

MTD: It's my way or the highway

Tony Margaritelli wonders whether HMRC's decision to mandate MTD is fair to all taxpayers

I read a recent post on X (formerly Twitter) concerning an elderly lady who struggles with technology, especially parking apps.

The poster said: "All she wants to do is put her car in a space for a couple of hours and pay. She does not want to sign up for a new app. She does not want to verify her device. She does not want to save her credit card information. She does not want to figure out why the app thinks she is in Devon and cannot geolocate the car park she is standing in. She wants to take a few coins and put them in a machine and do her shopping/meet her friends. Now, she finds excuses not to meet friends or shop because she is so worried about the parking situation."

The last time I looked it had over 1.6 million views had been reposted 7,900 times and received 2,300 comments. They included one from our own Rebecca Bennyworth MBE, who said: "So true. The worst is when these blasted things are in an underground car park with no signal. Had it in Bath recently and almost reduced me to tears. The stress of trying to get to a meeting and not get a parking ticket meant I won't be going again."

Immediately I thought about all those self-employed individuals who simply want to go about their business, keep their records in a manner they were happy with, as they had done for countless years. All they want is to pass their records to their accountant/bookkeeper or use them to complete their own tax return and, ultimately, pay the taxes due on time.

But, like the lady mentioned in the social media post, they can't fulfil their legal obligations in a way that has worked for them and countless others like them for many years, because they now must fall in line with a tech driven solution via MTD. A tech that many find confusing, many find unintelligible, many find placing a strain on their time commitments, many find worrying because they could be penalised. And then there is the stress we all face when confronted with something new and challenging, which is exacerbated by the fact that it is being imposed on them for no good reason.

Governments have the right to impose MTD, of that there is no doubt, but why the mandation? If the tech is so good, if the tech is so easy, if the tech is so beneficial, if the tech is so cheap, if the tech is frankly so darn good, then surely commonsense will prevail and everyone, bar a few, will embrace the tech solution and everyone will be happy bunnies.

Sadly, it seems the government and HMRC, who are the principal drivers in this, believe it's 'my way or the highway. They hide behind a plethora of software companies who are seeing all their dreams come true, whilst knowing that it will be accountants and bookkeepers who will carry the bulk of the workload for no additional cost.

Let's just hope that the tech works underground.

- Tony Margaritelli is the Publisher of HMRC EIP