

Making Tax Digital (MTD)

with Standard ERP



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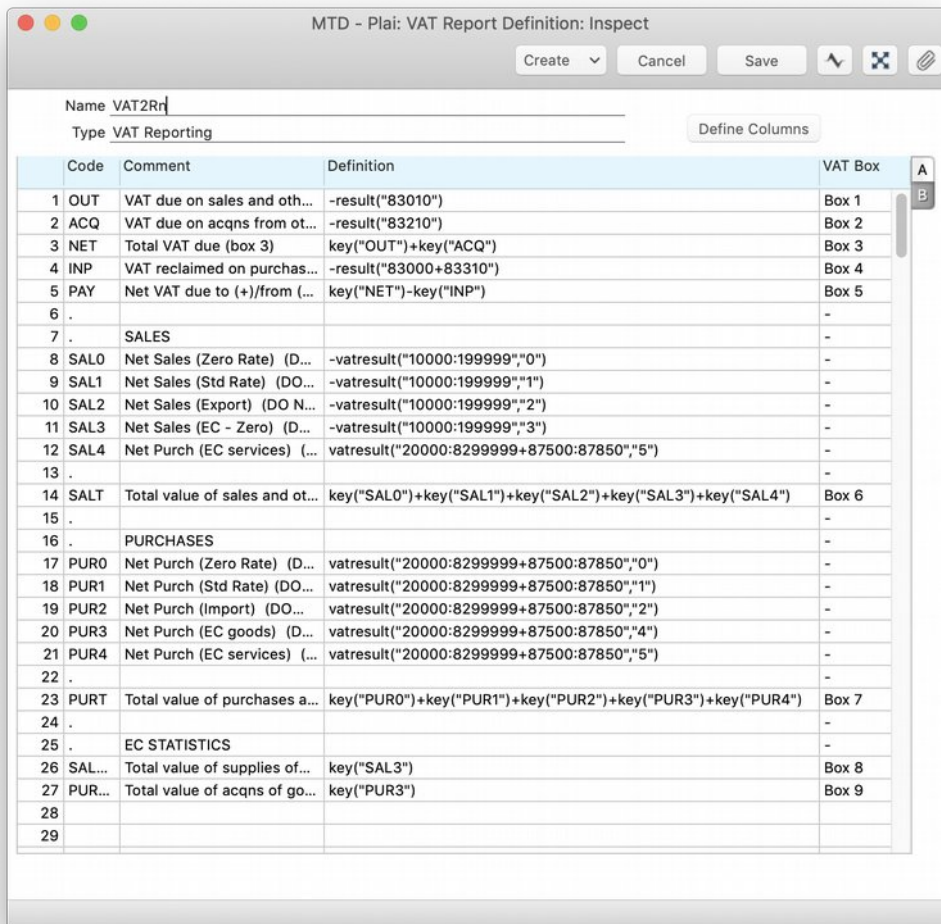
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MAKING TAX DIGITAL (MTD) WITH STANDARD ERP

Businesses with a taxable turnover that exceeds the VAT registration threshold (currently £85,000) need to submit their VAT returns following the Making Tax Digital (MTD) criteria from April 2019.

Please follow the steps below to link Standard ERP to your government gateway account and prepare your VAT Return to be submitted directly to HMRC. This is possible from Standard ERP 2018-12-07 and later.

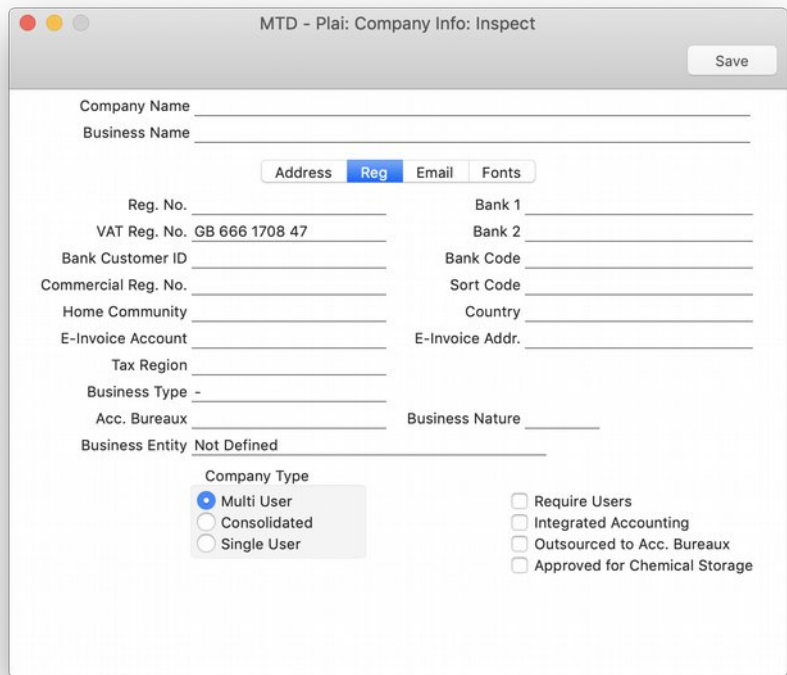
To prepare your Standard ERP VAT report to ensure that the correct figures correspond to the correct boxes of the HMRC Vat Return, navigate to the Nominal Ledger, open Report Settings in Settings, open VAT Report and select flip B. Add the corresponding box of the VAT return to the correct calculation in the VAT report.



The screenshot shows a window titled "MTD - Plai: VAT Report Definition: Inspect" with a table of VAT report definitions. The table has columns for Code, Comment, Definition, and VAT Box. A vertical slider on the right side of the table is set to 'B'.

Code	Comment	Definition	VAT Box
1	OUT	VAT due on sales and oth...	Box 1
2	ACQ	VAT due on acqns from ot...	Box 2
3	NET	Total VAT due (box 3)	Box 3
4	INP	VAT reclaimed on purchas...	Box 4
5	PAY	Net VAT due to (+)/from (...)	Box 5
6	.		-
7	.	SALES	-
8	SAL0	Net Sales (Zero Rate) (D...	-
9	SAL1	Net Sales (Std Rate) (DO...	-
10	SAL2	Net Sales (Export) (DO N...	-
11	SAL3	Net Sales (EC - Zero) (D...	-
12	SAL4	Net Purch (EC services) (...)	-
13	.		-
14	SALT	Total value of sales and ot...	Box 6
15	.		-
16	.	PURCHASES	-
17	PUR0	Net Purch (Zero Rate) (D...	-
18	PUR1	Net Purch (Std Rate) (DO...	-
19	PUR2	Net Purch (Import) (DO...	-
20	PUR3	Net Purch (EC goods) (D...	-
21	PUR4	Net Purch (EC services) (...)	-
22	.		-
23	PURT	Total value of purchases a...	Box 7
24	.		-
25	.	EC STATISTICS	-
26	SAL...	Total value of supplies of...	Box 8
27	PUR...	Total value of acqns of go...	Box 9
28			
29			

To ensure that the VAT submission process is successful, you must ensure your VAT number is entered correctly (i.e. using the format GB xxx xxxx xx) in the VAT Reg. No. field found in System > Settings > Company Info, under the Reg tile.



The screenshot shows a window titled "MTD - Plai: Company Info: Inspect" with a "Save" button in the top right corner. The form contains the following fields and sections:

- Company Name: _____
- Business Name: _____
- Tabs: Address | **Reg** | Email | Fonts
- Reg. No.: _____
- VAT Reg. No.: GB 666 1708 47
- Bank Customer ID: _____
- Commercial Reg. No.: _____
- Home Community: _____
- E-Invoice Account: _____
- Tax Region: _____
- Business Type: - _____
- Acc. Bureaux: _____
- Business Entity: Not Defined
- Bank 1: _____
- Bank 2: _____
- Bank Code: _____
- Sort Code: _____
- Country: _____
- E-Invoice Addr.: _____
- Business Nature: _____
- Company Type:
 - Multi User
 - Consolidated
 - Single User
- Require Users:
- Integrated Accounting:
- Outsourced to Acc. Bureaux:
- Approved for Chemical Storage:

To submit your VAT Return to HMRC, you need to grant access to allow Standard ERP to submit your VAT return on your behalf. This access is granted for 18 months, after which you will need to grant the access again.

First, allow access, through Access Groups, to a person or group of people who should be in charge of managing your VAT Submissions to HMRC. In System, open Settings, then open Access Groups. Open the Access Group to which you will add the relevant Action 'Amend HMRC Access Token' with level Full. This will allow a user to edit the Electronic VAT Declaration setting.

Sample: Access Group: Inspect

Code **ADMIN** Text Administrator

Access Groups _____

Block A/Cs _____ Navigation Centre _____

Type	Item	Level	Open Type	
1	Module	Sales Ledger	Full	0
2	Module	Integration	Full	0
3	Module	Technics	Full	0
4	Module	Database Maintenance	Full	0
5	Action	Open Cash Drawer	Full	0
6	Action	Delete Items on Touch Screen Invoice	Full	0
7	Action	Void Touch Screen Invoice rows	Full	0
8	Action	Amend Lines on Touch Screen Invoice/POS Invoice...	Full	0
9	Module	Nominal Ledger	Full	0
10	Action	Sending Electronic VAT Declaration	Full	0
11	Action	Amend HMRC Access Token	Full	0
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				

In the Nominal Ledger, open the Electronic VAT Declaration setting. If the Sender ID and Sender Key have not already been entered, please contact your local HansaWorld office to obtain them. The Service mode should be set to Live. Once you have your Sender ID and Sender Key entered, select the Operations Menu, then “Request Access Token”.

MTD - Plai: Electronic VAT Declaration: Inspect

Request Access Token **United Kingdom**

Sender ID GFOBHEI0yw0YVquYlhBD6EpPIUka

Sender Key 42e5a3f7-ca1e-4b79-8f61-a00424656df5

Authorisation Code _____

Access Token _____

Refresh Token _____

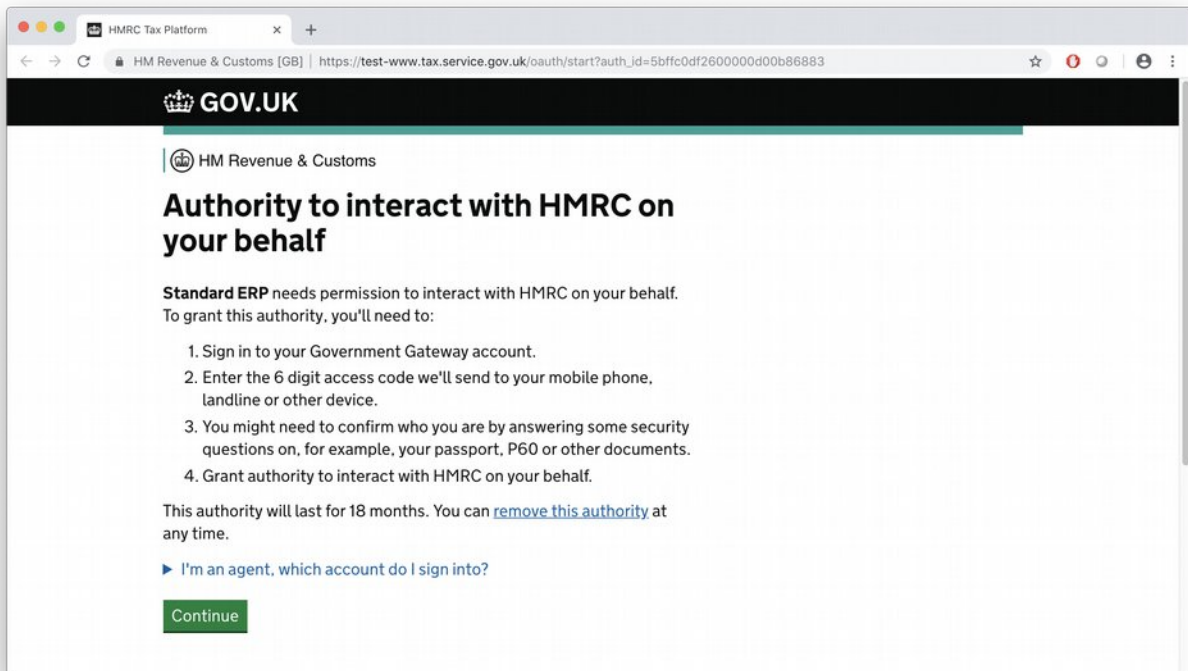
Service Mode

Live

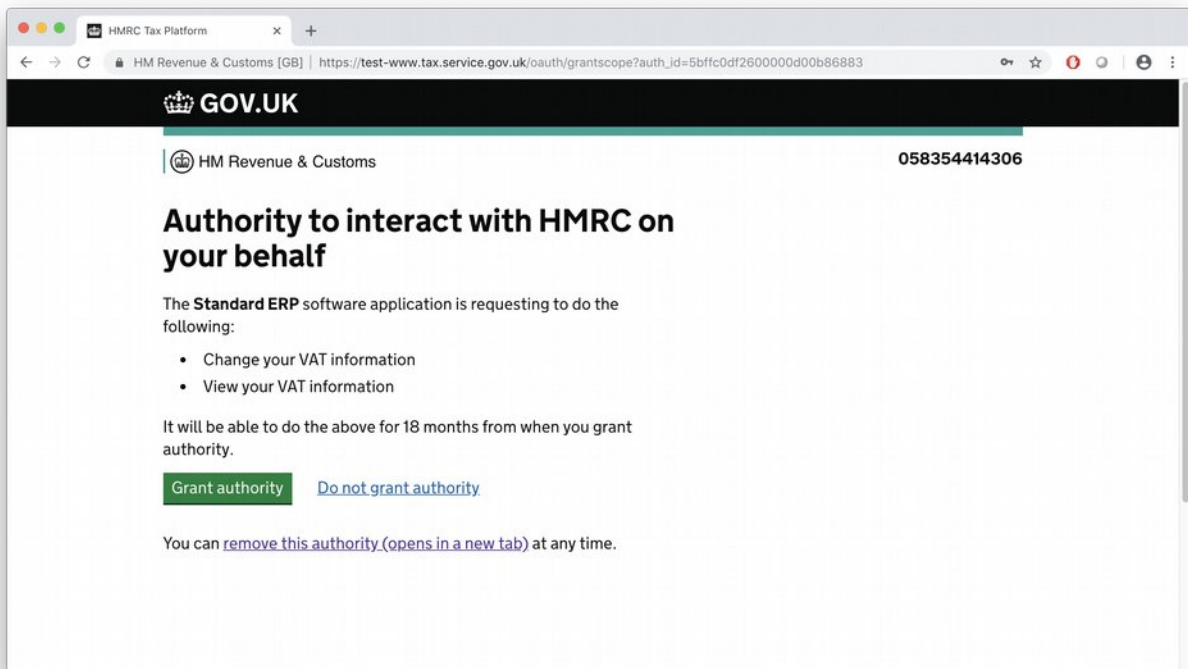
Test

Save

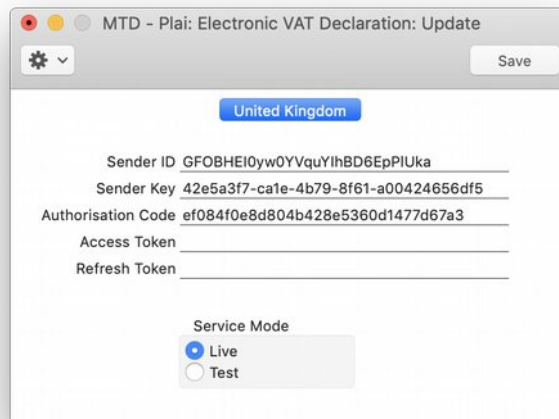
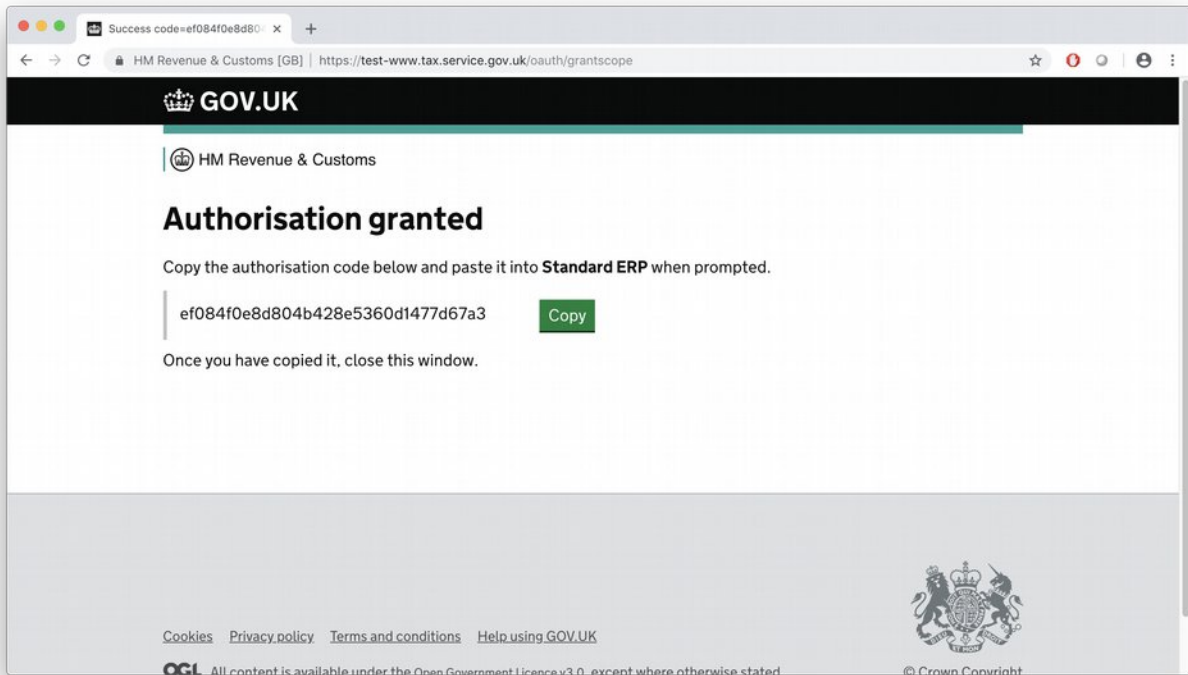
This will take you to the HMRC Government Gateway webpage. Select “Continue” on the “Authority to interact with HMRC on your behalf” webpage.



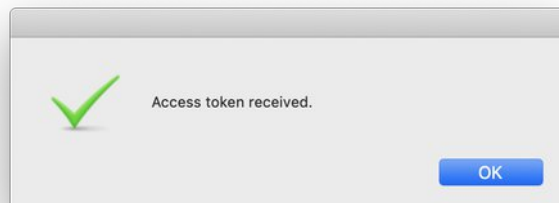
Enter your Government Gateway user ID and password to log in to your Government Gateway account. Select the “Grant Authority” button to allow your HansaWorld product to interact with HMRC on your behalf.



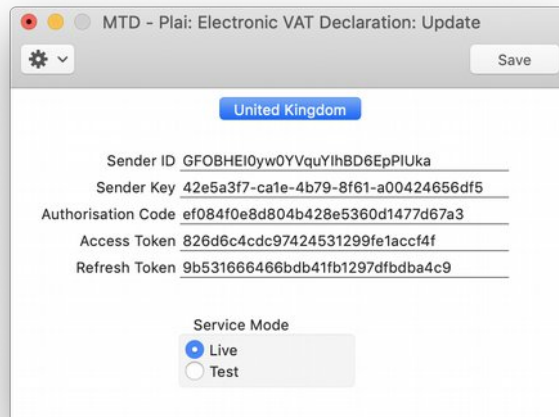
If all submitted information is correct, the authority will be granted. Copy the authorisation code and paste it into your HansaWorld product in the Authorisation Code field, found in the Electronic VAT Declaration setting in the Nominal Ledger.



After entering your Authorisation Code, select "Save".



You will then receive an Access Token and a Refresh Token. These should not be manually edited.



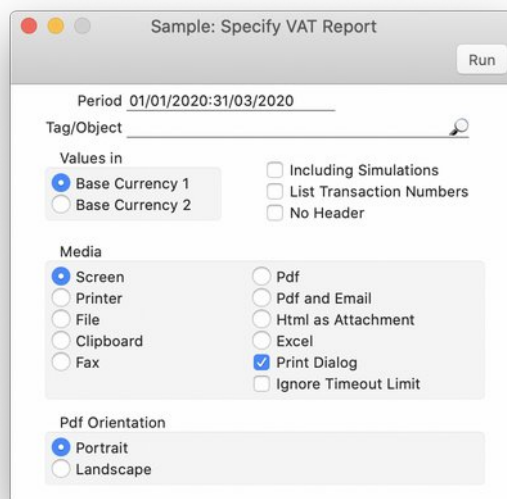
The screenshot shows a window titled "MTD - Plai: Electronic VAT Declaration: Update". At the top, there is a "Save" button and a gear icon. Below that, a blue button labeled "United Kingdom" is visible. The main content area contains the following fields:

- Sender ID: GFOBHEI0yw0YVquYIhBD6EpPIUka
- Sender Key: 42e5a3f7-ca1e-4b79-8f61-a00424656df5
- Authorisation Code: ef084f0e8d804b428e5360d1477d67a3
- Access Token: 826d6c4cdc97424531299fe1accf4f
- Refresh Token: 9b531666466bdb41fb1297dfdba4c9

Below these fields is a "Service Mode" section with two radio buttons: "Live" (selected) and "Test".

Now you can submit your VAT return to HMRC.

To submit your VAT return, navigate to the Nominal Ledger VAT Report. Run the report for the period for which you would like to submit your VAT return.



The screenshot shows a window titled "Sample: Specify VAT Report" with a "Run" button in the top right corner. The window contains the following configuration options:

- Period: 01/01/2020:31/03/2020
- Tag/Object: (empty field with a search icon)
- Values in:
 - Base Currency 1
 - Base Currency 2
- Media:
 - Screen
 - Printer
 - File
 - Clipboard
 - Fax
 - Pdf
 - Pdf and Email
 - Html as Attachment
 - Excel
 - Print Dialog
 - Ignore Timeout Limit
- Including Simulations:
- List Transaction Numbers:
- No Header:
- Pdf Orientation:
 - Portrait
 - Landscape

Select "Submit VAT declaration electronically" (towards the top right of the report).

Sample: VAT Report

RESTRICED VAT Report
Standard ERP Sample Company
Last Reg Date 29/05/2020

Standard ERP, Print date: 29/05/2020 10:39
Period 01/01/2020 : 31/03/2020
Exact Notation

[Submit VAT declaration electronically](#)

OUT	VAT due on sales and other outputs (box 1)	323.00
ACQ	VAT due on acqns from other EC Member States (box 2)	458.05
NET	Total VAT due (box 3)	781.05
INP	VAT reclaimed on purchases, other inputs, EC acqns (box 4)	-758.05
PAY	Net VAT due to (+)/from (-) HMRC (box 5)	23.00
.	SALES	
SAL0	Net Sales (Zero Rate) (DO NOT ENTER ON RETURN)	0.00
SAL1	Net Sales (Std Rate) (DO NOT ENTER ON RETURN)	115.00
SAL2	Net Sales (Export) (DO NOT ENTER ON RETURN)	1,289.95
SAL3	Net Sales (EC - Zero) (DO NOT ENTER ON RETURN)	0.00
SAL4	Net Purch (EC services) (DO NOT ENTER ON RETURN)	0.00
.		
SALT	Total value of sales and other outputs ex VAT (box 6)	1,404.95
.		
.	PURCHASES	
PUR0	Net Purch (Zero Rate) (DO NOT ENTER ON RETURN)	0.00
PUR1	Net Purch (Std Rate) (DO NOT ENTER ON RETURN)	0.00
PUR2	Net Purch (Import) (DO NOT ENTER ON RETURN)	152.14
PUR3	Net Purch (EC goods) (DO NOT ENTER ON RETURN)	290.25
PUR4	Net Purch (EC services) (DO NOT ENTER ON RETURN)	0.00
.		
PURT	Total value of purchases and other inputs ex VAT (box 7)	442.39
.		
.	EC STATISTICS	
SALEC	Total value of supplies of goods ex VAT to the EC (box 8)	0.00
PUREC	Total value of acqns of goods ex VAT from the EC (box 9)	290.25

This will open a new record window called VAT Declaration. These records are saved in Nominal Ledger > Settings > VAT Declaration.

Sample: VAT Declaration: Inspect

Trans. Date 29/05/2020

Period Type OK

Month
 Quarter
 Year

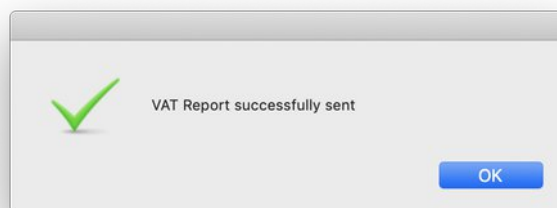
Report Type VAT Report shortname VAT2Rn
 Start Date 01/01/2020 End Date 31/03/2020

When you submit this VAT information you are making a legal declaration that the information is true and complete. A false declaration can result in prosecution.

Element	Comment	Value	VAT Box
1	OUT	VAT due on sales and other outputs (box 1)	323.00 Box 1
2	ACQ	VAT due on acqns from other EC Member States (box 2)	458.05 Box 2
3	NET	Total VAT due (box 3)	781.05 Box 3
4	INP	VAT reclaimed on purchases, other inputs, EC acqns (box 4)	-758.05 Box 4
5	PAY	Net VAT due to (+)/from (-) HMRC (box 5)	23.00 Box 5
6	SALT	Total value of sales and other outputs ex VAT (box 6)	1404 Box 6
7	PURT	Total value of purchases and other inputs ex VAT (box 7)	442 Box 7
8	SALEC	Total value of supplies of goods ex VAT to the EC (box 8)	0 Box 8
9	PUREC	Total value of acqns of goods ex VAT from the EC (box 9)	290 Box 9
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			

FormBundleNumber _____ Timestamp _____ Fulfilled

Select the “OK” checkbox, then “Save”. Open the Operations Menu and select “Submit VAT Report”. This will send the VAT return to HMRC. You will be notified that the VAT return was successfully submitted. If not, please ensure that you have all the correct settings as described above and check the response files as described in the ‘Troubleshooting’ section below. If you are still unable to submit your VAT return, please contact your local HansaWorld office with the exact error message that you receive.



After Ok'ing this window you will see in the VAT Declaration record window that the “FormBundleNumber” and the “Timestamp” have been entered, and the Fulfilled checkbox has been checked. This is to notify you that your VAT return has been successfully sent to HMRC.

Sample: VAT Declaration: Update

Code 2 Trans. Date 29/05/2020 Period Type OK
 Month
 Quarter
 Year

Description _____
 Report Type VAT Report shortname VAT2Rn
 Start Date 01/01/2020 End Date 31/03/2020

When you submit this VAT information you are making a legal declaration that the information is true and complete.
 A false declaration can result in prosecution.

Element	Comment	Value	VAT Box
1	OUT	VAT due on sales and other outputs (box 1)	323.00 Box 1
2	ACQ	VAT due on acqns from other EC Member States (box 2)	458.05 Box 2
3	NET	Total VAT due (box 3)	781.05 Box 3
4	INP	VAT reclaimed on purchases, other inputs, EC acqns (box 4)	-758.05 Box 4
5	PAY	Net VAT due to (+)/from (-) HMRC (box 5)	23.00 Box 5
6	SALT	Total value of sales and other outputs ex VAT (box 6)	1404 Box 6
7	PURT	Total value of purchases and other inputs ex VAT (box 7)	442 Box 7
8	SALEC	Total value of supplies of goods ex VAT to the EC (box 8)	0 Box 8
9	PUREC	Total value of acqns of goods ex VAT from the EC (box 9)	290 Box 9
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			

FormBundleNumber 899562009429 Timestamp 2020-05-29T11:00:19.50Z Fulfilled

You can view previously submitted VAT returns in the Nominal Ledger > Settings > VAT Declarations. You can see the periods for which each VAT return was submitted and the dates when they were submitted as well as whether they were Fulfilled (successfully received by HMRC). If you need to make a correction to a previously submitted VAT return, include the amounts in your next VAT submission.

Sample: VAT Declarations: Browse

Search _____ Create ▾

Code	OK	Fulfilled	Date	Start Date	End Date	Comment
2	✓	✓	29/05/2020	01/01/2020	31/03/2020	

Link to HMRC VAT Notice 700/22: Making Tax digital for VAT

<https://www.gov.uk/government/publications/vat-notice-70022-making-tax-digital-for-vat/vat-notice-70022-making-tax-digital-for-vat>

STANDARD ERP MTD VAT DECLARATION SUBMISSION TROUBLESHOOTING

It is important to emphasise that the set-up described on the previous pages must be followed in sequence. Doing the set-up out of sequence e.g attempting to authorise before entering your VAT Reg No. can cause issues.

Messages generated and sent by Standard ERP and the responses received from HMRC are stored as text files. Depending on the message, they can be found in:

Root of the Standard ERP Client folder

OR

Standard ERP 8.5 2020-03-24 and older: /Standard ERP server

Standard ERP 8.5 2020-04-20 and newer: /Standard ERP server/mtd (the file names of the messages in this MTD folder will include the dates when they were generated)

When diagnosing issues with MTD set-up or submission in Standard ERP, check the error messages shown on screen and refer to the files in the above folders.

ACCESS TOKEN:

Files:

_GBRHMRCAccessToken_replyheader

_GBRHMRCAccessToken_reply

These files are stored in the Root of the Client folder.

The header and body are responses to the system's request for an access token. These messages are only generated the first time the "Request access token" option is selected in the Electronic VAT Declaration setting.

Should any error be received when requesting an access token, these messages will provide more detail. Some possible solutions to issues in this process are:

- Ensure that you have already signed up with HMRC to submit electronically. This is a separate process that needs to be completed before VAT Declarations can be submitted via Standard ERP.
- Ensure that your VAT Registration number is correct and is in the correct format in System > Settings > Company Info > Reg tile > VAT Reg No. The correct format is: GB ### ### ##. (Note: setting up a VAT Reg No. Mask in System > Settings > VAT Reg No. Masks can help ensure the correct format is always used.)

If the following is in the respective message, please contact HansaWorld:

_GBRHMRCAccessToken_replyheader

HTTP/1.1 400 Bad Request

_GBRHMRCAccessToken_reply

```
{"error": "invalid_request", "error_description": "redirect_uri is invalid"}
```

REFRESH TOKEN

Files:

_GBRHMRCRefreshToken_request

_GBRHMRCRefreshToken_replyheader

_GBRHMRCRefreshToken_reply

The above three files refer to the request and reply for a refresh token. These messages are stored in the server folder and are automatically generated whenever a VAT declaration is submitted.

The most common issues encountered with this process will occur when the HMRC API is having issues with Authorisations, or when the Authorisation Code in the Electronic VAT Declaration setting has changed.

VAT OBLIGATIONS

Files:

`_GetGBRVatObligations_replyheader`

`_GetGBRVatObligations_reply`

These messages contain the periods for which VAT declarations are pending for the particular VAT registration number in the Company Info setting.

These messages are generated automatically when a VAT declaration is submitted.

Should an error be received stating the VAT declaration has been submitted for the wrong period, these messages will provide you with the periods for which VAT declarations need to be submitted, as well as the due dates for those declarations.

These periods are represented by a Date range e.g: "2020-01-01","end":"2020-03-31","due":"2020-05-07".

The period is also represented as a 4 digit period code. It is a string of four alphanumeric characters. Occasionally the format includes the # symbol.

For example: 18AD, 18A1, #001

Should the HMRC MTD API be unreachable or down, this can be seen in the obligations messages. In this case the issue is at HMRC, and not with Standard ERP. For example:

`_GetGBRVatObligations_replyheader`

HTTP/1.1 503 Service Unavailable

`_GetGBRVatObligations_reply`

```
{ "code": "SERVER_ERROR", "message": "The 'organisations/vat' API is currently unavailable" }
```

OR

`_GetGBRVatObligations_replyheader`

HTTP/1.1 404 Not Found

`_GetGBRVatObligations_reply`

```
{ "code" : "MATCHING_RESOURCE_NOT_FOUND", "message" : "A resource with the name in the request can not be found in the API" }
```

In these cases, retrying after some time can resolve the issue. It is also worth checking the status of the MTD API with HMRC directly.

VAT DECLARATION

Files:

`_SendGBRVatDeclaration_request`

`_SendGBRVatDeclaration_replyheader`

`_SendGBRVatDeclaration_reply`

The above three messages relate to the actual sending of the VAT declaration and the response from HMRC. The file `_SendGBRVatDeclaration_request` contains the information that was sent to HMRC. This information should match what appears in the Nominal Ledger > Settings > VAT Declarations.

When the response is successful, the message will contain the "formBundleNumber" and the processing date. These values should populate their respective fields on the VAT Declaration record.

Should there be anything wrong with the information sent, the file `_SendGBRVatDeclaration_reply` will contain more information about the issue. This information can often assist you in correcting the data on the VAT declaration.

Note: If the following error appears in these replies, please contact HansaWorld:

```
_SendGBRVatDeclaration_replyheader
```

```
HTTP/1.1 400 Bad Request
```

```
_SendGBRVatDeclaration_reply
```

```
{"statusCode":400,"message":"Invalid Json"}
```