

Landlord MTD and Record-Keeping Starter Guide

A plain-English companion guide for UK landlords who want a calmer way to understand what is changing, what records matter, and which next step is worth taking first.

Why this guide is worth reading

This is more than a printable checklist. It explains what MTD means in practice for landlords, why separate property records matter, which common mistakes create stress later, and how to use the site pages in the right order.

What changes first

Understand when MTD is likely to apply, what qualifying income means, and why the reporting rhythm becomes more regular.

What records to keep

Focus on rent, dates, categories, supporting evidence, and a simple review habit rather than trying to build a perfect system.

Property details that matter

UK property, foreign property, and jointly let property should not be treated as one vague merged record set.

Practical next steps

Use this PDF as a saveable guide, then move into the landlord pages and tools on the site for the working version.

Inside this guide

- What MTD changes for landlords in practice.
- Who is likely to be affected first and what qualifying income means.
- What landlord records are worth keeping digitally through the year.
- How property structure changes what you need to keep clear.
- How to think about expenses, repairs, and finance costs more carefully.
- Which site pages to use next so the PDF becomes a working companion, not a dead end.

Important note: this guide is general information and practical guidance only. It is not HMRC, not official filing software, and not tax advice. Last checked against GOV.UK and HMRC guidance in March 2026.

What changes under MTD for landlords

Making Tax Digital for Income Tax changes the rhythm of tax admin. Instead of thinking about property income only once a year, landlords in scope need digital records through the year, quarterly updates through compatible software, and a year-end process that still pulls the full position together.

Digital records Income and expenses need to be kept in a digital format that is clear enough to work from through the year.	Quarterly updates People in scope send regular updates to HMRC through software, so the year becomes more structured.
Separate property businesses HMRC says landlords should keep separate digital records for UK property and foreign property businesses.	Year-end still matters Quarterly updates do not replace the final tax-return stage. The full year still needs to be finished properly.

Who is likely to be affected first

Tax year checked	Threshold	Likely MTD start	How to read it
2024-25	Over GBP 50,000 qualifying income	6 April 2026	First mandatory phase for those above the highest threshold.
2025-26	Over GBP 30,000 qualifying income	6 April 2027	Second phase for users above the lower live threshold.
2026-27	Over GBP 20,000 qualifying income	6 April 2028	Later rollout phase currently included in HMRC's expansion path.

Important: the start-date question is driven by qualifying income from self-employment and property, which is not the same as annual profit after expenses. HMRC also says it remains your responsibility to check if and when you need to use the service, even if you do not receive a letter.

Landlord record-keeping that actually helps

The goal is not to create a complicated bookkeeping system. The goal is to keep records clear enough that quarterly updates and year-end work are less chaotic. Most landlords benefit more from a repeatable routine than from a perfect spreadsheet they stop updating after two weeks.

What to keep	Why it matters	Practical example
Rent received, dates, and property reference	You need clear income entries attached to the right property business and time period.	Record the amount, the date received, and which property or property business it relates to.
Expense amount, date, and category	Categories make later review far easier than trying to decode bank lines near the deadline.	Repairs, insurance, fees, travel where relevant, and other costs should not sit in one vague bucket.
Supporting receipt, invoice, or note	A short note helps when a transaction is not obvious six months later.	Keep the contractor invoice, agent statement, or a plain note explaining the business reason.
A monthly review habit	A short regular review is usually easier than a large catch-up before a filing point.	Spend 20 to 30 minutes checking missing items, odd entries, and anything that needs a note.

A simple monthly routine

1. Capture rent and key costs as they happen. 2. Match each item to the right property business. 3. Add a note where the line will not be obvious later. 4. Review once a month so small problems do not become quarter-end stress.

Common avoidable mistakes

- Mixing personal spending and property spending in a way that creates detective work later.
- Waiting too long to add context for a payment that will not make sense from the bank line alone.
- Treating all property activity as one merged record set when structure matters.
- Thinking digital records means only keeping bank exports without categories, notes, or supporting evidence.

UK property, foreign property, and jointly let property

This is one of the landlord details most worth getting right early. HMRC says personal UK properties are treated as one UK property business and non-UK properties as one foreign property business, with separate digital records for each. If property is jointly let, your share forms part of the relevant property business rather than the full property being treated as if it were all yours.

<p>UK property business</p> <p>Your UK rental activity should be kept clearly enough that it can stand on its own as a digital record set.</p>	<p>Foreign property business</p> <p>Foreign property should be kept separately from UK property records rather than merged into one vague pool.</p>
<p>Jointly let property</p> <p>Your own share of income and expenses is what matters for your records and return position.</p>	<p>Why software fit changes</p> <p>A software route that feels fine for one simple UK property may feel weak if foreign property or joint ownership also needs to be handled cleanly.</p>

Situation	What to keep especially clear	Why
UK property only	Property income, costs, documents, and review habit	This is the simplest landlord record picture, but it still needs structure.
UK and foreign property	Separate digital records for each property business	This avoids confusion and matches HMRC's separate-business treatment.
Joint ownership	Your share, how it was worked out, and supporting evidence	You remain responsible for your own return position even if someone else helps keep the records.

Use these site pages next: </landlords/uk-vs-foreign-property-records> and </landlords/jointly-let-property-records>.

Expenses, repairs, and finance costs

Landlords often get into trouble when the record is too thin to explain what a payment was for, or when a cost is treated too casually. The safest pattern is to keep a clearer note at the point you record it rather than trying to reconstruct the logic later.

<p>Repairs vs improvements HMRC says maintenance and repairs can be allowable, but capital improvements are not the same thing. Restoring something is different from upgrading or creating something new.</p>	<p>Property allowance The property allowance can exempt up to GBP 1,000 of property income, but if you use it you cannot also deduct actual expenses for the same income.</p>
<p>Residential finance costs Residential landlord finance costs have their own relief rules. Do not assume they work like a normal full deduction of mortgage costs.</p>	<p>Replacement domestic items Replacement of certain domestic items may be relieved in some cases, but that is not the same as the initial purchase of everything at the start.</p>

Record type	Why to keep it	Helpful note to add
Repair invoice	Supports why the cost was a repair and what work was done.	Note what was restored or replaced and the property concerned.
Improvement project cost	Helps keep capital-type spending separate from routine revenue costs.	Note what changed and why it was more than a repair.
Mortgage or finance paperwork	Useful when reviewing the finance-cost position and matching costs to the right property business.	Keep lender statement or fee note, not just the payment line.
Replacement domestic item receipt	Helps distinguish replacement from first-time furnishing.	Note which previous item it replaced and when.

Practical rule of thumb

When a cost is even slightly debatable, add a note at the time. A short note such as 'boiler replaced after failure - restore existing heating' is far more useful than trying to remember the story months later.

Choosing software without buying the wrong workflow

The common mistake is to choose on price alone. The better first filter is fit: what property record structure do you need, how do you keep records today, and do you want one product doing most of the work or a more layered process that may need more care?

One simple UK property A simpler route may be enough if the product clearly supports landlord records and the wider MTD process.	UK and foreign property Check much more carefully that the product can support both cleanly instead of forcing awkward workarounds.
Jointly let property Look at whether the software still feels clear enough when your share matters more than the full property picture.	Wider tax picture If you also have other income sources, think beyond the quarterly update and consider the year-end process too.

Use official and site routes together

- Use HMRC's software finder as the official starting point:
<https://www.gov.uk/guidance/find-software-that-works-with-making-tax-digital-for-income-tax>
- Read HMRC's choosing-software guidance before deciding: <https://www.gov.uk/guidance/find-software-thats-compatible-with-making-tax-digital-for-income-tax>
- Then use the site's landlord software guide for the plain-English fit questions:
<https://tax.aurecima.com/landlords/software-for-landlords>
- If you already keep spreadsheet records, check whether the route you choose supports your workflow or forces a full reset from day one.

The mistake to avoid

A free or low-cost product can still be the wrong fit if it does not support the landlord structure you need, if the workflow becomes awkward, or if the year-end stage ends up creating more work rather than less.

Best pages on the site to use next

This PDF works best as a companion guide, not as a substitute for the site. The site gives you the fuller landlord explanations, the working checklist pages, and the software comparison route in one place.

Best site page	What it helps with
https://tax.aurecima.com/landlords	A calm route into the full landlord help section if you are not sure where to begin.
https://tax.aurecima.com/landlords/what-mtd-means-for-landlords	A fuller landlord-focused explanation of what changes under MTD and how the process feels different.
https://tax.aurecima.com/landlords/landlord-record-keeping-checklist	A property-focused checklist page to use as the working version of the record routine.
https://tax.aurecima.com/landlords/uk-vs-foreign-property-records	A clearer explanation of why those records should be separated.
https://tax.aurecima.com/landlords/jointly-let-property-records	A simpler route into joint ownership and why your share matters.
https://tax.aurecima.com/landlords/software-for-landlords	A practical guide to software fit, official routes, and what to compare before choosing.
https://tax.aurecima.com/resources	The broader resource layer for checklists, downloads, and practical support pages.

A simple 30-minute action plan

- Open the landlord hub and read the 'What MTD means for landlords' page first if the overall change still feels fuzzy.
- Use the landlord record-keeping checklist and keep this PDF nearby as your saveable overview.
- Read the UK-vs-foreign and jointly let property pages if either applies to you.
- Compare software using both HMRC's official finder and the landlord software guide on the site before choosing.
- Keep a monthly record review habit so quarterly and year-end work stay calmer.

Visit the site: <https://tax.aurecima.com>