

FAQ: Group Entities

Q: What is the Group entity feature?

The group entity feature allows you to set up, a group entity that includes a group representative and a number of group members. The individual VAT Returns for each group member can then be prepared. Once completed, these can be consolidated into a single VAT Return that can be submitted to HMRC on behalf of the group.

Q: How can I access the Group entity Feature?

The group entity feature is only available as part of the AlphaVAT product. In order to create group entities, you will need to ensure that your business has acquired the necessary AlphaVAT licences for group representatives and group members to be created.

Q: What is a VAT Group?

VAT grouping is a facilitation measure by which 2 or more eligible persons can be treated as a single taxable person for VAT purposes. For more information, please see HMRC's [Group and divisional registration \(VAT Notice 7000/2\)](#).

Q: What is a representative member?

The representative member is responsible for completing and rendering the single VAT return on behalf of the group. When the group is registered with HMRC, the registration is made in the name of the representative member.

Q: What is a group member?

Group members are the additional eligible persons who, alongside the representative member, form the basis of the group allowing them to be treated as a single taxable person for VAT purposes.

Q: Can I create a group using the Demo entity feature?

No. It is not possible to use the Demo entity feature to create a VAT Group on the MTD Compliance Portal.

Q: Can I use AlphaBridge to prepare group VAT Returns?

Yes. If you have the appropriate AlphaVAT licences, then AlphaBridge can be used by the group members to prepare their required VAT Returns. It can also be used by the group representative to prepare the combined VAT Return on behalf of the group.

Q: Can I use AlphaVAT to prepare groups VAT Returns?

Yes. If you have the appropriate licences available, AlphaVAT can be used by the group members to prepare their required VAT Returns. It can also be used by the group representative to prepare the combined VAT Return on behalf of the group.

Q: Can I use a combination of AlphaBridge and AlphaVAT to prepare groups VAT Returns?

Yes. If you have the appropriate licences, group members can choose either AlphaBridge or AlphaVAT to prepare their required VAT Returns and the group representative can also use either method to prepare the combined VAT Return on behalf of the group.

Q: How many group members can I add?

As a minimum, you must have at least one group member in addition to the group representative. There is no maximum number of group members.

Q: Do I need to authorise my group entity?

Yes. Once the group representative has created their group on the MTD Compliance Portal, they will need to provide authorisation to HMRC – for more information, please see the [Managing Group Entities Guide](#).

Q: The status of my group entity says, “Awaiting members”, what does this mean?

If your group entity is displaying this status, it means that you have not yet created your group member(s).

Q: Can I change the group’s representative member for my group entity?

In the first instance you must ensure that you have registered the change in circumstance with HMRC (see HMRC’s [Group and divisional registration \(VAT Notice 7000/2\)](#))

On the MTD Compliance Portal, if the group representative member needs to be changed, you will need to delete your existing group entity and create a new group with the new representative member’s details. You will then need to authorise the group entity and add the group members.

Q: Can I add/remove a group member from my group entity?

In the first instance you must ensure that you have registered the change in circumstance with HMRC (see HMRC’s [Group and divisional registration \(VAT Notice 7000/2\)](#))

On the MTD Compliance Portal you can edit your group, which will give you the option to delete an existing group member, edit the details of an existing group member or add a new group member.

Q: Can changes be made to a group members VAT Return after it has been consolidated into the Group VAT Return?

Yes. Individual group member VAT Returns can be amended after the Group VAT Return has been consolidated by clicking on the group members name in the Member Summary. This will put the group members status back into “preparation” and you can then make the necessary changes.

Q: Can changes be made to a group members VAT Return after the Group VAT Return has been finalised?

Yes. Individual group member VAT Returns can be amended after the Group VAT Return has been finalised, by selecting the “Undo finalise” option.

Q: Can changes be made to a group members VAT Return after the Group VAT Return has been submitted to HMRC?

No. Further changes to individual group member VAT Returns cannot be made once the consolidated Group VAT Return has been submitted to HMRC.

For more information on how to use the Group entity feature, please refer to the [Managing Group Entities Guide](#).