

The Thomson Reuters Making Tax Digital Deferral Opinion Survey



Notes to Editors

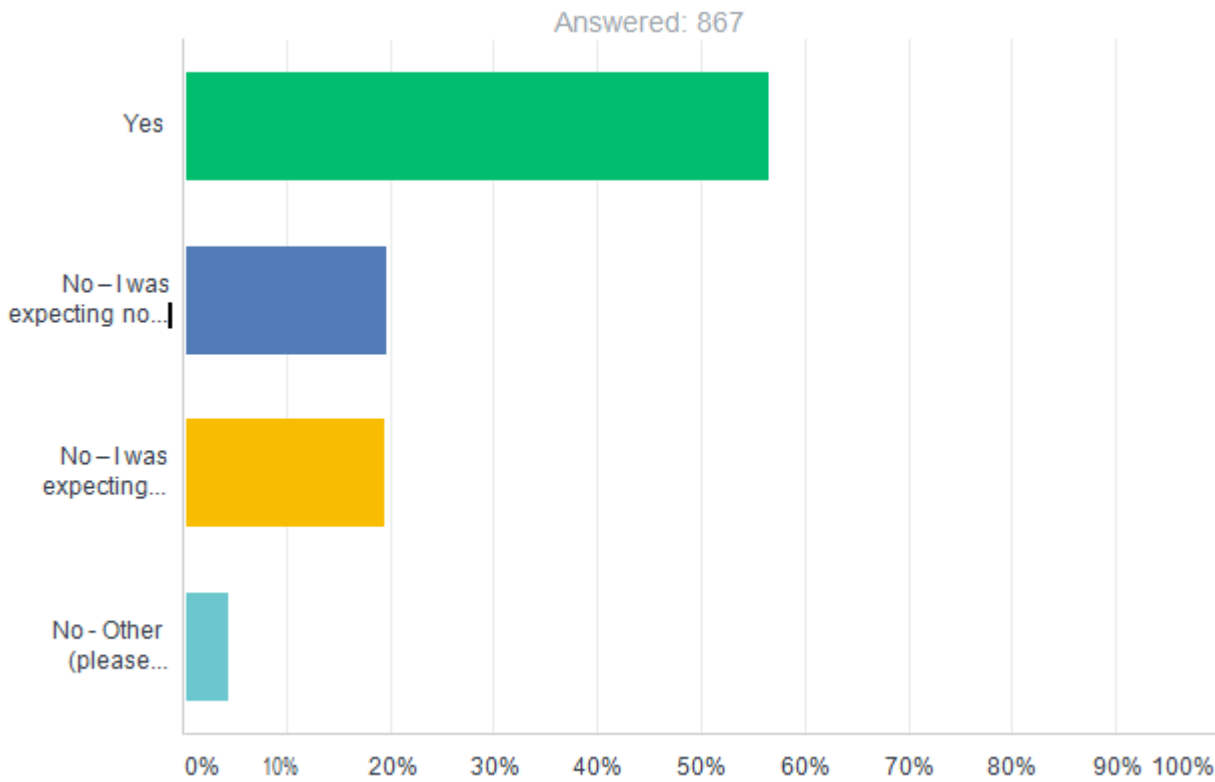
867 UK accountants took part in the Thomson Reuters survey, which ran from the 23 July to 1 August 2017.

Results:

- 57% of accountants said the announcement to defer MTD was in line with their expectations, 20% were expecting no change with 19% had been expecting the deferral of income tax to 2019.
- 86% of accountants agreed that the Government has made the right decision to delay MTD. Only 5% disagreed, with 9% saying it is too early to tell.
- 83% of accountants agree with the deferral of quarterly reporting for income tax from April 2018 to April 2010. 10% answered no and 7% were unsure.
- 61% agreed digitising the tax system is the right approach, 27% disagreed and 12% didn't know.
- When asked for their opinion on quarterly reporting being changed to optional for those businesses below the VAT registration threshold, 49% agreed that these businesses should be out of the scope of quarterly reporting, 28% thought these businesses should be encouraged. In contrast, 7% thought all businesses should be included by April 2010 and 13% agreed all businesses should be included, but with a phased approach.
- 29% of accountants think quarterly reporting offers efficiencies, 53% disagreed, and 18% were unsure.
- 63% think quarterly reporting is inevitable for all businesses in the future. 22% disagreed and 15% were unsure.
- When asked what their current plans were for supporting MTD quarterly reporting, 47% are continuing with preparation, 35% are going to revisit the requirements next year, 12% will revisit when VAT goes live in 2019.
- Ahead of the recent MTD deferral announce, 48% of firms had taken steps to prepare for MTD, 45% had not taken any steps but planned to and 7% had not taken steps and had no plans to.
- Of those taking steps:
 - 77% had assessed software
 - 71% had assessed clients
 - 62% internal staff meeting
 - 56% reviewed service offering
 - 55% had assessed processes.
- 70% of those who had already taken steps to prepare, say it has highlighted areas of focus for the future.

Question 1

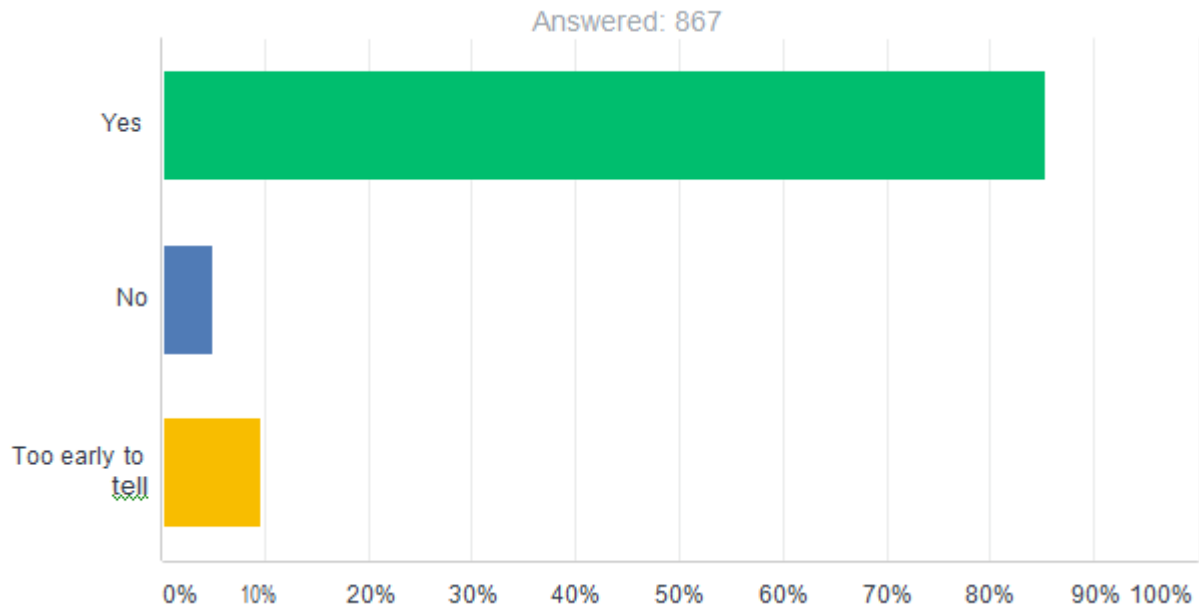
IS THE ANNOUNCEMENT IN LINE WITH YOUR EXPECTATIONS?



Answer Choices	Responses	
Yes	57%	490
No – I was expecting no change to the timetable	20%	171
No – I was expecting deferral of Income Tax to 2019	19%	168
No – Other (please specify)	4%	38
Total		867

Question 2

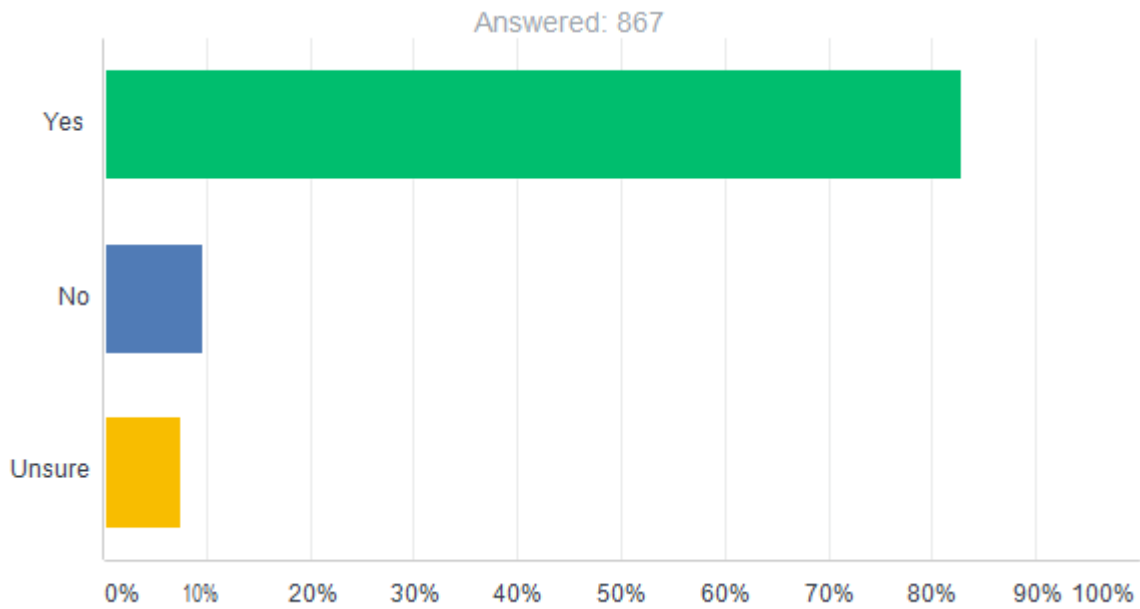
HAS THE GOVERNMENT MADE THE RIGHT DECISION TO DELAY MTD?



Answer Choices	Responses	
Yes	86%	740
No	5%	43
Too early to tell	9%	84
Total		867

Question 3

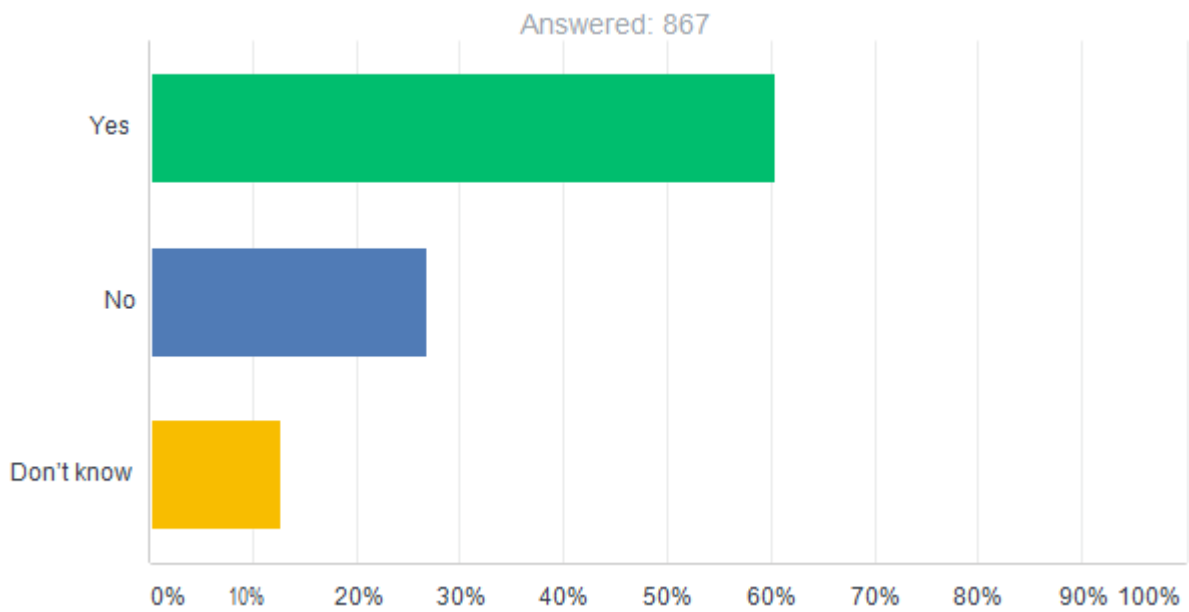
DO YOU AGREE WITH THE DEFERRAL OF QUARTERLY REPORTING FOR INCOME TAX FROM APRIL 2018 TO APRIL 2020?



Answer Choices	Responses	
Yes	83%	718
No	10%	84
Unsure	7%	65
Total		867

Question 4

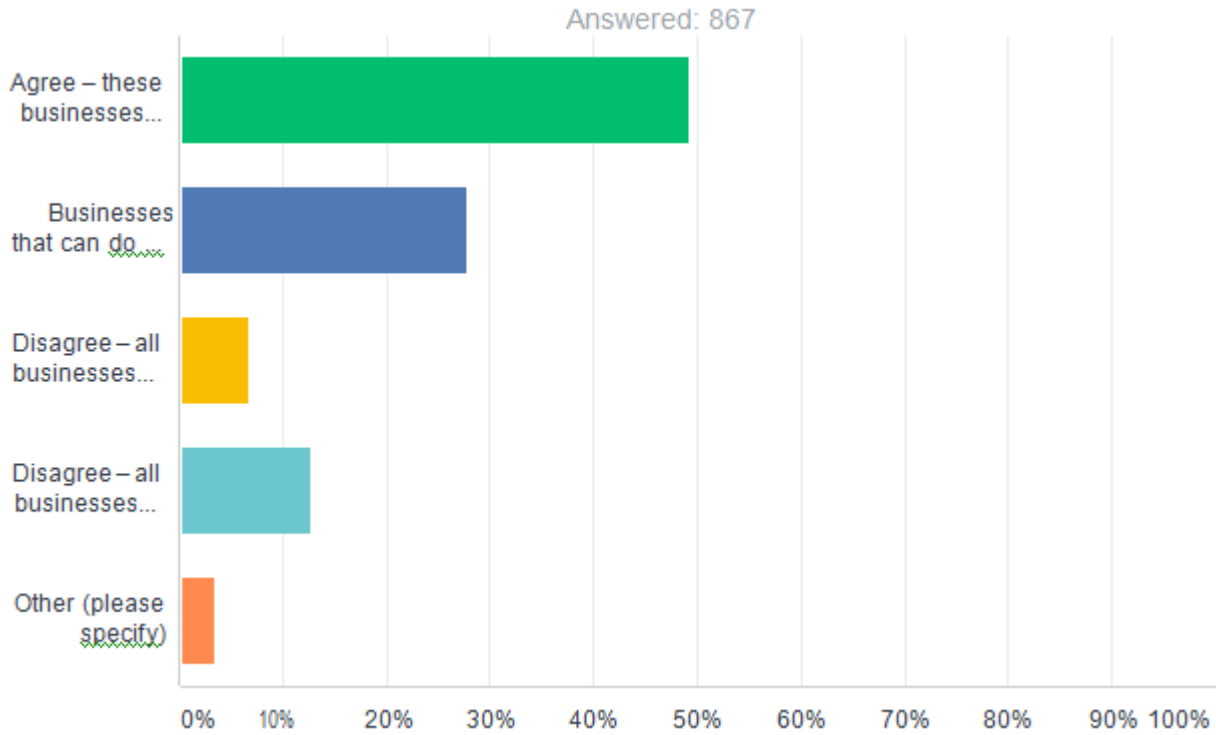
DO YOU AGREE DIGITISING THE TAX SYSTEM IS THE RIGHT APPROACH?



Answer Choices	Responses	
Yes	61%	524
No	27%	233
Don't know	12%	110
Total		867

Question 5

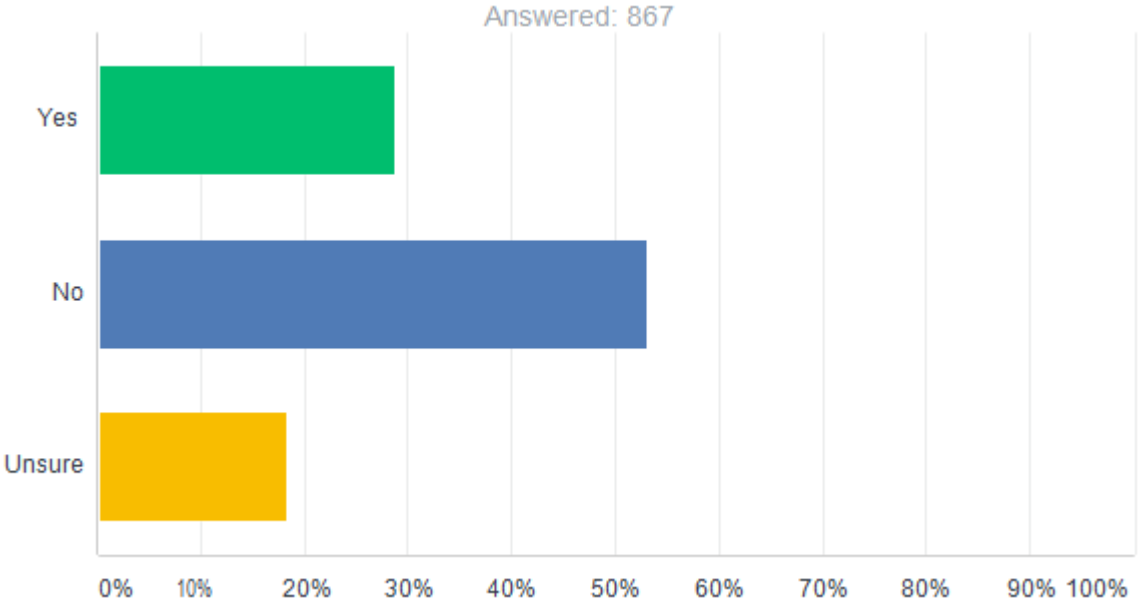
FOR THOSE BUSINESSES BELOW THE VAT REGISTRATION THRESHOLD, QUARTERLY REPORTING IS CURRENTLY DESCRIBED AS OPTIONAL. WHAT IS YOUR OPINION ON THIS?



Answer Choices	Responses	
Agree – these businesses should be outside scope of quarterly reporting	49%	427
Businesses that can do it should be encouraged (e.g. optional but tax discount offered)	28%	242
Disagree – all businesses should be included by April 2020	7%	58
Disagree – all businesses should be included, but a phased approach over a number of years	13%	111
Other (please specify)	3%	29
Total		867

Question 6

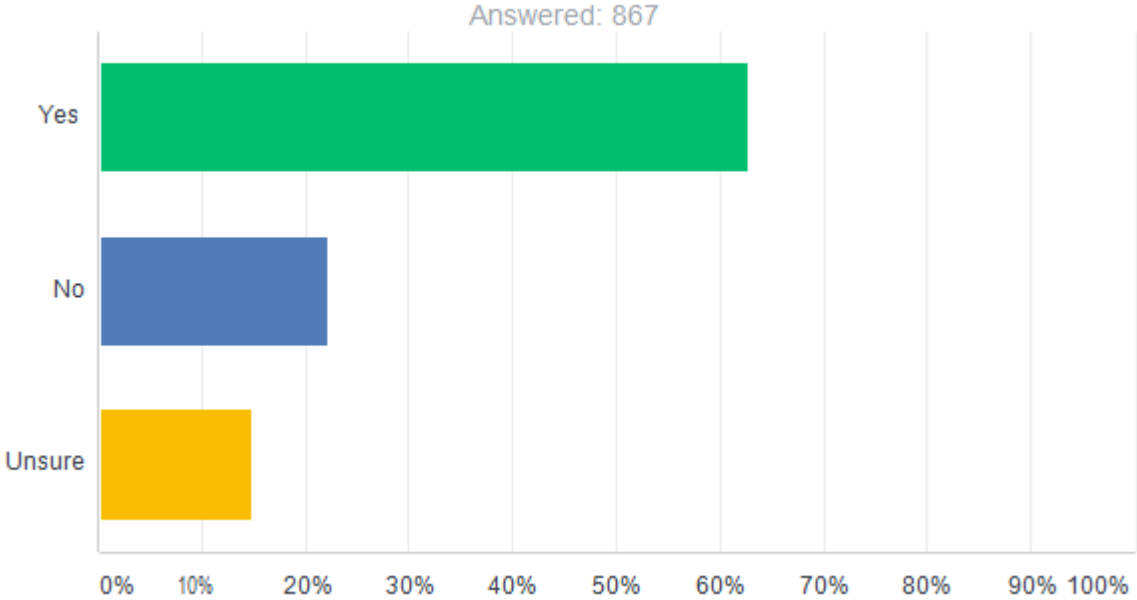
DO YOU THINK QUARTERLY REPORTING OFFERS EFFICIENCIES?



Answer Choices	Responses	
Yes	29%	248
No	53%	461
Unsure	18%	158
Total		867

Question 7

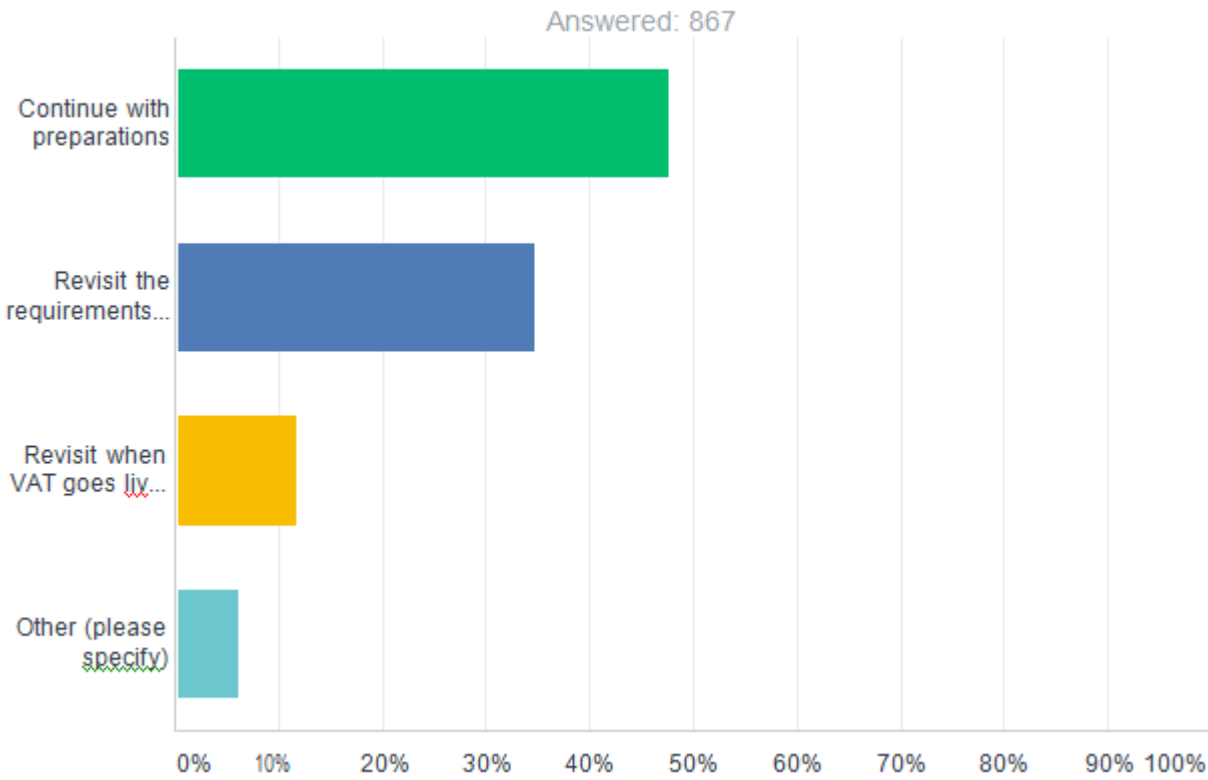
DO YOU THINK QUARTERLY REPORTING IS INEVITABLE FOR ALL BUSINESSES IN THE FUTURE?



Answer Choices	Responses	
Yes	63%	545
No	22%	193
Unsure	15%	129
Total		867

Question 8

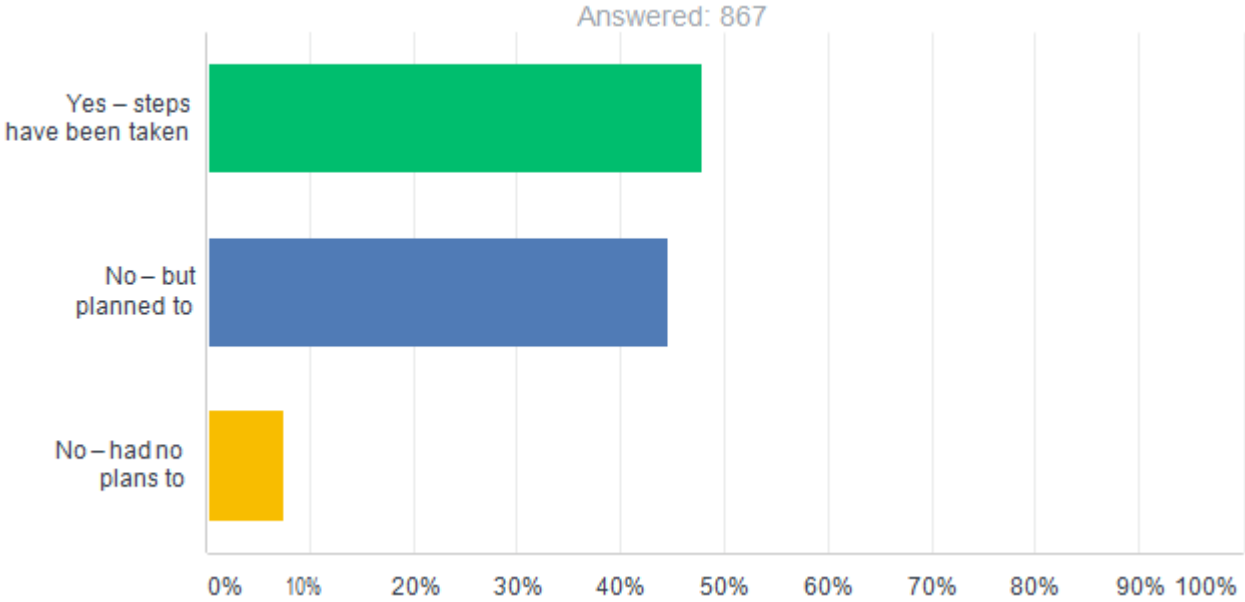
WHAT ARE YOUR CURRENT PLANS FOR SUPPORTING MTD QUARTERLY REPORTING?



Answer Choices	Responses	
Continue with preparations	47%	413
Revisit the requirements next year	35%	301
Revisit when VAT goes live in 2019	12%	101
Other (please specify)	6%	52
Total		867

Question 9

HAD YOUR FIRM TAKEN STEPS TO PREPARE FOR MAKING TAX DIGITAL IN THE RUN UP TO THE EXPECTED 'GO LIVE' IN APRIL 2018?

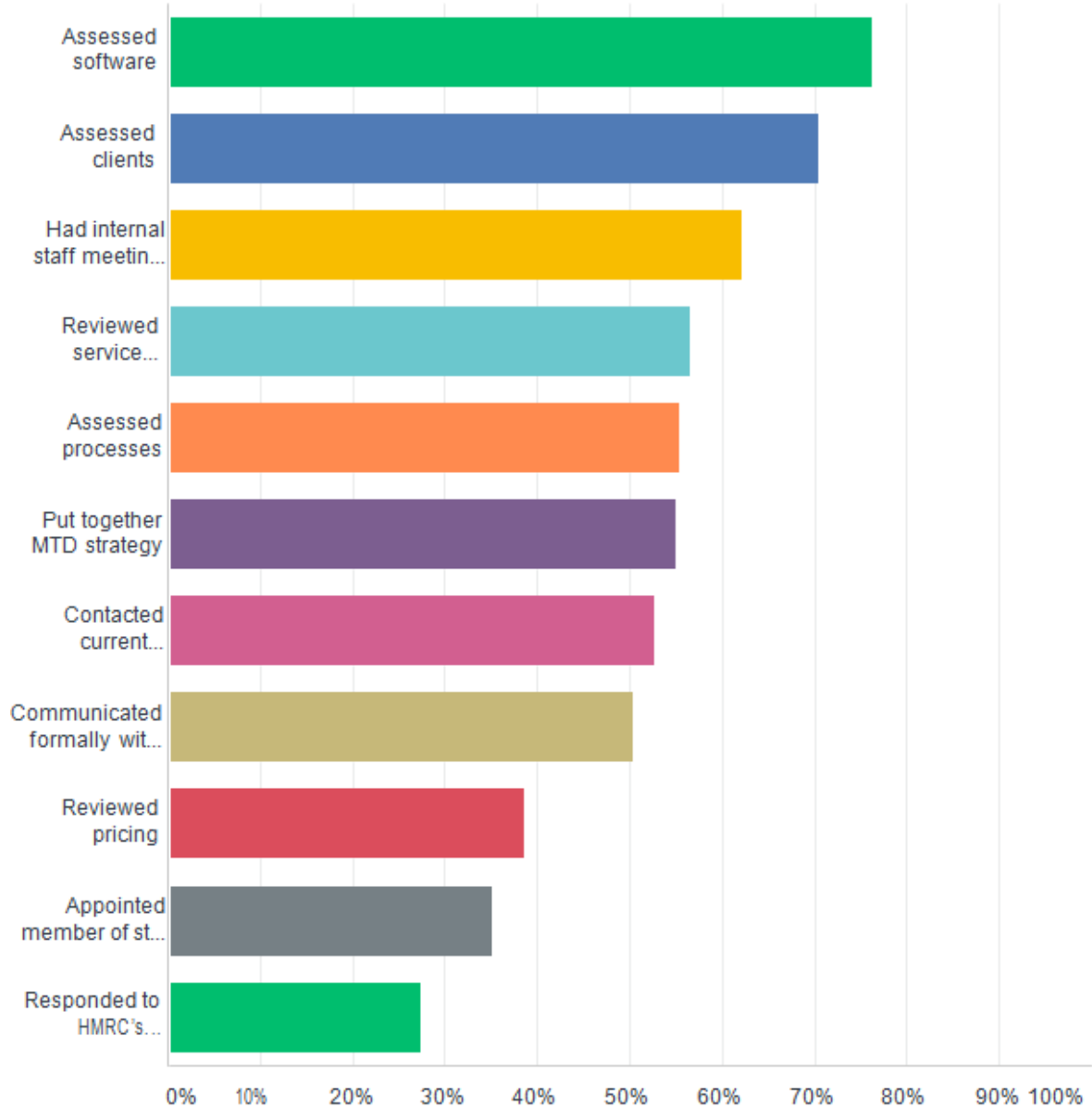


Answer Choices	Responses	
Yes – steps have been taken	48%	414
No – but planned to	45%	387
No – had no plans to	7%	66
Total		867

Question 10

AHEAD OF THE RECENT ANNOUNCEMENT, WHICH OF THESE MEASURES HAD YOU TAKEN IN PREPARATION FOR MAKING TAX DIGITAL? SELECT ALL THAT APPLY.

Answered: 402

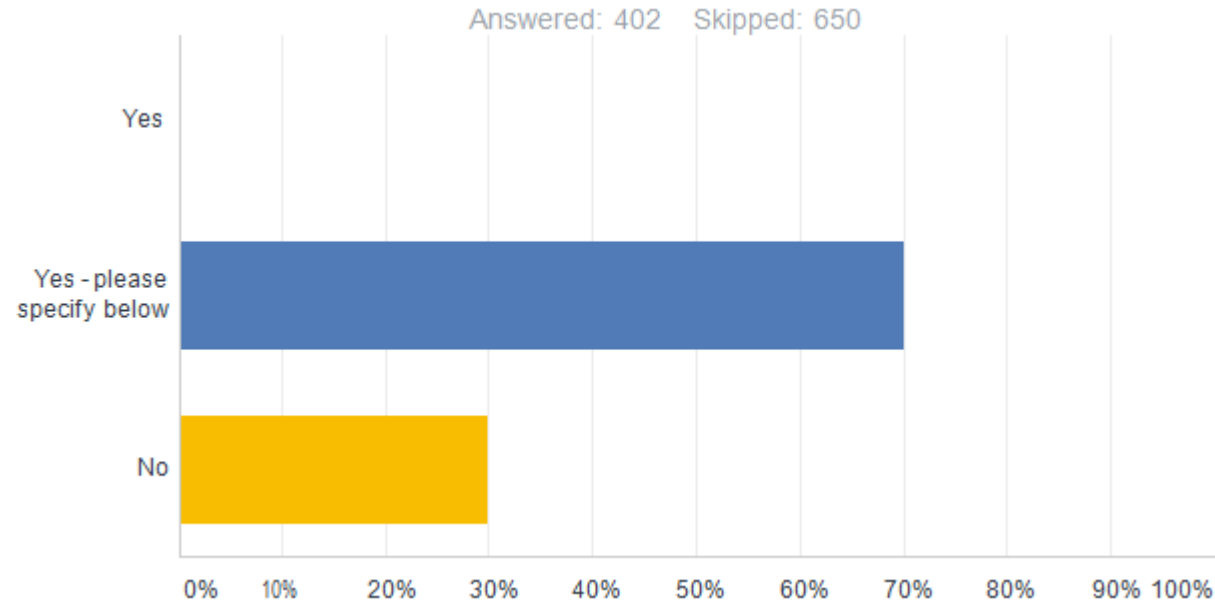


Answer choices on the following page.

Answer Choices	Response	
Assessed software	77%	307
Assessed clients	71%	283
Had internal staff meetings on MTD	62%	250
Reviewed service offering	56%	227
Assessed processes	55%	223
Put together MTD strategy	55%	221
Contacted current software vendor	52%	212
Communicated formally with clients	51%	203
Reviewed pricing	39%	155
Appointed member of staff responsible for MTD strategy	35%	141
Responded to HMRC's consultations	27%	110
Total	867	

Question 11

HAVE THESE PREPARATIONS FOR MAKING TAX DIGITAL HIGHLIGHTED ANY AREAS OF FOCUS FOR THE FUTURE (E.G. CLIENT TRAINING, ADOPTING NEW TECHNOLOGIES, ETC)?



Answer Choices	Responses	
Yes - please specify below	70%	282
No	30%	120
Total		402

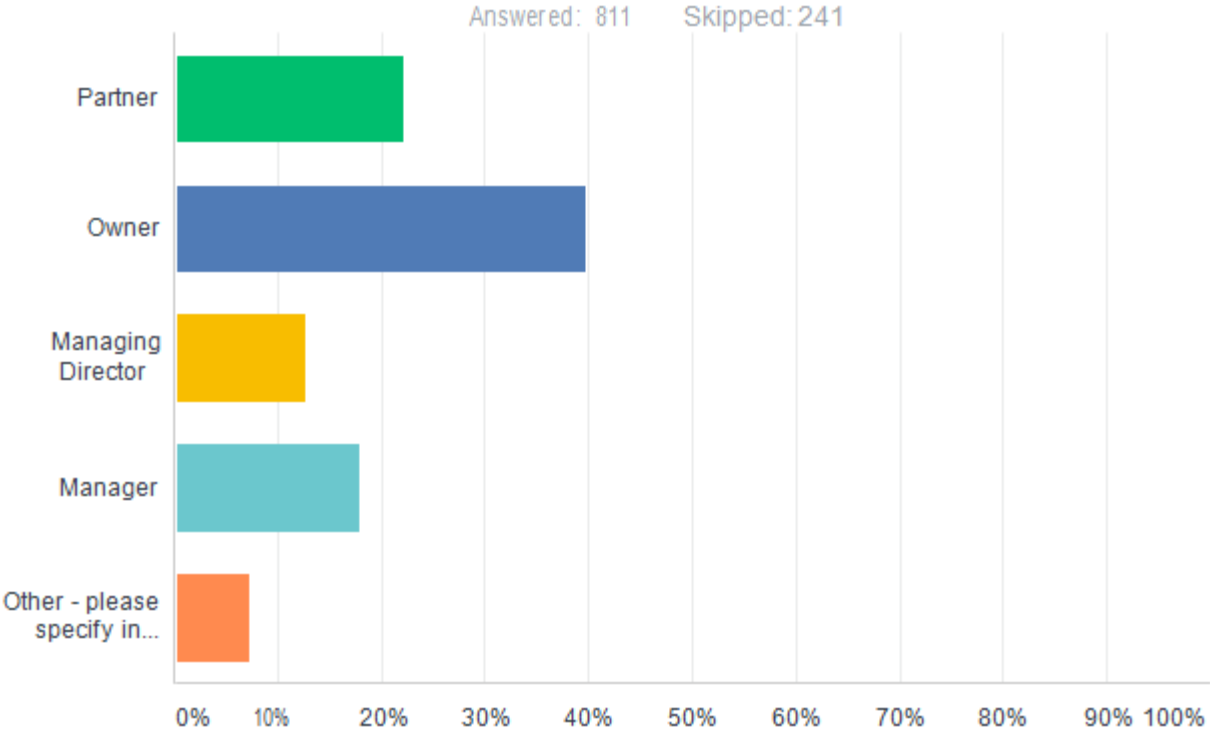
YES PLEASE SPECIFY BELOW:

Answered: 402 Skipped: 650

Going Internal Procedures Practice Opportunities
 Getting Clients Book HMRC Efficient
 Bookkeeping Key MTD Firm Software
 Pricing Client Training Bring
 New Technologies Manual
 Client Education New Systems
 Cloud Accounting Cope Services Ready Xero
 Deal with Quarterly Offer

Question 12

WHAT IS YOUR JOB ROLE?



Answer Choices	Responses	
Partner	22%	180
Owner	40%	322
Managing Director	13%	104
Manager	18%	146
Other	7%	59
Total		811

Contact Details

FOR INFORMATION RELATING TO THIS SURVEY, PLEASE CONTACT:
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