FREE 2026/27 GUIDE

MTD for Landlords

Your 2026/27 Action Guide

Check if you are affected, understand every deadline and prepare your property records correctly.

INSIDE THIS GUIDE

- The 60-second MTD test
- All 2026/27 filing dates
- Exactly what to record
- What to do if you missed 7 August

Updated 12 August 2026 | Based on current HMRC guidance

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A1Taxfiler MTD made simple

Do you need to use MTD?

Use this quick test first. The threshold is based on qualifying income, not rental profit.

The 60-second test

1. Are you an individual landlord or sole trader registered for Self Assessment?
2. Do you receive property income, self-employment income, or both?
3. Was your combined gross qualifying income above the relevant threshold?

YES TO ALL THREE?

MTD for Income Tax applies from the relevant start date, unless an exemption or exclusion applies.

The three entry points

Income measured in	Qualifying income	MTD starts
2024/25 tax return	More than £50,000	6 April 2026
2025/26 tax return	More than £30,000	6 April 2027
2026/27 tax return	More than £20,000	6 April 2028

Qualifying income means gross income before expenses or allowances.

Add your qualifying share of property income to any self-employment turnover. Employment, pensions, dividends and partnership profit are not included in this MTD threshold.

Three quick examples

£54k rent - £12k costs

Qualifying income is £54k, so MTD applies from April 2026.

£32k rent + £21k trade

Combined qualifying income is £53k, so MTD applies from April 2026.

£70k joint rent, 50% share

Your share is £35k. Check the later £30k/£20k entry points.

Your 2026/27 MTD timeline

The 2026/27 tax return is due by 31 January 2028 - not January 2027.

Current position: the first deadline passed on 7 August 2026

If you were required to join but have not filed Q1, use the recovery steps below now.

6 APR 2026 — **Digital records begin**
Keep records from the start of the MTD tax year.

7 AUG 2026 — **Quarterly update 1**
Period usually 6 Apr to 5 Jul. Deadline passed.

7 NOV 2026 — **Quarterly update 2**
Bring the year-to-date records up to date.

31 JAN 2027 — **2025/26 Self Assessment**
Submit the previous year's return in the usual way.

7 FEB 2027 — **Quarterly update 3**
Send the next update through compatible software.

7 MAY 2027 — **Quarterly update 4**
Complete the final in-year update for 2026/27.

31 JAN 2028 — **2026/27 tax return**
Finalise 2026/27 in software and pay tax due.

Missed 7 August? Take these four steps

1. Check you were required to join and sign up if necessary.
2. Connect MTD-compatible software to HMRC.
3. Create digital records back to 6 April 2026.
4. Submit the overdue update as soon as possible.

No quarterly late-filing penalty applies for 2026/27, but the updates still have to be sent.

What landlords must record

Your digital records power the quarterly updates. Each transaction needs an amount, date and category.

£ AMOUNT

The value of income received or expense incurred.

D DATE

When the income was received or the expense incurred.

C CATEGORY

The relevant Self Assessment income or expense category.

Typical property records to capture

INCOME

- Rent and service income
- Lease premiums and inducements
- Your share from jointly let property
- Foreign property income, where relevant

EXPENSES / COSTS

- Repairs and maintenance
- Agent, insurance and service costs
- Rates, utilities and eligible travel
- Residential finance costs kept separately

Capture does not automatically mean deductible. Final tax treatment is confirmed at year end.

A compliant record flow

1. **BANK + RECEIPTS** — Collect source records →
2. **DIGITAL RECORD** — Software or spreadsheet →
3. **DIGITAL LINK** — No manual retyping →
4. **HMRC UPDATE** — Submit through software

Yes, you can continue using a spreadsheet

But it must connect to compatible bridging software through digital links. Copying and pasting totals between products can break the required digital chain.

Keep digital records for at least five years after the 31 January submission deadline.

Six rules people often miss

These details change either your threshold calculation, your record structure or the way costs are reported.

01 **JOINT OWNERSHIP**

Your share of gross property income counts towards your qualifying income. Your share also forms part of your UK property business.

02 **MULTIPLE UK PROPERTIES**

HMRC treats them as one UK property business. Your software combines the records into one property quarterly update.

03 **PROPERTY + SOLE TRADE**

Add the gross income from both to test the threshold. Keep separate records and updates for each income source.

04 **FOREIGN PROPERTY**

UK-resident landlords include UK and foreign property income in qualifying income. Foreign-property records have additional separation rules.

05 **NON-UK RESIDENTS**

Qualifying income generally includes UK property income and self-employment income declared on the UK return, not undeclared foreign sources.

06 **MORTGAGE INTEREST**

Residential finance costs must be recorded separately from other expenses. For individuals, relief is handled as a tax reduction at the annual stage.

Do not bury it inside repairs or general expenses.

Important: gross income is not the same as taxable profit

The MTD entry test happens before expenses. Repairs, agent fees and mortgage finance costs may affect the final tax calculation, but they do not reduce qualifying income for the threshold test.

Quarterly updates are not tax returns

MTD changes how records reach HMRC during the year, but you still complete one annual tax return.

4 TIMES A YEAR

Quarterly updates

- Summary totals from your self-employment and property income and expenses
- Sent for each relevant business or property income source
- No accounting or tax adjustments needed before sending
- Produces an evolving estimate, not the final bill
- Errors can be corrected in the digital records and later updates

ONCE A YEAR

Annual tax return

- Finalise the complete 2026/27 tax position in compatible software
- Add employment, pensions, savings, dividends and other income
- Apply final adjustments, reliefs and claims
- Confirm the final calculation and submit the tax return
- Submit and pay any tax due by 31 January 2028

The full 2026/27 cycle

RECORD — Keep transactions current

UPDATE — Send 4 summaries

FINALISE — Correct and adjust

RETURN — Submit by Jan 2028

Do not use the in-year estimate as your final tax bill

Quarterly estimates may exclude later adjustments and other income. Keep money aside based on a sensible forecast, then use the annual calculation to confirm the amount due.

The 2026/27 tax return is due by 31 January 2028.

Penalties, exemptions and opting out

The first year includes quarterly penalty relief, but it is not permission to ignore the filing obligations.

What the 2026/27 penalty relief actually means

- No penalty points for late quarterly updates in 2026/27.
- Late annual tax returns and late tax payments can still be penalised.
- All quarterly updates must still be sent before the annual return.

Risk to avoid: waiting until January 2028 and then discovering your digital records or updates are incomplete.

Can you claim a digital-exclusion exemption?

HMRC MAY CONSIDER

- Age, disability or health condition
- Location or unreliable digital access
- Religious beliefs incompatible with digital use
- Other personal circumstances making use unreasonable

NOT ENOUGH ON ITS OWN

- You used paper returns before
- You are unfamiliar with accounting software
- You only have a few records
- MTD will take more time or cost more

IF YOUR QUALIFYING INCOME FALLS

You normally cannot opt out after just one low-income year

Once MTD applies, you can choose to opt out only after your qualifying income remains below the relevant threshold for three tax years in a row. Specific return corrections can change the position, so confirm it before leaving MTD.

Your next seven actions

Use this checklist today. Do not wait for the next quarterly deadline to organise the records.

1. Check the qualifying income shown on the relevant Self Assessment return.
2. Confirm your MTD start date - even if HMRC did not write to you.
3. Choose compatible software and sign up for Making Tax Digital for Income Tax.
4. Authorise the software to connect securely with HMRC.
5. Create digital records from 6 April 2026 if MTD already applies.
6. Submit overdue updates and add every remaining deadline to your calendar.
7. Plan for the 2026/27 tax return and any tax due by 31 January 2028.

Official sources used

- Eligibility and start dates
- Qualifying income and opting out
- Digital record-keeping rules
- Quarterly deadlines and penalties
- Digital-exclusion exemptions

Information correct to 12 August 2026 and provided for general guidance only. It is not personalised tax advice. Rules and individual circumstances can change; check GOV.UK or obtain professional advice before acting.