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Hello again and welcome to our latest newsletter.

Please keep your comments and suggestions coming—we really like hearing from you!

Interest Calculation

The interest ready reckoner (within the Reports tab, then Interest Calculation tab, and then the Interest Calc button) both shows and bases its calculations on the number of days between the specified dates, including only one of those days. So if you ask for January 1st - 31st, it will use 30 days.

We understand that Courts include both the start and end dates in their calculations, and would classify this as 31 days, so will change the programme to deal with this. When we do another update.

In the meantime, if you want to show the full number of days including both start and end dates, enter the start date, then the end date, and look at the number of days that comes up.

This is now your window of opportunity! Just change the number of days, in this example 30, to 31 and then put in the interest rate and amount and the calculation will work out 31 days of interest.

If you have already put in the interest rate and/or amount, the results won't change, so re-start the calculation as above.

Want to check this? Do 1/1 to 31/12 at 10% on £1,000. You'll either get £99.73 for 364 days, or £100 if you change the number of days to 365.

GDPR

So, we've all had time to get used to the new regulations. Have they stopped cold callers, unsolicited sales calls, unwelcome and unwanted emails, or scammers, conmen and swindlers trying to get in touch? No, well, not from our point of view. In fact, GDPR seems to have made everything worse!

But it has stopped us from being able to contact people who are not our clients, even if we've had contact with them prior to May 25th.

If you know of someone who wants to talk to us, we'd love to hear from them. Or, if you're reading this on our website, do get in touch.

We're friendly people who are hopefully helpful, and we never give your details to anyone else unless we have directly asked for your permission and have received definite confirmation (for instance, if we ask if you'll give us a reference).

Thanks.

General News

We've updated our website. Those of you who've watched us doing the recent updates will have noticed that there's a Downloads section, but there's also a Newsletter section, so you can read our latest Newsletter, and a Privacy section where you can read our General Data Protection Regulation Privacy Notice. If you'd like us to consider putting on a picture of you working (or, even better, working on Blue Tuesday), email it to us but please, make sure there's nothing in the background that other people shouldn't see — like matter details on the screen!

Everyone should now be on at least revision 2.0.4 of Blue Tuesday. It's shown at the bottom right of the front screen when you first log in. Previous revisions have a licence expiry date of 1st July, so if you're still on anything pre-2.0.4, please get in touch urgently to arrange to have the update installed. It takes just five or ten minutes.

Some users who have a combination of Windows 7 and certain anti-virus software have reported that they're having problems with the postcode address finder. It's definitely not a problem with our programme, but if we can find out what's causing it and get it sorted, we will. We suspect an automatic Windows 7 security update, as it seems to have happened to everyone affected at around the same time. Meanwhile, it's back to the long-handed way of inputting addresses. Sorry!

Making Tax Digital

We hear that Accountants are now starting to warn their clients about the Making Tax Digital compliance which is due to take effect in April 2019. From that date, businesses with a turnover above the VAT threshold will have to keep their records digitally (for VAT purposes only) and will have to provide their VAT return information to HMRC through Making Tax Digital (MTD) functional compatible software. HMRC are also empowered to require a business to keep and preserve certain records digitally. MTD will be available on a voluntary basis to firms who do not fall within this scope.

We, along with other software developers, have registered with HMRC to be notified of system and compatibility requirements, and we will instigate changes to Blue Tuesday when we are advised of all the whats and hows, information which has not so far been forthcoming despite a promise that instructions would be available from April 2018.

What we know so far is regulatory rather than informative or practical, but we know that, for instance, HMRC will be able to specify the form in which records are kept and preserved, and that where they are required to be kept digitally, that requirement remains in place even if the business turnover falls below the VAT threshold. These regulations come into force on or after 1st April 2019, and businesses have the right of appeal against HMRC's decisions regarding this.

Businesses who are in the scope for MTD must use functional compatible software, the functions of which must include the keeping and preserving records in a digital form as required by the regulations, creating a VAT return from the digital records and providing HMRC with this information digitally, plus providing HMRC with VAT data on a voluntary basis. If a business deregisters, their records must be preserved for up to six years.

For the time being, statutory VAT return dates will remain the same as they are now, but once MTD for Income Tax becomes mandatory, it may be that submission deadlines and payment dates for VAT and Income Tax are aligned.

For VAT, the return will be generated by pulling information from the digital records in the form of a minimum 9-box return, but there may be a specific data set of supplementary information, again to be pulled in from the digital records. Monthly, non-standard and annual returns will be required at the same intervals as pre-MTD, but MTD will enable businesses to submit VAT information more frequently than their VAT return obligations require. Compliant software will have to provide for this.

The existing error correction rules will still apply. Non-deliberate errors that are below the reporting threshold can be adjusted on the next VAT return as long as they are within a 4-year limit.

Both output (sale) and input (purchase) values for each period will need to be split between Standard, Reduced, Zero, Exempt rates and Outside the Scope. Blue Tuesday assumes, if nothing is put in the VAT box of a nominal posting, that the transaction is Outside the Scope. Please make sure, when posting, that you alter this if the item is not Outside the Scope—it's sensible to get into this habit now rather than later.

Initial information suggests that the standard nine return boxes will be:

- Box 1 VAT due in the period on sales and other outputs
- Box 2 VAT due in the period on acquisitions from other EU member states
- Box 3 Total VAT due (Box 1 + Box 2)
- Box 4 VAT reclaimed in the period on purchases and other inputs (including acquisitions from the EU)
- Box 5 VAT to be paid to HMRC or reclaimed (difference between Box 3 and Box 4)
- Box 6 Total value of sales and all other outputs excluding any VAT
- Box 7 Total value of any purchases and all other inputs excluding any VAT
- Box 8 Total value of all supplies of goods & related costs, excluding any VAT, to other EU member states
- Box 9 Total value of all acquisitions of goods & related costs, excluding any VAT, from other EU member states

However, all this was planned before the EU referendum and GDPR. So it *may* all change ...