

Managing VAT

Introduction

MyBusiness can help make managing your VAT very easy, whether you are using Standard, Cash or Flat Rate.

This guide will take you through the simple steps for getting set up with the software (select the item to be taken to that section)

- Setting up and changing the VAT options in MyBusiness
- Entering VATable and non VATable transactions
- Producing VAT 100 forms
- Receiving and paying VAT to HMRC
- VAT reporting
- CIS4

Note: For more information about VAT methods, legislation and codes visit the HMRC website at www.hmrc.gov.uk

Setting up your VAT options in MyBusiness

You can set up and change the way MyBusiness handles VAT. You should get advice from your accountant before you make any changes.

Go to Accounts Main Menu and then Preferences, in Preferences you will be able to choose whether you want to operate under a Cash, Standard, or Flat Rate VAT scheme.

If you change your VAT scheme here this will change the historic data within MyBusiness to that scheme. If you do need to change your VAT scheme it is advisable to create an Accounts Preparation report for the dates prior to changing your scheme and save this as an Excel file.

If you select non-VAT registered then no VAT will appear in the software.

Entering VAT and non VAT Transactions

If you have selected the VAT option above, whenever you create a transaction you will have the option to select the VAT rate to use. You can then either enter gross amount, and the VAT amount and net amount will automatically be entered into the relevant boxes, or enter the net amount, and the VAT and gross amounts will be completed. The VAT amount shown is the amount that will be added to the relevant section of your VAT return (VAT 100 form).

If you enter a transaction for a prior VAT period you will get a warning advising you that it is likely that you will already have produced a VAT return for that period, and that this new transaction may not have been included and account for on the VAT return for that period. The transaction will also be flagged and highlighted when you run your next VAT return.

Please note: VAT codes can be amended from the Accounts Main Menu under VAT codes but this should only be done upon the advice of your accountant.

Producing & retrieving VAT 100 forms

Select Calculate VAT 100 form from the Accounts Main Menu and this will open the VAT return wizard.

- Select the relevant period to report

The next VAT return period should be highlighted along with details of your previous return, alternatively you can select the period to run.

- Unaccounted VAT transactions

If you have subsequently added transactions in prior periods, which may not have been added to a VAT, return already these will be highlights on the unallocated transactions page. If you want to add one of these unallocated transactions to your next VAT return check the “Include” box and the VAT amount will be included on your return.

If you have already added a transaction on the unaccounted transactions list to a VAT return you can select “Reconcile” and the transaction will be removed from this list permanently. Note that if you want to reproduce the VAT return for the period, that reconciled transaction will no longer appear in the unaccounted transaction list. Details of all the items contained in a VAT return are stored under “Reprinting Existing VAT Forms” on the Accounts Main Menu.

- Produce your VAT 100 form

Once you have included any items on the unallocated transactions select next and you will see your VAT 100 form with key data included. Note you should check this data and add or amend it if there are additional inclusions required.

- Retrieving and printing VAT 100 forms

Go to Accounts Main Menu and select Reprint existing VAT 100 forms, from here you can select the form to be printed. When you print the form it will include an invaluable checklist of all the items automatically included by the system (including any unallocated transactions added). Before you send this report this list should be removed by cutting along the dotted line. Only the VAT 100 form needs to be signed and sent to HMRC.

VAT Reporting

You can easily access the key VAT information you might need from MyBusiness, from Accounts then Reports you will be able to obtain reports by date, you can also find the same VAT information within the accounts preparation report.

[Stock List](#)
[Income/Expense Categories](#)
Reports
[My Accounts](#)
[VAT Codes](#)

[Report by Category](#)
[Report by Category Detail](#)
[Report by Specific Category](#)
[Breakdown of income and expenses](#)
[VAT Summary](#)
[VAT Summary Transactions](#)
[Unreconciled VAT Transactions](#)

Displays how you spend or receive your money.
Displays how you spend or receive your money in detail.
Displays how you spend or receive money by specific category.
Displays a list of your income and expense items.
Displays a summary of VAT paid and charged.
Displays a list of transactions used for the VAT summary report.
Displays a list of unreconciled VAT transactions.