MTD for Income Tax Explainer Guide

Tax year 2026-27

Understand what is reported quarterly, what belongs in your Final Declaration and how your Self Assessment boxes map to MTD.

PART 1

Where does each type of income go?

Quarterly updates compared with your year-end Final Declaration for the 2026-27 tax year.

> Under Making Tax Digital, **only your self-employment and property businesses** are reported in quarterly updates. Every other kind of income, including pensions, interest, dividends and employment, is brought together once a year in your **Final Declaration**. This table shows which is which.

How do I report State and other pension payments in quarterly submissions?
You don't. Pensions aren't quarterly income. They are entered in your year-end Final Declaration.

How do I report interest and share dividend income in quarterly submissions?
You don't. Savings interest and dividends aren't quarterly income either. They are also entered in the Final Declaration.

Income or expense type	Quarterly update Every 3 months	Final Declaration Once at year-end
BUSINESS INCOME REPORTED QUARTERLY		
Self-employment income and expenses	Yes	Yes
UK property income and expenses	Yes	Yes
Foreign property income and expenses	Yes	Yes
ALL OTHER INCOME ENTERED IN THE FINAL DECLARATION ONLY		
Employment or PAYE pay and benefits	-	Yes
UK State Pension	-	Yes
Other pensions and retirement annuities	-	Yes
Savings and investment interest	-	Yes
UK dividends	-	Yes

Income or expense type	Quarterly update Every 3 months	Final Declaration Once at year-end
Foreign income, including interest, dividends and pensions from abroad	-	**Yes**
Capital gains	-	**Yes**
Other or miscellaneous income	-	**Yes**
Reliefs, Gift Aid and pension contributions	-	**Yes**
Marriage Allowance	-	**Yes**

3 business sources reported quarterly | **10** other income types entered only in the Final Declaration

1. Business income is reported twice, differently. Your quarterly updates carry the running income and day-to-day expenses. Capital allowances, private-use adjustments and balancing charges are added once a year before the Final Declaration. The Final Declaration then brings the whole year together.

What the Final Declaration is. Once a year, after your final quarterly update, everything above is brought together in AbraTax to work out the tax you owe. This is the step that replaces your old Self Assessment tax return.

Is there anything else you don't understand or would like clarified? Let us know at support@abratax.co.uk and we'll add it to this guide.

PART 2

Field-by-field mapping

Find the relevant income type, then compare each MTD field in the left column with its Self Assessment form or box reference in the right column. Amber rows are new MTD fields.

Self-employment (formerly SA103F)

Income

MTD Income Tax	Self Assessment
Turnover / sales income	**SA103F Box 15 - Turnover** Your turnover - the takings, fees, sales or money earned by your business
Other business income	**SA103F Box 16 - Other business income** Any other business income not in box 15, including COVID support payments (CJRS)
Tax taken off trading income	**SA103F Box 82 - Tax taken off trading income** Other tax taken off trading income

Expenses

MTD Income Tax	Self Assessment
Consolidated expenses Use if not itemising individual lines	**SA103F Box 31 - Total expenses** Total expenses - use if you don't want to itemise
Cost of goods	**SA103F Box 17 - Cost of goods** Cost of goods bought for resale or goods used
Payments to subcontractors	**SA103F Box 18 - Subcontractor payments** Construction industry - payments to subcontractors
Wages and staff costs	**SA103F Box 19 - Wages and staff costs** Wages, salaries and other staff costs
Car, van, travel expenses	**SA103F Box 20 - Car, van and travel** Car, van and travel expenses
Premises running costs	**SA103F Box 21 - Premises costs** Rent, rates, power and insurance costs
Repairs and maintenance	**SA103F Box 22 - Repairs and maintenance** Repairs and maintenance of property and equipment
Office, stationery and admin	**SA103F Box 23 - Office costs** Phone, fax, stationery and other office costs
Business entertainment	**SA103F Box 24 - Advertising and entertainment** Advertising and business entertainment costs
Advertising and marketing	**New in MTD** No Self Assessment equivalent

MTD Income Tax	Self Assessment
Interest on bank / other loans	**SA103F Box 25 - Loan interest** Interest on bank and other loans
Finance charges	**SA103F Box 26 - Finance charges** Bank, credit card and other financial charges
Bad debts written off	**SA103F Box 27 - Irrecoverable debts** Irrecoverable debts written off
Professional fees	**SA103F Box 28 - Professional fees** Accountancy, legal and other professional fees
Depreciation	**SA103F Box 29 - Depreciation** Depreciation and loss or profit on sale of assets
Other business expenses	**SA103F Box 30 - Other expenses** Other business expense

Disallowable Expenses

MTD Income Tax	Self Assessment
Disallowable goods / materials	**SA103F Box 32** Non-allowable portion of goods or materials (e.g. private use)
Disallowable subcontractor costs	**SA103F Box 33** Subcontractor costs not allowable for tax
Disallowable staff costs	**SA103F Box 34** Staff costs not wholly and exclusively for business use
Disallowable travel / vehicle	**SA103F Box 35** Private or non-business portion of travel and vehicle costs
Disallowable premises costs	**SA103F Box 36** Private or non-business use element of premises costs
Disallowable repairs	**SA103F Box 37** Repairs relating to private use or capital improvements
Disallowable admin costs	**SA103F Box 38** Office or admin costs not wholly for business use
Disallowable advertising	**New in MTD** No Self Assessment equivalent
Disallowable entertainment	**SA103F Box 39** Client entertainment - normally fully disallowed
Disallowable bank / loan interest	**SA103F Box 40** Interest relating to private or non-business borrowing

MTD Income Tax	Self Assessment
Disallowable finance charges	SA103F Box 41 Bank or finance charges not incurred wholly for business use
Disallowable bad debts	SA103F Box 42 Bad debts that do not meet HMRC conditions for relief
Disallowable professional fees	SA103F Box 43 Professional fees relating to private or capital matters
Disallowable depreciation	SA103F Box 44 Depreciation is not allowable - capital allowances used instead
Disallowable other expenses	SA103F Box 45 Any other expenses not allowable for tax

UK Property (formerly SA105)

Income

MTD Income Tax	Self Assessment
Total rental income for the period	New in MTD No Self Assessment equivalent
Rent-a-Room income	New in MTD No Self Assessment equivalent
Other rental income	New in MTD No Self Assessment equivalent
Premiums received for granting a lease	SA105 - Premiums for grant of lease Premiums for the grant of a lease - from box E on the working sheet
Reverse premiums paid	SA105 - Reverse premiums and inducements Reverse premiums and inducements
Tax deducted at source	SA105 - Tax taken off income Tax taken off any income in box 20

Expenses

MTD Income Tax	Self Assessment
Consolidated expenses	SA105 - Other allowable property expenses Other allowable property expenses
Residential finance costs	SA105 - Residential property finance costs Residential property finance costs
Residential financial costs carried forward	SA105 - Unused residential finance costs b/fwd Unused residential property finance costs brought forward

MTD Income Tax	Self Assessment
Repairs and maintenance	SA105 - Property repairs and maintenance Property repairs and maintenance
Premises running costs	SA105 - Rent, rates, insurance and ground rents Rent, rates, insurance and ground rents
Cost of services	SA105 - Costs of services, including wages Costs of services provided, including wages
Professional fees	SA105 - Legal, management and professional fees Legal, management and other professional fees
Travel costs	New in MTD No Self Assessment equivalent
Other allowable property expenses	New in MTD No Self Assessment equivalent
Financial cost (non-residential)	SA105 - Non-residential property finance costs Non-residential property finance costs
Rent-a-room / amounts claimed	New in MTD No Self Assessment equivalent

Foreign Property (formerly SA106)

Income

MTD Income Tax	Self Assessment
Rent income / rent amount	New in MTD No Self Assessment equivalent
Foreign tax credit relief	SA106 - Foreign Tax Credit Relief To claim Foreign Tax Credit Relief put X in the box
Premiums of lease grant	SA106 - Premiums for grant of lease Premiums paid for the grant of a lease
Foreign tax paid or deducted	SA106 - Foreign tax taken off or paid Foreign tax taken off or paid
Special withholding / UK tax paid	SA106 - UK tax taken off UK tax taken off

Expenses

MTD Income Tax	Self Assessment
Consolidated expenses	SA106 - Allowable property expenses Allowable property expenses
Residential financial cost	SA106 - Residential property finance costs Residential property finance costs

MTD Income Tax	Self Assessment
Brought forward residential financial cost	**SA106 - Unused residential finance costs b/fwd** **Unused residential property finance costs brought forward**
Premises running costs	**New in MTD** **No Self Assessment equivalent**
Repairs and maintenance	**New in MTD** **No Self Assessment equivalent**
Financial costs	**New in MTD** **No Self Assessment equivalent**
Professional fees	**New in MTD** **No Self Assessment equivalent**
Travel costs	**New in MTD** **No Self Assessment equivalent**
Cost of services	**New in MTD** **No Self Assessment equivalent**
Other	**New in MTD** **No Self Assessment equivalent**

Based on HMRC guidance. For advice about your circumstances, speak to a tax adviser.

More information: www.gov.uk/government/collections/making-tax-digital-for-income-tax