



## **Mazuma's Guide to Filing Your VAT Return Online**

From 1 April 2010 many VAT registered businesses will have to switch from paper to online VAT Returns. From that date, if your annual turnover on 31 December 2009 was £100,000 or more - or if you become VAT registered on or after 1 April 2010 - you will **have** to submit your return online and pay VAT electronically.

Mazuma recommend that you sign up to use VAT online services even if your turnover is below £100,000, as you have an extra 7 days to submit your VAT return and pay your VAT bill. It also saves you the hassle of posting your return to HMRC and you do not need to worry about it getting delayed or lost in the post!

Mazuma also recommend you sign up to use the VAT online services as soon as you have read this leaflet, rather than waiting until your next VAT Return is due.

### **How to Sign Up to Use VAT Online Services**

Before you can use VAT online services, you will need to register with HMRC's Online Services. During the registration process you will be able to enrol for various services, including VAT Online, which you can use to file a VAT Return online.

To enrol for VAT Online, you will need the following five pieces of information about your business:

- Your VAT registration number;
- The postcode of your principal place of business;
- Your effective date of registration for VAT;
- The final month of the last VAT Return you submitted;
- The 'Box 5' figure from the last VAT Return you submitted.

You will be able to find the first two pieces of information on your VAT4 (Certificate of Registration); the third on the letter you received from HMRC confirming you must in future file online and pay electronically; and the fourth and fifth on the last VAT Return you submitted.

If you have recently registered for VAT and have not yet submitted a return you will need to select N/A for the 'final month of last VAT return submitted' and enter 0 (zero) for the 'Box 5' figure on last VAT Return submitted.

If the Box 5 figure for your last return submitted was a negative figure, you should enter the numbers without the minus sign (so it in effect becomes a positive amount).

You will be able to submit any VAT Returns that are due as soon as you've registered and enrolled. You do not have to wait to receive an Activation Code (PIN).

To be able to use other VAT online services (such as update your VAT registration details) you will need to wait for an Activation Code to be sent to you by post.

Your Activation Code can take up to a week to arrive. Also bear in mind that your Activation Code is only valid for 28 days. If you don't activate the service within that period, you'll have to re-enrol for the service and wait for the new Activation Code to arrive by post. If you lose your Activation Code before

the 28 days have expired, then a new one can be requested online. Just log into your account and follow the instructions.

If you have already enrolled for other online services, such as PAYE Online for employers, you can add VAT Online to the services you use. Just take the following steps:

- Log on to HMRC Online Services with your existing User ID and password;
- On the 'Your HMRC Services' page under the 'Services you can add' section, select 'VAT' and 'Enrol for service';
- Type the five facts about your business.

### **Filing Your VAT Return Online**

Before you start, make sure you have your figures to hand. You will need these to complete your VAT Return online. Mazuma will have returned a paper copy to you in your Purple Envelope, or you can request a PDF copy via email from [help@mazumamoney.co.uk](mailto:help@mazumamoney.co.uk).

#### **Step 1:**

Go to [www.online.hmrc.gov.uk](http://www.online.hmrc.gov.uk) for the 'Welcome to Online services' page which will look like this:

The screenshot shows the 'Welcome to HMRC Online services' page. The header is green with the HM Revenue & Customs logo on the left and 'Online Services' on the right, with links for 'HMRC home', 'Contact HMRC', and 'Help'. The main content area is white with a green border. It is divided into two columns. The left column is titled 'Existing users' and contains instructions to enter a User ID and password, followed by a 'Login' button. Below this are links for 'Digital Certificate user', 'Lost User ID?', 'Lost password?', and 'Lost or expired Activation PIN?'. The right column is titled 'New users' and contains a 'Register' button, followed by links for 'Digital Certificate user', 'Frequently Asked Questions (FAQs)', 'Computer requirements', 'View a demo of HMRC's services', and 'Registration and Enrolment process'. At the bottom, there is a 'News' section.

Go to 'Existing users' and type in your User ID and password. Then click 'Login'.

### Step 2:

You will be taken to the 'Your HMRC services' page. Select the 'Access service' link next to 'Submit a VAT return'.

### Step 3:

You will be taken to the 'At a glance' page. To file a return, select 'Submit a return' either from within the main page, or from the left-hand menu:

The screenshot shows the 'At a glance' page for VAT services on the HM Revenue & Customs website. The page header includes the HMRC logo and 'Online Services' with navigation links for 'HMRC home', 'Contact HMRC', 'Help', and 'Logout'. Below the header, there is a dropdown menu for 'Name' and a 'VAT Registration Number: XXX XXXX XX'. The main content area is titled 'At a glance' and features several service tiles: 'Submit a return', 'View submitted returns', 'Direct Debit', 'Change registration details', and 'Maintain email address'. Each tile provides a brief description of the service and a link to access it. A 'News' section at the bottom states that the information is relevant to the VAT Registration Number shown and that details should be kept up to date.

\*\*\* The first time you use the VAT Online service, and before you file your first return, you will be asked to set up something known as 'shared secrets'. You only need to do this once. HMRC may use these details to help identify you. HMRC will only ask for certain characters from one of your shared secrets. Shared secrets include: your first school; your last school; a memorable place; a memorable name and a memorable date. Each secret must consist of a minimum of 6 and a maximum of 32 characters, and only characters a-z, A-Z and 0-9 will be accepted. It is important that you remember these details.\*\*\*

To file a return online straightaway click 'Next'.

On the next page click on the box next to the relevant VAT period that you want to file a return for.

On the next page scroll down to be able to see Boxes 1 to 9, and then simply fill in the return on-screen from your VAT return figures provided by Mazuma.


You will see that the online return does some automatic calculations for you, reducing the number of boxes you need to fill in.

*Mazuma Tip!* If you need to insert a **negative amount**, put a minus (-) sign before the number.

Once you've completed the return, click 'Next'.

#### Step 4:

You are now at the point where you need to double-check your figures and confirm that the details you have entered are correct. (You can't amend the return online after you have submitted it, so it's important to make sure it's right before you submit!) If you want to correct any errors, click 'Back':

Online Services  
[HMRC home](#) | [Cymraeg](#) | [Contact us](#) | [Help](#) | [Logout](#)

▲ Your HMRC services

TESTDATATESTDATE

VAT Registration Number: 999 9553 06

### Submit a return

#### VAT

- ▶ At a glance
- ▶ **Submit a return**
- ▶ View submitted returns
- ▶ Direct Debit
- ▶ Customer feedback
- ▶ FAQs

#### Confirm details

Please check that the information below is correct and click 'Submit' to proceed.

When you submit the information below, you are making a legal declaration that the information is correct and complete to the best of your knowledge and belief. **A false declaration can result in prosecution.**

**Please note:** If your completed return and all the VAT payable are not received by the due date you will be in default and may be liable to a financial penalty.

If you would like to print this information for your records, please use the print facility or your browser.

#### VAT period

Period:	06 07
Date from:	01 Jun 2007
Date to:	30 Jun 2007
Due date:	31 Jul 2007

#### Business details

VAT Registration Number:	999 9558 06
Business name:	TESTDATATESTDATE
Business address:	TESTDATATESTDAT TESTDATATESTDAT TESTDATATEST

#### VAT return figures

VAT due in this period on <b>sales</b> and other outputs (Box 1):	<b>£1050.00</b>
VAT due in this period on <b>acquisitions</b> from other <b>EC Member States</b> (Box 2):	<b>£0.00</b>
<b>Total VAT due (the sum of boxes 1 and 2) (Box 3):</b>	<b>£1050.00</b>
VAT reclaimed in this period on <b>purchases</b> and other inputs, including acquisitions from the EC (Box 4):	<b>£0.00</b>
<b>Net VAT to be paid to HM Revenue &amp; Customs or reclaimed by you (Difference between boxes 3 and 4) (Box 5):</b>	<b>£1050.00</b>
Total value of <b>sales</b> and all other outputs excluding any VAT. <b>Include your box 8 figure</b> (Box 6):	<b>£7000.00</b>
Total value of <b>purchases</b> and all other inputs excluding any VAT. <b>Include your box 9 figure</b> (Box 7):	<b>£0.00</b>
Total value of all <b>supplies</b> of goods and related costs, excluding any VAT, to other <b>EC Member States</b> (Box 8):	<b>£0.00</b>
Total value of all <b>acquisitions</b> of goods and related costs, excluding any VAT, from other <b>EC Member States</b> (Box 9):	<b>£0.00</b>

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To file your return, click 'Submit'.

#### Step 5:

You will then see the 'Security Check' page, where you need to re-enter your User ID and password, then click 'Submit'.

You will then see a 'Submission receipt' page (at very busy times there may be a short delay in this page being displayed). This tells you that HMRC has received your return safely and gives you a

submission receipt number. It's a good idea to save or print a copy of the submission receipt page and keep it with your paperwork from Mazuma for that period.

Select 'Close'.

You have now successfully filed your VAT Return online!

**Step 6:**

You must now pay your VAT electronically. The due date of payment will be shown on your online VAT Return and you must ensure that cleared funds reach HMRC's bank account by this date.

**Paying Electronically (by BACS or Internet Banking):**

HMRC's Bank Details:  
Account Name: HMRC VAT  
Sort Code: 08-32-00  
Account No: 11963155

*Mazuma Tip! Remember to enter your VAT Registration Number as the reference so HMRC know who the payment is from.*

**Paying by Direct Debit:**

If you pay by online Direct Debit, HMRC will collect payment from your nominated bank account a further three bank working days after the extended due date for your return. That's a minimum of ten extra calendar days! To set up the Direct Debit Instruction you will need to:

- Log in to the VAT Online service;
- Select 'Access service' under 'Submit a VAT Return/set-up VAT Direct Debit instruction' - this takes you to the 'At a glance page';
- Click on the 'Direct Debit' link in the left-hand menu or the 'Set up a Direct Debit Instruction' link in the middle of the page;
- Enter and then confirm the bank account details for the Direct Debit Instruction and then confirm the two statements on-screen - that you are the account owner and that the account does not require multiple signatories;
- Check the on-screen message that tells you the earliest date that HMRC will collect payment from your account and confirm that all of the details are correct. If they're not, go back to the previous screen to make corrections;
- View the online Direct Debit Instruction on-screen prior to submission;
- Re-enter your user ID and password as an additional security measure and submit.

This guide should make the transition from paper to online filing easy for you. If you do experience any problems you will need to contact HMRC directly.

You can contact the VAT Online Services Helpdesk on 0845 010 8500  
Monday to Friday 8am to 8pm.