporating relevant Making Tax Digital APIs) that is used to connect accounting software to HMRC systems, and allows the required VAT information to be reported digitally to HMRC, and for information to be sent digitally back to the business from HMRC. This will link to your excel or excel/CSV export from accounting software (eg SAGE/Xero/Quick Books where your current version will not file under MTD)

There are many products available <https://www.tax.service.gov.uk/making-tax-digital-software>. Many speakers are recommending the Excel VAT Filer from Absolute Accounting Software Ltd and we will be using this product. It costs £40+VAT per annum. Details and a video demonstration can be found at <http://www.absoluteexcelvatfiler.co.uk/pages/absolute-excel-vat-filer>