

MTDFix — MTD for landlords

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HMRC Landlords Making Tax Digital: What Landlords Must Do in 2026/27

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Quick answer

Under HMRC's Making Tax Digital rules, a landlord whose gross rent (plus any self-employed turnover) topped £50,000 on their 2024/25 return has had to keep digital records and send quarterly updates since 6 April 2026. From April 2027 the bar falls to £30,000, and a year later to £20,000. Rent is counted before costs, and joint owners count only their own share.

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What is Making Tax Digital for landlords?

For a landlord, Making Tax Digital means your rental books move into software and HMRC hears from you every quarter, not just once a year. The tax you owe on rent is worked out exactly as before. What changes is the paperwork: each letting receipt and each cost is logged digitally, a short summary goes to HMRC four times a year, and the year is closed with your tax return by 31 January.

You'll see it described as landlord Making Tax Digital, the plan to make tax digital for landlords, or simply MTD; the obligations are the same. HMRC Making Tax Digital landlords rules mirror those for sole traders. If you also run a trade on the side, your takings from that and your rent are pooled when HMRC decides whether you're in. Our explainer on [what is Making Tax Digital](#) shows how the whole scheme fits together.

The Making Tax Digital for landlords threshold: when your start date arrives

The Making Tax Digital threshold for landlords is based on money received, not money kept. HMRC takes the gross rent on a return you've already filed, adds any self-employed turnover, and compares that total with the limit for the year.

	Gross rent + trade	
Return HMRC looks at	turnover over	You're in from
Tax return for 2024/25	More than £50,000	Inside MTD since 6 April 2026
Tax return for 2025/26	More than £30,000	Joins on 6 April 2027
Tax return for 2026/27	More than £20,000	Joins on 6 April 2028

All three dates are set in law: [SI 2026/336](#). See also [HMRC's sign-up guidance on GOV.UK](#).

Illustrative example: two flats, a small profit

Priti lets two flats for a combined £33,600 a year. After agent fees, repairs, insurance and service charges, her taxable profit is about £14,000, and her mortgage interest only earns a basic-rate tax credit on top of that.

None of those costs matter for the threshold. Her gross rent of £33,600 is over £30,000, so if her 2025/26 return shows a similar figure, she joins on 6 April 2027. *Figures are invented to explain the rule.*

Making Tax Digital rental income: what counts and what doesn't

Making Tax Digital property income means the full rent you're entitled to on your own return, from UK and overseas lettings alike. A few types of income are treated differently:

Income	Counts towards the threshold?
Rent from UK buy-to-lets, HMOs, commercial units	Yes, in full before costs
Rent from property abroad (UK-resident landlords)	Yes
Former furnished holiday lets	Yes. The special holiday-let regime ended in April 2025, so this is now ordinary property income
A lodger in your own home, up to the Rent a Room limit (£7,500, or £3,750 if shared)	No. Only the part above the limit counts
Your share of a jointly owned property	Yes, your share only
Overseas rent if you are not UK resident	No. Only UK income on your UK return counts
Property held in a limited company	No. A company pays Corporation Tax, which MTD for Income Tax doesn't touch

Checked against guidance from [LITRG](#) and the [National Residential Landlords Association](#).

Making Tax Digital private landlords: owning property jointly

If you own a rental with a spouse, partner, sibling or friend, each of you is tested on your own share. A flat bringing in £48,000 split 50:50 gives each owner £24,000, so neither is caught in 2026 or 2027 on that property alone.

When joint owners are in, each one keeps their own records and sends their own updates. Because the paperwork usually sits with just one of them, HMRC allows an easement for jointly owned lets: during the year, you can report your share of the rent without splitting every expense, and sort the costs out when you file your tax return. The easement covers the joint property only. Anything you own alone still needs full quarterly figures.

Making Tax Digital for new landlords: just started letting?

MTD is triggered by a return you've already filed, so a brand-new landlord with no other self-employed income normally isn't in from day one. Your first letting year ends up on a tax return, and if that return shows qualifying income over the threshold, you join from the April after it's due.

The picture changes if you're already inside MTD as a sole trader. In that case a new rental is simply another income source: you set it up in your software and start sending quarterly updates for it straight away. Need to register? Follow the steps in our guide to [signing up for Making Tax Digital](#).

What a landlord actually sends HMRC

Under the Making Tax Digital landlord rules, all your UK lets count as one property business, so a landlord with ten flats still sends one UK update per quarter, not ten. Overseas lettings form a second business with their own update.

Quarter	Update due
Quarter 1 (April to early July)	Send by 7 August
Quarter 2 (July to early October)	Send by 7 November
Quarter 3 (October to early January)	Send by 7 February
Quarter 4 (January to early April)	Send by 7 May
Full-year tax return	File by 31 January

Each update carries your rent and your costs grouped into HMRC's categories. **Mortgage interest and other finance costs sit in a category of their own**, because for residential lets they give a 20% tax credit rather than reducing your profit. Getting that category wrong is one of the commonest landlord errors.

Using a letting agent? Your agent's monthly statements can feed your digital records, and some agents can pass data straight into your software. The legal duty to report still rests with you, so check your agent can supply figures in time for each deadline.

Is Making Tax Digital a burden for landlords?

The Making Tax Digital landlords burden is real, but for most people it becomes manageable once the records are set up. Five submissions a year instead of one is the obvious change, and it lands hardest on landlords with modest profits who are brought in by gross rent, or on older landlords who have always kept paper books.

- **What eases it:** one update covers every UK property; the joint-ownership easement; bank feeds that pull rent in automatically; and no penalty points for late quarterly updates in 2026/27.
- **What doesn't go away:** the updates must still be sent before your tax return, and from April 2027 each missed deadline earns a point, with a £200 penalty at four points.
- **Where age, a disability or a poor connection where you live makes software impractical,** HMRC will consider an application for digital exclusion. The decision is HMRC's, not yours.

Source: [HMRC's penalty guidance on GOV.UK](#).

Making Tax Digital support for landlords

HMRC's push to make tax digital landlords' records doesn't mean you have to become a bookkeeper. Doing it yourself is allowed, provided the software is HMRC-compatible. If you'd rather not, MTDFix handles the whole cycle for landlords across the UK: we register

you, set up the software, turn your rent and bills into digital records, send every quarterly update and file your tax return, with your finance costs categorised correctly.

MTD for landlords

£15 a month

- Software set up and included
- Rent and costs kept as digital records
- Quarterly updates sent to HMRC
- Year-end tax return

Not in MTD yet?

£7.50 a month

- Self Assessment tax return
- Rental expenses reviewed
- We tell you when MTD will apply

Want the full service picture? Speak to a [Making Tax Digital accountant](#) at MTDFix.

Check when MTD applies to your lettings

Send us your gross rent from your last return and any trade income. You'll get your start date and a fixed price from us before we lift a finger.

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Landlord FAQs

Do I have to make tax digital as a landlord with one property?

Only if the rent from it, plus any self-employed turnover, is over the threshold for the year. One well-let property can be enough: a single house at £2,600 a month is £31,200 a year, which is over the April 2027 limit.

Making Tax Digital for landlords HMRC test: does my salary count?

No. Wages, pensions, dividends and savings interest are left out. Only rent and self-employed turnover are added together.

Is making tax digital for rental income paid quarterly?

No. Quarterly updates only report figures. Tax on your rent is still paid on 31 January, plus 31 July if you make payments on account.

Can my letting agent do MTD for me?

An agent can supply the figures, and some can send data into your software. Unless they are also authorised with HMRC as your tax agent, you or your accountant still send the updates.

My lets are held by my company. Does MTD still apply?

Company-owned lets fall under Corporation Tax, and MTD for Income Tax doesn't apply to them. Any property you own personally is still tested in your own name.

My August 2026 landlord update never went in. How do I fix it?

File it late rather than never. Late quarterly updates earn no points in 2026/27, yet HMRC will block your tax return until the full set has arrived.

This page explains the 2026/27 rules in general terms and isn't personal tax advice. Portfolio, overseas and company situations can be complex, so speak to an accountant before acting.

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Sources

- [UK legislation: SI 2026/336, the 2026 Income Tax digital obligations regulations](#)
- [HMRC guidance on who must sign up and when \(GOV.UK\)](#)
- [HMRC guidance on late-submission points and penalties \(GOV.UK\)](#)
- [LITRG explainer for landlords](#)
- [NRLA on joint ownership under MTD](#)