

Making Tax Digital for Income Tax (Sole Traders)

Your Agreement – Product Specific Conditions

Contains additional terms and conditions for the online banking service you receive from us.

Important things to know before you get started

These Product Specific Conditions form part of **Your Agreement** with **us**. They apply specifically to **your** use of the Making Tax Digital for Income Tax (“**MTD IT**”) service and should be read alongside:

- the General Conditions; and
- the Online for Business (“**O4B**”) Product Specific Conditions

MTD IT does not provide tax, legal or accounting advice. It is a digital tool designed to support **your** record-keeping and to facilitate submissions to HM Revenue & Customs (“**HMRC**”). **You** remain responsible at all times for the accuracy and completeness of **your** records and for any submissions made to **HMRC**.

If **you** are unsure whether **MTD IT** meets **your** needs, or if **you** require advice on **your** tax obligations, **you** should seek independent professional advice.

1. Meanings of words we use

The following words have specific meanings in these Product Specific Conditions. Words defined in the General Conditions and the **O4B** Product Specific Conditions have the same meanings here unless **we** define them differently below.

Account Information Services or AIS

The regulated open banking account information services used to access transaction and balance information from **your Connected Account(s)** and any **Supported Account(s)**, in order to ingest that information into **MTD IT** for the purposes of creating and maintaining **your Digital Records** and supporting **MTD IT Submissions**.

Connected Account

A business current account held with **us** which **you** designate within **MTD IT** as a primary account from which transaction data is ingested using **Account Information Services**.

Data Protection Laws

Any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction (as amended, consolidated or re-enacted from time to time) enacted in the UK which relates to the protection of individuals with regards to the Processing of Personal Data to which **we** or **you** are subject, including (i) the Data Protection Act 2018; (ii) the General Data Protection Regulation EU 2016/679

as implemented in the UK under the European Union (Withdrawal Agreement) Act 2020 (“GDPR”); and (iii) The Data (Use and Access) Act 2025. For the purposes of these Product Specific Conditions, the terms “Controller”, “Personal Data”, “Personal Data Breach” and “Processing” shall have the meanings set out in the **Data Protection Laws**, and “Process” and “Processed” shall be construed accordingly. Any reference to “Personal Data” includes a reference to “special categories of personal data” being such categories of data as are listed in Article 9(1) of the GDPR and “personal data relating to criminal convictions and offences” referred to under Article 10 of the GDPR.

Digital Records

The electronic records of **your** income and expenditure maintained using **MTD IT** in accordance with **HMRC’s** Making Tax Digital requirements.

MTD IT Submission

A **Quarterly Update** or other submission to **HMRC** made through **MTD IT** on **your** behalf and at **your** direction, following **your** review and approval of the relevant information.

Government Gateway

HMRC’s online authentication and authorisation service, or such equivalent system as **HMRC** may designate from time to time.



LLOYDS

HMRC

His Majesty's Revenue & Customs.

MTD IT

Making Tax Digital for Income Tax, being the regime requiring eligible sole traders and landlords to keep **Digital Records** and submit **Quarterly Updates** to **HMRC** in accordance with the Income Tax (Digital Requirements) Regulations 2021 (as amended).

O4B

The Online for Business digital banking platform operated by **us** and made available to business customers registered for that service.

Quarterly Update

A submission to **HMRC** of **your** income and expenditure data for a given quarter, as required by the **MTD IT** regime.

Supported Account

An account (including an account held with another provider) which **you** designate within **MTD IT** for the purposes of ingesting transaction data using **Account Information Services** to support **your Digital Records**.

We, us, our

Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN. Registered in England and Wales No. 2065.

You, your

The sole trader in whose name the relevant **Connected Account** is held and who has enrolled for **MTD IT** in accordance with these Product Specific Conditions.

Your Agreement

Your Agreement is the name given to the package of documents **you** need to read to understand Your Agreement with **us** relating to **your** Accounts and Services. This includes the General Conditions, the Account Charges and Processing Times brochure, and Product Specific Conditions and **your** Authority. It also includes anything else **we** tell **you** that **you** need to read in **your** Product Specific Conditions to understand **your** agreement with **us** for a particular Account or Service or any other document that **we** tell **you** is covered by Your Agreement.

2. What do you need to read to understand your agreement?

These Product Specific Conditions are part of **Your Agreement** with **us**. **You** also need to read the General Conditions and **O4B**.

Your Product Specific Conditions may also tell **you** about additional things **you** need to read to understand **Your Agreement** for a particular Account or Service.

You must also have accepted, and continue to comply with, the **O4B** Product Specific Conditions. These Product Specific Conditions apply in addition to, and alongside, those terms.

If these Product Specific Conditions say one thing, and the General Conditions say another, these Product Specific Conditions will apply.

These Product Specific Conditions do not form part of the **O4B** Product Specific Conditions and do not amend or replace them.

3. What is MTD IT?

MTD IT is a service delivered and fully embedded within the **O4B** online banking channel. These terms apply to **MTD IT**.

MTD IT is a software-enabled service, limited to the functionality described in these Product Specific Conditions, that:

- provides digital record-keeping and submission support functionality; and confirms that it does not provide tax, legal or accounting advice;
- uses Open Banking account information services (AISP) to ingest transaction data from **your Connected Account(s)** and any **Supported Account(s)**;
- supports **you** in preparing and submitting **Quarterly Updates** to **HMRC** in accordance with the **MTD IT** regime.

MTD IT does not provide tax, legal or accounting advice. It is a digital record-keeping and submission facilitation tool. **You** should seek independent professional advice where appropriate.

MTD IT is available to eligible customers only. **We** reserve the right to withdraw or modify **MTD IT** at any time in accordance with clause 10 of these Product Specific Conditions.

4. Eligibility and access

To enrol for and use **MTD IT**, **you** must at all times:

- be registered for **O4B** and satisfy the overarching eligibility requirements and access prerequisites;
- hold a business current account with **us** which may be designated as a **Connected Account**;
- be a sole trader who is within the scope of, or is preparing to comply with, the **MTD IT** regime; and
- **You** must access **MTD IT** through supported **O4B** channels, devices and software, as made available to **you** from time to time.

MTD IT is a single-user service under these Product Specific Conditions. Only one **O4B** user per business may use **MTD IT** at any time.

We may carry out checks to verify **your** eligibility for **MTD IT**. **We** may decline **your** enrolment or suspend **your** access if **you** do not meet the eligibility criteria at any time.

5. HMRC authorisation and Government Gateway

MTD IT requires **you** to complete **HMRC**-mandated authorisation steps before any submissions can be made. These include use of the **Government Gateway** (or equivalent flow designated by **HMRC** from time to time).

You must complete the **HMRC** authorisation process before **MTD IT** can submit **Quarterly Updates** or other submissions to **HMRC** on **your** behalf. **You** are responsible for maintaining valid **HMRC** authorisation throughout **your** use of **MTD IT**.

Any declarations required by **HMRC** before a submission is made must be completed by you. Declarations are made by **you** (or **your** authorised representative), not by **us**.

You must not misrepresent **your** identity or authority when completing **HMRC** authorisation flows. **We** are not responsible for any consequences arising from **your** failure to complete or maintain valid **HMRC** authorisation.

MTD IT is designed to support digital record-keeping and submissions in line with **HMRC** requirements, but we do not guarantee that **MTD IT Submissions** will be accepted or processed by **HMRC**. **MTD IT** functionality may be updated, modified or withdrawn to reflect changes in **HMRC** technical standards. Successful submission ultimately depends on **HMRC** systems and acceptance criteria.

6. Open Banking and Account Information Services

MTD IT uses regulated open banking **Account Information Services** solely for the purposes of:

- retrieving transaction and related account information from **your Connected Account(s)** and **Supported Account(s)**;
- populating and maintaining **your Digital Records** within **MTD IT**; and
- supporting the preparation and submission of **Quarterly Updates** and other submissions under the **MTD IT** regime.

Account Information Services are used only to support **MTD IT** functionality for **MTD IT** and not for the provision of tax, legal or accounting advice.

By enrolling for and using **MTD IT**, **you** consent to **us** acting as, or procuring the services of, an authorised Account Information Service Provider to access **your Connected Account(s)** and **Supported Account(s)** in accordance with these Product Specific Conditions.

Your consent to the use of **Account Information Services** is not indefinite. From time to time, we may be required by law or regulatory standards to ask **you** to reconfirm **your** consent to **our** continued access to **your Connected Account(s)** and **Supported Account(s)** for the purposes of providing **MTD IT**.

The process for granting, reconfirming, managing and withdrawing **your** consent to **Account Information Services** (including any strong customer authentication requirements) is governed by the **O4B** Product Specific Conditions.

Information obtained through **Account Information Services** is provided by third-party account providers and systems outside **our** control. **We** do not verify, amend or correct that information.

Transaction data retrieved through **Account Information Services** may be incomplete, delayed or unavailable. **MTD IT** functionality may be affected by interruptions, errors or limitations in third-party data feeds or interfaces.

We do not guarantee the availability, accuracy or completeness of data provided through **Account Information Services**.

You may withdraw **your** consent to the use of **Account Information Services** for **MTD IT** at any time through the relevant Online for Business channel. **You** may also choose not to reconfirm **your** consent when asked to do so.

If **you** withdraw or do not reconfirm **your** consent when asked to do so:

- we will be unable to continue accessing account information through **Account Information Services**;
- **MTD IT** will no longer be able to automatically ingest transaction data from the relevant account(s);
- **your Digital Records** may be incomplete; and
- **you** remain responsible for maintaining complete and accurate **Digital Records** and for complying with **your MTD IT** obligations.

Withdrawal of consent or a failure to reconfirm consent does not affect the validity of any **MTD IT Submissions** already made to **HMRC**.

7. Your responsibilities

Accuracy and completeness of your data

MTD IT functionality relies on customer-provided data (either entered directly or sourced from **Connected Accounts** and **Supported Accounts**). **You** are responsible

for the accuracy and completeness of data **you** input or approve. **You** must review information generated by **MTD IT** before it is submitted to **HMRC**. **MTD IT** outputs are dependent on the quality of the underlying data **you** provide.

Review before submission

Before any **MTD IT Submission** is made to **HMRC**, **you** must review and approve the relevant information. All submissions are made based on information **you** have provided and approved. **You** are responsible for the accuracy of any submission where errors arise from **your** inputs or approvals.

You must not approve or submit information that **you** know or suspect to be inaccurate, incomplete or misleading.

Categorisation

Categorisation outputs are assistive, automated suggestions only and do not constitute determinations for tax purposes.

You must review and, where necessary, correct categorisation outputs. Responsibility for final classifications rests with **you**.

Digital record-keeping obligations

You remain responsible for maintaining complete and accurate **Digital Records** in accordance with **HMRC** requirements, regardless of **your** use of **MTD IT**. **MTD IT** is an assistive tool and does not substitute for **your** statutory obligations. **You** must retain records and supporting evidence in accordance with **HMRC** requirements.

HMRC deadlines

You should allow sufficient time to complete and submit **your Quarterly Updates** ahead of **HMRC** statutory deadlines. **We** do not guarantee uninterrupted availability of **MTD IT**, and **MTD IT** availability may be affected by planned maintenance, unplanned outages or upstream **HMRC** system issues, particularly around statutory submission deadlines.

Your O4B obligations

You must comply with all applicable obligations under the **O4B** Product Specific Conditions when using **MTD IT**. A breach of **your O4B** obligations may affect **your** access to **MTD IT**.

8. Our responsibilities and service availability

We will use reasonable skill and care in providing **MTD IT** to **you**. **We** do not, however, guarantee that:

- **MTD IT** will be available at all times or without interruption;
- **MTD IT** will be free from errors, defects or interruptions caused by third parties, including **HMRC**;
- any **MTD IT Submission** will be accepted by **HMRC**; or
- transaction data ingested from **your Connected Account** and / or **Supported Account(s)** will be complete, accurate or current at any given time.

You should not rely on **MTD IT** being available at or immediately before **HMRC** submission deadlines and should plan **your** use of **MTD IT** accordingly.

MTD IT availability may be affected by planned maintenance, unplanned outages or upstream **HMRC** system issues, particularly around statutory submission deadlines. **We** limit **our** liability for delays caused by factors outside **our** reasonable control.

We may suspend or restrict access to **MTD IT** at any time in accordance with clause 10, or in accordance with the General Conditions.

9. Our liability to you

Nothing in these Product Specific Conditions excludes or limits **our** liability:

- for death or personal injury caused by **our** negligence;
- for fraud or fraudulent misrepresentation; or
- to the extent such exclusion or limitation is not permitted by applicable law.

To the extent permitted by applicable law, we will not be liable to **you** for any:

- loss or damage arising from the inaccuracy, incompleteness or unavailability of data provided by third-party data feeds, including Open Banking account information services or **HMRC** systems;
- loss or damage arising from **your** failure to review, correct or approve information within **MTD IT** prior to submission;
- penalties, surcharges, interest or other consequences imposed by **HMRC** arising from inaccurate, incomplete or late submissions, where such inaccuracy, incompleteness or lateness results from data or approvals provided by **you**;
- loss of profits, loss of business, loss of revenue, loss of anticipated savings, or any indirect or consequential loss; or
- loss or damage arising from circumstances outside **our** reasonable control, including **HMRC** system failures, third-party service interruptions, or changes in **HMRC** technical requirements.

Nothing in these Product Specific Conditions makes **us** responsible for determining **your** tax liability or makes **us** liable for any penalties, surcharges, interest or other consequences imposed by **HMRC**, except to the extent they arise directly from **our** failure to exercise reasonable skill and care.

10. Changes to these product specific conditions

We may change these Product Specific Conditions at any time, including to reflect changes in **HMRC** technical standards, applicable law or regulation, or changes to the **MTD IT** service.

We may make changes to the functionality of **MTD IT**, including by adding, removing or updating features, where those changes do not alter **your** rights or obligations under these Product Specific Conditions. **We** will tell **you** about those changes in advance in writing (which could, for example, be by email, text message or message through **O4B**).

Where a change alters **your** rights or obligations under these Product Specific Conditions:

- i. if the change is made to reflect changes in law, regulation or codes of practice that apply to us or the way we are regulated, we will, where possible, give you at least two months' advance notice in writing (and otherwise as much notice as is reasonably practicable); and
- ii. for any other change, we will give you at least two months' advance notice in writing.

If **you** do not agree to a change notified under (i) or (ii), **you** may terminate **your** use of **MTD IT** at any time before the change takes effect, without charge or penalty.

Where new functionality constitutes a separate and distinct product or service, it will be governed by its own Product Specific Conditions document, which will be presented to **you** for acceptance at the relevant time. Until **you** have accepted those terms, that product or service will not be

activated for you. Acceptance of further Product Specific Conditions will not affect these terms, which will continue to govern **your** use of **MTD IT**.

We can change what **you** can do using **MTD IT** at any time by telling **you** in advance in writing (which could for example, be by email, text message or message).

Nothing in this clause limits **our** rights under clause 11 or the General Conditions to suspend, restrict or withdraw **MTD IT**.

11. Suspension, withdrawal and termination

Our right to suspend or withdraw MTD IT

We may suspend, restrict or withdraw **your** access to **MTD IT** (or to specific features of **MTD IT**) at any time:

- in accordance with **our** rights under the General Conditions (including Section O of the General Conditions – when we can refuse or delay instructions or suspend an Account or Service);
- if **you** breach these Product Specific Conditions or **your** **O4B** obligations;
- if we are required to do so by law, regulation, or at the direction of a regulatory authority (including **HMRC**);
- if a third-party service provider whose technology, systems or services underpin the delivery of **MTD IT** (or any feature of it) ceases to provide those services to **us**, whether as a result of the termination of **our** agreement with that provider, the provider's insolvency or cessation of business, a regulatory requirement, or any other reason outside **our** reasonable control;
- if **your** **O4B** access is suspended or terminated for any reason;
- if we are required to update, modify or withdraw **MTD IT** functionality to reflect changes in **HMRC** technical standards; or
- for planned maintenance or in response to a security risk.

Your right to terminate

You may stop using **MTD IT** at any time. If **you** wish to withdraw from **MTD IT** entirely, **you** can do so from the manage **your** account section within the settings tab for this **MTD IT** service.

Terminating **your** use of **MTD IT** will not affect **your** obligations under the General Conditions or the **O4B** Product Specific Conditions.

We may retain historical data previously ingested into **MTD IT** in accordance with applicable law and **our** data retention policies. The availability of that data within **MTD IT** following withdrawal and re granting of consent may be limited.

Any data export functionality is provided on an "as available" basis and may be subject to technical limitations.

Effect of termination

If **your** access to **MTD IT** is suspended or terminated for any reason:

- **your** responsibility to maintain **Digital Records** and comply with the **MTD IT** regime continues and is unaffected;
- **you** should take steps to export or otherwise preserve any records held within **MTD IT** before termination takes effect, to the extent the functionality allows; and
- we will not be responsible for any loss of data or records arising from suspension or termination, except where caused by **our** negligence.

12. Not Tax Advice

MTD IT is a software-enabled record-keeping and submission support service. It does not provide tax, legal or accounting advice. **You** should seek independent professional advice where appropriate.

Any outputs, calculations, categorisations or suggestions generated by **MTD IT** are provided for informational purposes only. They do not constitute advice of any kind and should not be relied upon as such.

You are solely responsible for ensuring that **your** tax affairs comply with all applicable laws and **HMRC** requirements. **MTD IT** is a tool to assist you; it does not relieve **you** of that responsibility.

13. Data Protection

For the purposes of the **Data Protection Laws**, **you** and we shall each act as an independent Controller of any Personal Data provided to **us** by **you** in connection with **Your Agreement**.

We may need to Process **your** Personal Data under **Your Agreement** for such purposes as notified to **you** and as set out in the Lloyds Bank Business Privacy Notice <https://www.lloydsbank.com/business/privacy.html> that accompanies these Product Specific Conditions. When Processing such Personal Data under **Your Agreement**, we will comply with the **Data Protection Laws**.

If we become aware of any misuse of **your** Personal Data, or any Personal Data Breach in connection with **Your Agreement**, we shall investigate the Personal Data Breach and remedy the issue as soon as reasonably practicable and we ask that **you** do the same.

14. Other important terms

Entire agreement (as to **MTD IT**): These Product Specific Conditions, together with the General Conditions and the **O4B** Product Specific Conditions, set out the entire agreement between **you** and **us** in relation to **MTD IT**. No other representations, statements or understandings form part of this agreement.

Severance: If any provision of these Product Specific Conditions is found to be invalid, unlawful or unenforceable by a court of competent jurisdiction, it shall be severed from the remaining provisions, which shall continue in full force and effect.

No waiver: **We** may not always strictly enforce **our** rights. If we allow **you** more time or choose not to enforce a right, this will be a temporary measure and does not stop **us** from enforcing **our** rights in the future.

15. How to contact us

If **you** have any questions about **MTD IT**, or wish to raise a concern or complaint, please see **our** website for details of the best way to contact **us**: lloydsbank.com/business/help-and-support/contact-us.html Details of **our** complaints process are set out in the General Conditions.

If **you** have a concern specifically about an **HMRC** submission or **your** **MTD IT** obligations, **you** should contact **HMRC** directly at: www.gov.uk/government/organisations/hm-revenue-customs

Our service promise

Please let us know if you have a problem – we're here to help. See our complaints process on our 'Help & Support' page at lloydsbank.com/business/complaint

If you need this communication in another format, such as large print, braille or audio, please contact us.

Important information

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Registered Office: 25 Gresham Street, London EC2V 7HN.
Registered in England & Wales No. 2065. Telephone: **020 7626 1500**.
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Tell us what you think of this communication

We won't ask for any personal information in this survey.



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