

---

STATUTORY INSTRUMENTS

---

**2024 No. 167**

**INCOME TAX**

**The Income Tax (Digital Requirements)  
(Amendment) Regulations 2024**

<i>Made</i>	- - - -	<i>19th February 2024</i>
<i>Laid before the House of Commons</i>	- - - -	<i>22nd February 2024</i>
<i>Coming into force</i>	- -	<i>14th March 2024</i>

The Commissioners for His Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by paragraphs 2(4), 7, 8, 11, 13 to 15 and 18 of Schedule A1 to the Taxes Management Act 1970(1).

**Citation and commencement**

1. These Regulations may be cited as the Income Tax (Digital Requirements) (Amendment) Regulations 2024 and come into force on 14th March 2024.

**Amendment of the Income Tax (Digital Requirements) Regulations 2021**

2. The Income Tax (Digital Requirements) Regulations 2021(2) are amended as follows.
3. In regulation 1, for “2024” substitute “2026”.
4. In regulation 2—
  - (a) omit the following definitions—
    - (i) “designatory information”;
    - (ii) “end of period information”;
    - (iii) “end of period notice”;
    - (iv) “retail sales notice”;
  - (b) for ““quarterly period”” substitute ““quarterly update period””;
  - (c) in the definition of “update information” for “quarterly period” substitute “quarterly update period”.

---

(1) 1970 c. 9. Schedule A1 was inserted by section 60 of the Finance (No. 2) Act 2017 (c. 32).  
(2) S.I. 2021/1076.

5. In regulation 3—
- (a) in paragraph (1)—
    - (i) omit sub-paragraph (d);
    - (ii) at the end insert—
      - “(e) to provide corrections to digital records under Part 6.”;
  - (b) in paragraph (2), omit “and is required to file an end of year statement for that tax year”;
  - (c) in paragraph (3)(b), omit “and end of period statements and”.
6. In regulation 4—
- (a) in paragraph (1)—
    - (i) for “2023” substitute “2025”;
    - (ii) for “2024” substitute “2026”;
  - (b) in paragraph (2)—
    - (i) for “Paragraphs (3) and (4) apply” substitute “Paragraph (5) applies”;
    - (ii) in sub-paragraph (a), for “2023” substitute “2025”;
  - (c) omit paragraphs (3) and (4);
  - (d) at the end insert—
    - “(5) The digital start date that applies to the business is 6th April in the year of assessment following the year of assessment in which the person was required to deliver the return.”.
7. In regulation 5(2)(a) and (b), for “quarterly period” substitute “quarterly update period”.
8. In regulation 6—
- (a) in paragraph (1), for the words from “records of” to the end substitute—
    - “records of—
      - (a) the financial information<sup>(3)</sup> included in update information,
      - (b) the details of the items comprised in that financial information,
      - (c) the amounts of those items and dates on which those items were received or incurred, and
      - (d) such other information as the Commissioners consider relevant to ascertaining update information as may be specified by a notice made by the Commissioners which is stated to be made further to this regulation.”;
  - (b) omit paragraph (2);
  - (c) in paragraph (3), for the words from “if” to the end substitute “a relevant person may keep such digital records as may be specified by a notice made by the Commissioners which is stated to be made further to this paragraph”.
9. In regulation 7—
- (a) in paragraph (1), for “quarterly period” substitute “quarterly update period”;
  - (b) in paragraph (3)—
    - (i) after “(10)” insert “and regulation 9(1A)”;
    - (ii) for “quarterly periods” substitute “quarterly update periods”;

---

(3) “Financial information” is defined in paragraph 7(2) of Schedule A1 to the Taxes Management Act 1970.

- (iii) in the table, in the first column, for “quarterly period” substitute “quarterly update period” in each place;
  - (iv) in the table, in the second column, for “day immediately following the end of quarterly period 1 (6th July)”, “day immediately following the end of quarterly period 2 (6th October)” and “day immediately following the end of quarterly period 3 (6th January)” substitute “first day of the tax year (6th April)” in each place;
- (c) in paragraph (5)—
- (i) in the introductory words and in the table, for “quarterly period” substitute “quarterly update period” in each place;
  - (ii) in the table, for “5th” substitute “7th” in each place;
- (d) in paragraph (8)—
- (i) after “(9)” insert “and regulation 9(1A)”;
  - (ii) for “quarterly periods” substitute “quarterly update periods”;
  - (iii) in the table, in the first column, for “quarterly period” substitute “quarterly update period” in each place;
  - (iv) in the table, in the second column, for “the day immediately following the end of quarterly period 1 (1st July)”, “the day immediately following the end of quarterly period 2 (1st October)” and “the day immediately following the end of quarterly period 3 (1st January)” substitute “1st April before the beginning of the tax year” in each place;
- (e) in paragraph (9), for the words from “quarterly” to the end substitute “each quarterly update period begins with the first day of the tax year (6th April) and ends on the date specified for that quarterly update period in the table in paragraph (8)”;
- (f) in paragraph (10), for the words from “quarterly” to the end substitute “each quarterly update period begins with the 1st April before the beginning of the tax year and ends on the date specified for that quarterly update period in the table in paragraph (3)”;
- (g) in paragraph (11), for the words from “by no later” to the end substitute “before the relevant person provides any update information in relation to the first quarterly update in respect of a quarterly update period for the tax year in respect of which the election is made”;
- (h) in paragraph (13)(a), for the words from “by no later” to “earlier” substitute “before any update information has been provided for that year”.
- 10.** In regulation 8—
- (a) omit paragraph (2);
  - (b) in paragraph (3), for “designatory information or different categories of transaction” substitute “update information”.
- 11.** In regulation 9—
- (a) in paragraphs (1), for “quarterly period” substitute “quarterly update period”;
  - (b) after paragraph (1) insert—
    - “(1A) Where a person ceases to carry on a business, the quarterly update period ends on the date of the cessation.”;
  - (c) in paragraph (2)—
    - (i) for “quarterly period” substitute “quarterly update period”;
    - (ii) after “ceases” insert “to be carried on”;

- (d) in paragraph (3), for the words from “include” to the end substitute “give notice of the cessation, and the date of the cessation, to HMRC on or before the quarterly deadline for the final quarterly update period”.
12. In the heading to regulation 10, for “quarterly periods” substitute “quarterly update periods”.
13. In regulation 10, for “quarterly period” substitute “quarterly update period” in each place.
14. Omit Part 4.
15. Omit Part 5.
16. In regulation 17—
- (a) in paragraph (2)(b), for “an end of period statement” substitute “the final quarterly update”;
  - (b) in paragraph (3), omit the words from “; or” to the end.
17. Omit regulation 18.
18. Omit regulation 19.
19. In regulation 21—
- (a) omit paragraph (2);
  - (b) for paragraph (3) substitute—
    - “(3) The exemption applies—
    - (a) for the tax year 2026-27, if the amount of the person’s qualifying income for the tax year 2024-25 is not more than £50,000, and
    - (b) for subsequent tax years, if the amount of the person’s qualifying income for the most recent tax year in relation to which the filing deadline fell before the start of the tax year in question is not more than £30,000.”;
  - (c) in paragraph (5), omit “, before any deductions,”;
  - (d) after paragraph (5) insert—
    - “(5A) But a person’s qualifying income for a tax year does not include any qualifying care receipts for that tax year.
    - (5B) For the purpose of paragraph (5), the amount of income for each business is—
      - (a) the amount included in the return before any deductions, or
      - (b) if a person is not required to include in the return the amount of income before any deductions, the amount included in the return after deductions.    - (5C) For the purposes of determining a person’s qualifying income for a tax year, no account will be taken of any amendment to that person’s return for that year if—
      - (a) it would increase that person’s qualifying income for that year, and
      - (b) it is made after the start of the tax year to which the exemption under this regulation would apply.”;
  - (e) after paragraph (7) insert—
    - “(8) “Qualifying care receipts” has the same meaning as in Chapter 2 of Part 7 of ITTOIA 2005(4).”.
20. In regulation 22—
- (a) omit paragraph (2);

---

(4) The meaning of “qualifying care receipts” is given in section 805 of the Income Tax (Trading and Other Income) Act 2005 which was inserted by paragraph 6 of Schedule 1 to the Finance (No. 3) Act 2010.

(b) in paragraph (3)(b), for “£10,000” substitute “£30,000”.

21. Omit regulation 23.

22. In Part 8, after regulation 26 insert—

**“Qualifying care exemption**

**26A.**—(1) The digital requirements do not apply to a person in respect of that person’s provision of qualifying care.

(2) “Provision of qualifying care” has the same meaning as in Chapter 2 of Part 7 of ITTOIA 2005<sup>(5)</sup>.

**No NINO exemption**

**26B.**—(1) The digital requirements do not apply to a person for a tax year if on 31st January before the start of that tax year the person did not have a national insurance number.

(2) “National insurance number” means the national insurance number allocated within the meaning of regulation 9 of the Social Security (Crediting and Treatment of Contributions, and National Insurance Numbers) Regulations 2001<sup>(6)</sup>.”.

23. Omit Part 9.

24. In regulation 28—

(a) before paragraph (a) insert—

“(za) 6(1)(d);

(zb) 6(3);”;

(b) omit paragraphs (d) to (f), (i) and (j).

*Jonathan Athow*

*Justin Holliday*

Two of the Commissioners for His Majesty’s  
Revenue and Customs

19th February 2024

---

(5) The meaning of providing qualifying care is given in section 805A of the Income Tax (Trading and Other Income) Act 2005 (c. 5) which was amended by paragraph 5 of Schedule 1 to the Finance (No. 3) Act 2010 (c. 33), paragraph 42 of the Finance Act 2013 (c. 29) and paragraph 11 of Schedule 16 to the Finance (No. 2) Act 2017 (c. 32).

(6) S.I. 2001/769, regulation 9 was amended by SI 2006/2897, S.I. 2008/223, S.I. 2015/67 and S.I. 2015/1828.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Income Tax (Digital Requirements) Regulations 2021 (“the principal Regulations”) which make provision for digital reporting and record keeping in relation to income tax.

Regulations 1 and 2 are introductory.

Regulation 3 amends the date that the principal Regulations come into force.

Regulation 4 amends regulation 2 to make consequential amendments to definitions and omit definitions which are not needed in consequence of amendments made to the principal Regulations.

Regulation 5 amends regulation 3 to make consequential amendments in relation to the provisions relating to the use of functional compatible software and impose a requirement to use functional compatible software when correcting digital records.

Regulation 6 amends regulation 4 to postpone the digital start date for businesses (this is the date from when a relevant person must keep digital records for a business), make provision for a notice by the Commissioners of His Majesty’s Revenue and Customs and amend the digital start date for new businesses.

Regulation 7 makes consequential amendments to regulation 5.

Regulation 8 amends regulation 6 to amend the meaning of “digital records” and make provision for a notice to be made by the Commissioners of His Majesty’s Revenue and Customs in relation to retail sales.

Regulation 9 amends regulation 7 in relation to a quarterly update to amend the timing of the updates, length of the period, terminology and date when a calendar quarters election can be made.

Regulation 10 amends regulation 8 to omit an otiose provision and makes a consequential amendment in relation update notices.

Regulation 11 amends regulation 9 to make consequential amendments and amends the timing of update notices where a business ceases.

Regulations 12 and 13 make consequential amendments.

Regulation 14 omits Part 4 which contains the provisions in relation to end of period statements.

Regulation 15 omits Part 5 which contains provisions in relation to retail sales.

Regulations 16 to 18 make consequential amendments.

Regulation 19 amends regulation 21 to remove the election not to be exempt, increase threshold amounts and provide that in determining qualifying income qualifying care receipts are excluded, deductions are taken into account unless not required to be included in a tax return and amendments to a tax return which would increase qualifying income are not taken into account.

Regulation 20 makes consequential amendments.

Regulation 21 omits regulation 23 which relates to the election not to be exempt under regulation 21.

Regulation 22 inserts a new regulations 26A and 26B to provide exemptions for qualifying care income and where a person has no national insurance number.

Regulation 23 omits Part 9 which provides for an election in relation to excluded activities under Schedule A1 of the Taxes Management Act 1970.

Document Generated: 2024-03-14

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Regulation 24 makes a consequential amendment to regulation 28.

A Tax Information and Impact Note covering this instrument will be published on the website at <http://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>