

Advice on MGD

Record Keeping

The law* requires that all MGD Registered Persons must keep an Excise Duty Account. This must show all the information needed to complete each MGD return and how the figures on the return have been calculated.

(*Regulation 5(1) of the Revenue Traders (Accounts and Records) Regulations 1992 (SI 1992/3150)

HMRC do not require that you keep your records in any particular way, but they must contain all the relevant information which you have used to complete your returns. You may face penalties if you do not keep adequate records. In, addition, if you keep good records HMRC will find that checking them is more straightforward and efficient, which will be beneficial to you.

The following information is required by HMRC to be kept, but may not necessarily be needed for the return.

1. Dates and times when your machines are in use

Those responsible for premises on which machine games are provided for play must keep a record of when each machine was:

- brought into use,
- taken out of use temporarily, and
- taken out of use completely

These records must be supported by relevant contracts and invoices.

2. Details of any changes to your machines

Those responsible for premises on which machine games are provided for play must keep a record of:

- changes to the software or games on a machine, and
- changes to the percentage level of the prize payout from machines.

3. Details of third party arrangements

Those responsible for premises on which machine games are provided for play must keep a record of arrangements with third parties to:

- supply,
- maintain, or
- upgrade machines

(including records of arrangements with third parties to make the changes described below).

4. Accounting for cash in and out of machines

Those responsible for premises on which machine games are provided for play must record cash in and cash out in an accounting period. These records must cover activities which may affect the cash balance of a machine, such as:

- floats including details of 'top ups',
- non-cash credits to machines such as free plays, and
- for machines subject to MGD which pay out non-cash prizes (including redemption machines), the VAT inclusive amounts paid for prizes.

5. Other payouts to customers

Those responsible for premises on which machine games are provided for play must record all payouts made in respect of machine game-play other than through a machine.

6. Storage of records, documents and accounts

Those responsible for premises on which machine games are provided for play must keep:

- trading and profit and loss accounts,
- balance sheets,
- bank statements,
- records used for the purpose of completing MGD returns, and
- any additional records and documents relevant to the business of providing dutiable machine games for play

Records must be kept for **four** years in a readily accessible form and manner.

Record Keeping for the Return.

HMRC ask for 10 pieces of information:-

Box 1 - Machines available to play at the end of period. **REF**

Box 2 - Nett Takings at Standard 20% rate **REF**

Box 3 - Nett Takings at Lower 5% rate **REF**

Box 4 - MGD due at Standard 20% rate **REF**

Box 5 - MGD due at Lower 5% rate **REF**

Box 6 - Add boxes 4 & 5 together **REF**

Box 7 - Under-declared duty from previous periods

Box 8 - Amount of duty brought forward (box 9 from previous return)

Box 9 - Negative amount of duty

Box 10 - Net duty payable on this return

(See section below on Completing Your Return Online)

Some of our customers have found it useful to keep their information on a spreadsheet like the one shown below:-

MGD Record Keeping				
No of Machines on Site				
	2			
Machine	Collection Date	Nett Take	MGD @ 20 %	MGD @ 5%
Deal or No Deal £70	15/03/2013	£572.00	£114.40	
Deal or No Deal £70	30/03/2013	£689.00	£137.80	
Deal or No Deal £70	15/04/2013	£492.50	£98.50	
Deal or No Deal £70	30/04/2013	£993.99	£198.80	
Money Bags £5	15/03/2013	£265.00		£13.25
Money Bags £5	30/03/2013	£235.72		£11.79
Money Bags £5	15/04/2013	£356.18		£17.81
Money Bags £5	30/04/2013	£156.39		£7.82
Total Nett Take on Standard Rate (20%)		£2,747.49		
Total Nett Take on Lower Rate (5%)		£1,013.29		
Total MGD at Standard Rate (20%)			£549.50	
Total MGD at Lower Rate (5%)				£50.67
TOTAL MGD				£600.17

Completing Your Return Online

This guide is to help you to submit your Machine Games Duty (MGD) returns online. The guide includes images of the online screens so you can see what the MGD online service looks like. Before you can submit your returns online, you must have signed up for the MGD Online Service. Once you've done so, you'll be able to see which returns you need to submit and you can submit your returns immediately. If you provided HM Revenue & Customs (HMRC) with an email address when you registered online for MGD you'll receive an email reminder to let you know when your returns are due.

If you registered for MGD using a paper form and now want to submit returns online and haven't signed up to use HMRC's Online Service, you'll need to sign up as a 'new user'. You'll need to create an HMRC online account as an 'organisation'.

New User Online Services:- <https://online.hmrc.gov.uk/registration>
Registered Users Online Services:- <https://online.hmrc.gov.uk/login>

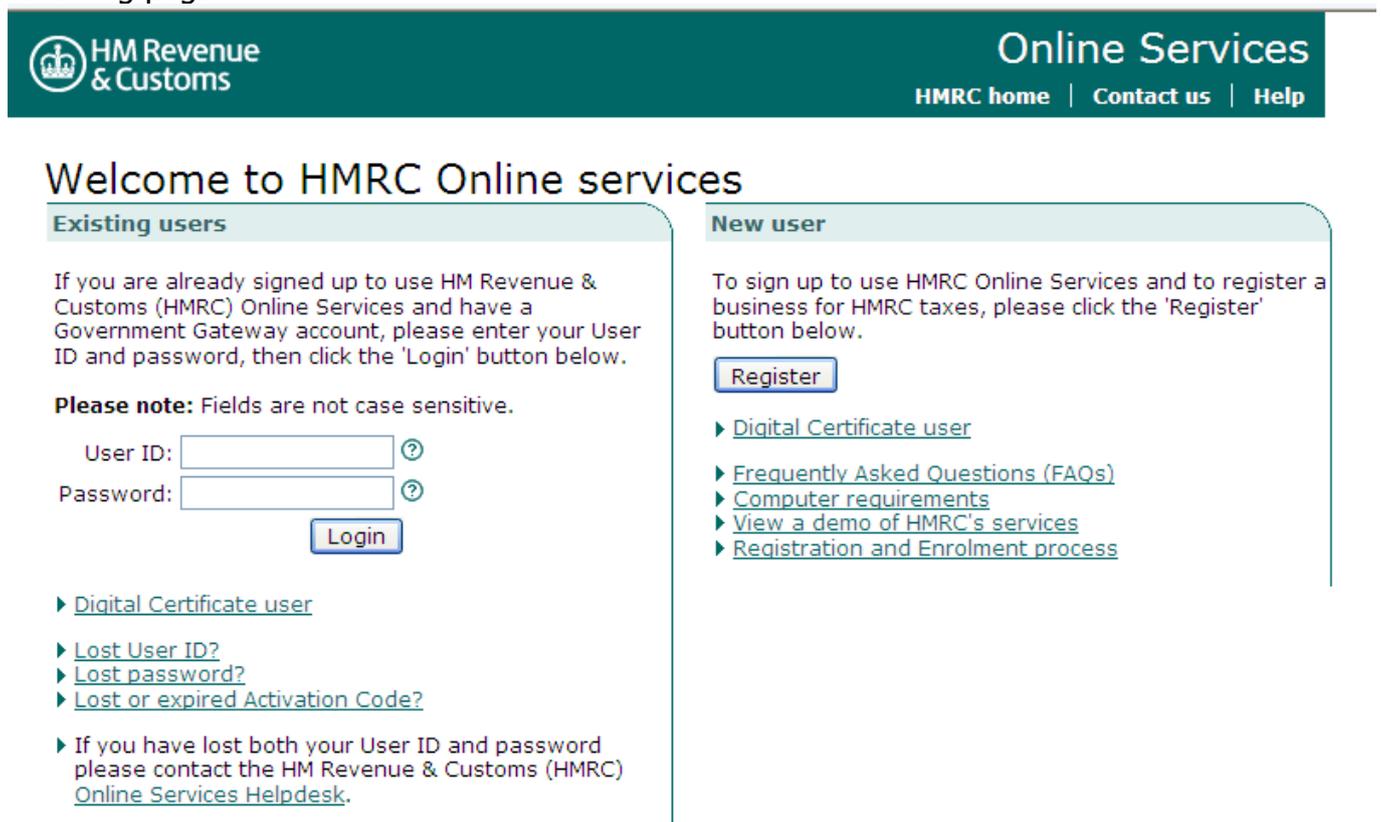
Submitting your MGD return online

Before you start, make sure you have your figures to hand. The figures you need to complete your MGD return online are, for the period of the return:

- (**Box 1**) Number of machines available for play
- (**Box 2**) Total net takings liable to MGD at the standard rate and amount of MGD due at the standard rate
- (**Box 3**) Total net takings liable to MGD at the lower rate and amount of MGD due at the lower rate

To start submitting your returns online, follow the instructions below:

Go to HMRC Online Services (<https://online.hmrc.gov.uk/login>) and you will be taken to the following page:-



HM Revenue & Customs **Online Services**
HMRC home | Contact us | Help

Welcome to HMRC Online services

Existing users

If you are already signed up to use HM Revenue & Customs (HMRC) Online Services and have a Government Gateway account, please enter your User ID and password, then click the 'Login' button below.

Please note: Fields are not case sensitive.

User ID: ?

Password: ?

- ▶ [Digital Certificate user](#)
- ▶ [Lost User ID?](#)
- ▶ [Lost password?](#)
- ▶ [Lost or expired Activation Code?](#)
- ▶ If you have lost both your User ID and password please contact the HM Revenue & Customs (HMRC) [Online Services Helpdesk](#).

New user

To sign up to use HMRC Online Services and to register a business for HMRC taxes, please click the 'Register' button below.

- ▶ [Digital Certificate user](#)
- ▶ [Frequently Asked Questions \(FAQs\)](#)
- ▶ [Computer requirements](#)
- ▶ [View a demo of HMRC's services](#)
- ▶ [Registration and Enrolment process](#)

Go to the **'Existing users'** section on the left-hand side of the page and enter your User ID and password. Then click the **'Login'** button. You should be taken to the **'Your HMRC services'** page:-

 HM Revenue & Customs
Online Services

[HMRC home](#) | [Cymraeg](#) | [Contact us](#) | [Help](#) | [Logout](#)

Mr MGD XBM00001000001

Your HMRC services

Main menu

- ▼ Your HMRC services
 - ▶ View communications
 - ▶ Register for HMRC taxes
 - ▶ Services you can use
 - ▶ Services you can add
 - ▶ Other services
- ▶ Your account
- ▶ Direct Debit payment
- ▶ Tools & Calculators

Customer communications

To view communications you have received from HM Revenue & Customs in relation to a VAT registration application, please follow the link below.

You have 0 unread messages

[View all communications ▶](#)

Register for HMRC taxes

To register a business with HMRC for Self Assessment and Class 2 National Insurance, Corporation Tax, PAYE for Employers, VAT or Machine Games Duty please follow the link below.

[Register for HMRC taxes ▶](#)

If you have been given a delegate reference and access code to allow you to share a business registration, please follow the 'Access registration as a delegate' link below.

[Access registration as a delegate ▶](#)

Services you can use

To activate or access online services that you have signed up and enrolled for please follow the link below.

[Activate or access online services ▶](#)

Services you can add

To enrol for online services associated with taxes you are already registered for please follow the link below.

[Enrol for online services ▶](#)

Access other services

To access other services such as Intrastat Supplementary Declarations and VAT on e-Services please follow the link below.

[Access other services ▶](#)

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Online Services

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Mr MGD XBM00001000001

▲ Your HMRC services
Machine Games Duty Registration Number: XBM00001000001

Machine Games Duty

- ▶ At a glance
- ▶ View account
- ▶ Submit a return
- ▶ View submitted returns
- ▶ View registration certificate
- ▶ Change registration details

At a glance

View account

We are currently unable to display your account information. This may be because:

- The Machine Game Duty Registration Number that you have entered is no longer active and there is no information to view.
- You have only just activated this service and there is a short delay before the information is available to view.

If neither of the above apply, please contact the [Online Services Helpdesk](#)

Submit a return

2 returns are overdue.

To submit a Machine Games Duty return, please follow the link below.

[Submit a return ▶](#)

View registration certificate

To view and print the registration certificate please follow the link below.

[View registration certificate ▶](#)

View submitted returns

To view details of your previously submitted returns, please follow the link below.

[View submitted returns ▶](#)

On **'Your HMRC services'** page in the **'Services you can use'** section - follow the **'Activate or access online services'** link for Machine games Duty (MGD). You should then be taken to the **'At a glance'** page.

On the 'At a glance' page you'll need to click on the 'Submit a return' link either from within the left-hand side on the main page or from the 'Submit a return' section on the main page. This will take you to the 'Submit a return' introduction page.

Online Services

HMRC home | Cymraeg | Contact us | Help | Logout
Mr MGD XBM00001000001

Machine Games Duty Registration Number: XBM00001000001

▲ Your HMRC services

Machine Games Duty

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Submit a return

Introduction

This service allows you to submit a Machine Games Duty return.

Paying HMRC

You can pay your Machine Games Duty by a number of different methods. To learn more about the different payment methods, please follow the 'Paying HMRC' link below.

[Paying HMRC ▶](#)

Required information

To complete each return you will need the following information:

- number of machines available for play at the end of the period
- total net takings from machine games liable to standard rate of duty
- total net takings from machine games liable to lower rate of duty
- MGD due at standard rate
- MGD due at lower rate
- under-declarations from previous MGD periods
- amount of duty brought forward from previous return
- negative amount of duty to carry forward to next return

Please click the 'Next' button to continue.

[Next](#)

On this page you are reminded of the information you'll need to have with you to complete your return. If you are ready to submit your return online click on 'Next'. You will then be taken to the 'Submit a return-select a period' page.

Online Services

HMRC home | Cymraeg | Contact us | Help | Logout
Mr MGD XBM00001000001

Machine Games Duty Registration Number: XBM00001000001

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Machine Games Duty

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Submit a return

Select period

Please select the period for which you would like to submit a return by following the relevant link in the 'Machine Games Duty period' column.

Machine Games Duty period	Date due	Status ?
▲		
01/06/2011 - 31/08/2011	30/09/2011	Overdue
01/09/2011 - 30/11/2011	30/12/2011	Overdue

[Back](#)

On this page click on the link for the MGD period that you want to submit a return and you will see the 'Submit a return' page. **Please note the dates shown are for illustrative purposes only.**

Machine Games Duty

▶ At a glance

▶ View account

▶ **Submit a return**

▶ View submitted returns

▶ View registration certificate

▶ Change registration details

Submit a return

Machine Games Duty (MGD) for period 01/09/2011 to 30/11/2011

Please enter the information below, including nil values, then click the 'Next' button to continue.

Please note: Where appropriate please enter values in pounds sterling, including pence, for example 1000.00

* indicates required information

Box 1 - Number of machines available for play*
at the end of the period:

Machines liable to the standard rate of duty

Box 2 - Total net takings liable to standard* £ ?
rate of duty (negative values are allowed, for
example -1000.00)

Machines liable to the lower rate of duty

Box 3 - Total net takings liable to lower rate* £ ?
of duty (negative values are allowed, for
example -1000.00)

Calculation of duty

MGD standard rate

The standard rate of MGD is XX%. Please enter XX% of the Box 2 figure above into Box 4 below (negative values are allowed, for example -1000.00).

Box 4 - MGD due at standard rate* £ ?

MGD lower rate

The lower rate of MGD is YY%. Please enter YY% of the Box 3 figure above into Box 5 below (negative values are allowed, for example -1000.00).

Box 5 - MGD due at lower rate* £ ?

Box 6 - Duty payable before any adjustments* £
(Box 4 + Box 5)

Box 7 - Under-declared duty from previous* £ ?
MGD periods

Box 8 - Amount of duty brought forward (Box* £
9 figure from the previous return)

Important note

If the sum of ((Box 6 + Box 7) - Box 8) is less than 0 (zero) ie a negative amount, enter this figure in Box 9 and enter 0 (zero) in Box 10.

Alternatively, if the sum of ((Box 6 + Box 7) - Box 8) is 0 (zero) or greater ie a positive amount, enter this figure in Box 10 and enter 0 (zero) in Box 9.

Box 9 - Negative amount of duty to carry* £
forward to next return

Box 10 - Net duty payable on this return* £

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Next

On the '**Submit a return**' page scroll down to be able to see boxes 1 to 10 of the online MGD return and enter the details requested (if you see a question mark in a circle, you'll find more information if you click on it). You need to complete boxes 1-10 in one session as you **will not** be able to save a partly completed MGD return and come back to it later. Remember to complete and submit it by the due date.

Please note: Even if you don't owe any MGD and there is no MGD to pay, you must still submit a return (sometimes referred to as a 'nil' return) by entering a value of '0' in all boxes. If you need to insert a negative amount, put a minus (-) sign before the number.

Once you've entered your figures on the online return, click '**Next**'.

If you've made an errors in any boxes, you'll see **X** (and an appropriate error message). Once you've cleared any error messages, click '**Next**' and you will see the following screen.


HM Revenue & Customs
Online Services

HMRC home | Contact us | Help | Logout

▲ Your HMRC services
Mr MGD XBM00001000001

Machine Games Duty Registration Number: XBM00001000001

Submit a return

Confirm details

Please make sure you **check all the figures shown below are correct**.

If any of the amounts are incorrect, click the 'Back' button to return to the previous page and correct your figures.

Once you have checked **all** the figures are correct, click the 'Next' button to submit your return. Once you have confirmed this information you will not be able to change it later.

Please note: If you would like to print this information for your records, please use the print facility in your browser.

* indicates required information

Box 1 - Number of machines available for play at the end of the period:	2
Box 2 - Total net takings liable to standard rate of duty:	£1,500.00
Box 3 - Total net takings liable to lower rate of duty:	£520.00
Box 4 - MGD due at standard rate:	£300.00
Box 5 - MGD due at lower rate:	£26.00
Box 6 - Duty payable before any adjustments:	£326.00
Box 7 - Under-declared duty from previous MGD periods:	£0.00
Box 8 - Amount of duty brought forward:	£175.00
Box 9 - Negative amount of duty to carry forward to next return:	£0.00
Box 10 - Net duty payable on this return:	£151.00

Declaration

I confirm that the information I have entered in this return is correct and complete to the best of my knowledge.*

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Next

The '**Submit a return**' confirm details page, gives you the opportunity to check your figures and confirm that the details you've entered are correct.

Please note: You can't amend the return online after you have submitted, so it's important to make sure it's right before you submit.

At this point, if you want to correct any errors, click the **'Back'** button. You will be able to replace the figures that you previously entered (but not yet submitted) with the correct ones.

Once you are confident that the figures you have entered and which are now displayed on-screen are correct and complete, tick the **'Declaration'** box to confirm and click **'Next'**. You will then be taken to the **'Security check'** page.


HM Revenue & Customs
Online Services

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Security check

To increase the security of this service and to further protect the information you are providing, HM Revenue & Customs need to reauthenticate your details.

Please enter the User ID and password associated with this online service then click the 'Submit' button to continue.

* indicates required information

User ID: * ?

Password: * ?

[Back](#)

[Submit](#)

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You'll need to enter your User ID and password, then click **'Submit'** (this is the same as when you log into HMRC Online Services). You will then see an **'Acknowledgment page'**


HM Revenue & Customs
Online Services

[HMRC home](#) | [Cymraeg](#) | [Contact us](#) | [Help](#) | [Logout](#)

▲ Your HMRC services

Mr MGD XBM00001000001

Machine Games Duty Registration Number: XBM00001000001

Acknowledgment

Machine Games Duty

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 The Machine Games Duty return for period 01/09/2011 to 30/11/2011 was successfully submitted on 18/02/2013 at 13:14.

This return should be processed within 24 hours. If it is not available to view in your submitted returns after 48 hours, please contact the [Online Services Helpdesk](#) and quote the acknowledgement reference shown below.

Acknowledgment reference: 42UT 9U67 QLDS 4D6

Paying HMRC

If you have set up a Direct Debit to pay your Machine Games Duty, the tax due declared on this return will be automatically debited from your bank account. HM Revenue & Customs (HMRC) will notify you by post of the payment collection date in advance.

Alternatively, you can pay your Machine Games Duty by a number of different methods. To learn more about the different payment methods, please follow the 'Paying HMRC' link below.

[Paying HMRC](#) ▶

Please note: If you would like to print this information for your records, please use the print facility in your browser.

Please follow the relevant link below to continue.

[Submit another return](#) ▶

[Return to 'At a glance'](#) ▶

This page tells you that HMRC has received your return, gives you an '**Acknowledgment reference**' number and shows the date and time your return was submitted. It's a good idea to make a note of the '**Acknowledgment reference**' number or you can print out this page using the print facility in your browser.

Remember, if you submit your return online, then you should pay your MGD electronically.

Tip: HMRC **strongly recommends** you sign up to receive an email reminder so we can let you know when your next MGD return is due; you won't receive any prompt otherwise.

To receive email reminders, you need to make sure you have provided a correct email address.

You can check your email address by going to the '**At a Glance**' page and click on the '**Change Registration Details**' section and click on '**Business Contact details**'.

If your email address is correct, then you don't need to do anything. However, if it's incorrect or blank, please enter your email address details to start receiving email reminders.

If you have any further enquiries then please do not hesitate to contact the office on 01959 564 331 or visit our website www.automaticmachineservices.co.uk