



HM Revenue
& Customs

Directions under regulations 3(3) to 3(6) and 5(3) of the Income and Corporation Taxes (Electronic Communications) Regulations 2003

The Commissioners for Her Majesty's Revenue and Customs give the following directions in exercise of the powers conferred by regulations 3(3) to 3(6) and 5(3) of the Income and Corporation Taxes (Electronic Communication) Regulations 2003 (SI 2003/282).

Interpretation

1. In these directions:

“the Management Act” means the Taxes Management Act 1970;

“the Regulations” means the Income and Corporation Taxes (Electronic Communications) Regulations 2003;

“approved digital certificate” means a digital certificate supplied by the Government Gateway in order to verify a user's identity.

“approved user ID” means a password-protected user ID supplied by the Government Gateway;

“the Commissioners” means the Commissioners for Her Majesty's Revenue and Customs;

“Government Gateway” means the secure online facility for accessing government services;

“HTTPS” means Hyper Text Transfer Protocol Secure (a standard protocol for the secure communication of data);

“the Making Tax Digital for Business service” means any service of that name which is offered through the Government Gateway;

“participant” means a person who chooses to subscribe to the Making Tax Digital for Business service, but who is not under any legal obligation to do so;

“relevant software” means a software program or set of compatible software programs the functions of which include:

(a) recording and preserving records in digital form;

(b) providing to the Commissioners, at regular intervals and in digital form through the Making Tax Digital for Business service:

- (i) information about a person's business (including information relevant to calculating profits, losses or income of the business);
- (ii) information reasonably required for the purpose mentioned in section 8(1) of the Management Act;
- (iii) a self-assessment within the meaning of section 9(1) of that Act; and
- (iv) a declaration as to the correctness and completeness of information provided to the Commissioners;

(c) receiving information from the Commissioners, in digital form, in connection with these matters;

“software end of year submission” means a submission, made using relevant software, which contains the information which a participant is required to provide to the Commissioners under section 8(1)(a) of the Management Act;

“software self-assessment” means a participant's self-assessment, within the meaning of section 9(1) of the Management Act, which is included in a software end of year submission;

“the specified matters” means:

- (a) a personal return under section 8 of the Management Act; and
- (b) a self-assessment under section 9 of the Management Act.

Authorisation of a participant to use electronic communications for delivery to the Commissioners of the specified matters

2. A participant is permitted to use electronic communications for delivery to the Commissioners of the specified matters, provided that:

- (a) the participant uses the approved method of electronic communication, as specified by direction 3;
- (b) the participant uses the approved method of authenticating the participant's identity, as specified by direction 4;
- (c) the participant uses the approved method of authenticating the information delivered, as specified by direction 5;
- (d) the information sent is in the approved form, as specified by direction 6; and
- (e) the participant maintains records as specified by direction 7.

3. The approved method of electronic communication for delivery by a participant to the Commissioners of the specified matters is delivery using relevant software.

4. The approved method of authentication of a participant's identity is the use of an approved user ID or an approved digital certificate.
5. The approved method of authenticating a participant's information is the use of HTTPS.
6. The approved form of delivery by a participant to the Commissioners of:
 - (a) a personal return under section 8 of the Management Act, is a software end of year submission;
 - (b) a self-assessment under section 9 of the Management Act, is a software self-assessment.
7. A participant is required to maintain, for the period beginning with the date of the delivery to the Commissioners of the specified matters (see direction 8) and ending on the 31st January in the sixth calendar year following the end of the tax year to which the software end of year submission relates, a copy (in electronic or paper form) of the software end of year submission.

Deemed date of delivery to the Commissioners of the specified matters

8. The specified matters shall be treated as having been delivered by a participant to the Commissioners at the time at which the participant's software end of year submission is recorded, on an official computer system, as having been received by the Commissioners.

Commencement

9. These directions come into force on 16th March 2018.

Jim Harra

Nick Lodge

Two of the Commissioners for Her Majesty's Revenue and Customs

Date: 8 March 2018