

To: Department of Finance and the Revenue Commissioners

Re: Booking.com's position on the proposed eWHT in Ireland

Date: January 30, 2026

Booking.com is one of the world's largest online travel agencies (OTAs). Headquartered in Amsterdam, where it was founded almost 30 years ago, Booking.com offers lodging reservation services for more than 4 million properties across 220 countries in over 40 languages. We also offer flights in 54 markets and attractions in more than 1,200 cities. By leveraging technology, we have created a truly global market for accommodations and businesses of all sizes that provides consumers with increased choice, transparency, value for money, and trusted reviews.

We empower local accommodation partners in Ireland to market themselves professionally and efficiently to a global audience. Booking.com has an established business presence in Ireland with our Local Partner Services operation in Cuffe Street, Dublin 2, building strong local partnerships across Ireland with accommodation providers. We play an important role in bringing international visitors to Ireland as well as facilitating Irish visitors who wish to holiday at home. We offer a wide range of accommodation options through our local partners, including self catering properties covered by the eWHT proposal.

We want to help Irish businesses grow, succeed and create a competitive and prosperous Irish business environment. We look forward to working with the Irish Government to provide our insights on effective tax legislation which is fair, proportionate, and protects the Irish economy and small Irish businesses.

Executive summary

We welcome the opportunity to contribute to the public consultation on the proposed eWHT in Ireland and have responded to the online survey as required. However, given the nature of the issues raised, we welcome the opportunity to make this more detailed submission. While we support the Department of Finance and Revenue Commissioners' ("the Government") objective to ensure tax compliance within the digital economy, we do not consider that the introduction of a broad eWHT regime would be a suitable response to this objective. An eWHT regime as proposed would be disproportionately burdensome on platforms, create cashflow burdens for small businesses and would duplicate recent efforts in light of the existing reporting frameworks (DAC7) and potentially VAT in the Digital Age ("ViDA").

Furthermore, we are concerned that the proposal would create an advantage to non-compliant non-EU platforms similar to those currently experienced under DAC7. We therefore recommend that the Government reconsiders this proposal and instead continues to utilise current data reporting by platforms to ensure income tax compliance rather than imposing a complex and additional withholding burden on digital platforms. We have provided further information and details on our concerns below.

WHT in the accommodation sector is not required to ensure tax compliance

The current eWHT regime proposal is intended to apply to a wide range of businesses both in accommodation, digital services and other gig economy activities. However, we recommend that the Government reconsiders whether this wide scope is necessary and suggest that this is at least reviewed with respect to small accommodation businesses for the following reasons:

- **Physical traceability:** Unlike platforms hosting digital influencers or content creators, accommodation platforms like Booking.com deal with immovable properties. The assets are physically located in Ireland and are easily traceable using existing data obtained from DAC7 reporting and official immovable property registers.
- **Targeted compliance:** If the Revenue's specific concern relates to high-risk, transient gig-economy sectors, the legislation should assess those risks first and then choose which sectors should be within the scope. The current wide scope may target sectors for which there is only a minimal tax compliance risk.

The proposal would increase administrative burdens for small businesses and platforms

Under the current proposal, accommodation platforms would be required to withhold taxes on payouts to small accommodation businesses. This would create new burdens on small businesses' cashflow as well as impose further obligations on platforms who are already significantly invested in DAC7 compliance. We consider the following key problems with this approach:

- **Negative impact for local Irish businesses:** The proposal highlights that the eWHT may provide some administrative benefits to the small businesses who have their taxes withheld. However, implementing withholding taxes could negatively impact cashflow for small businesses who are hit by the regime. This could reduce their confidence in investing, expanding their businesses, hiring staff and this will particularly be apparent in businesses with low margins.
- **Duplication of existing tax compliance obligations:** Digital platforms have already invested significant resources into complying with DAC7 reporting, providing the Government with detailed income data and tax identification numbers for sellers. For the accommodation and travel sector, this should already be enough information to ensure tax compliance of smaller businesses.
- **Interaction with ViDA implementation:** Across the EU, accommodation and ride sharing platforms are investing significant resources in anticipating and preparing for the implementation of ViDA in member states. Introducing a unilateral eWHT system on platforms and small businesses in parallel will create a very complex and administratively burdensome regulatory environment where platforms face overlapping, duplicative and potentially conflicting obligations.

A new eWHT regime would disadvantage compliant EU platforms

As per the current proposal, DAC7 will be used as a basis for identifying which platforms should be subject to the withholding obligations. However, we strongly recommend that existing issues with DAC7's application to non-EU platforms should be addressed before any additional obligations are imposed on compliant businesses.

DAC7 imposes reporting obligations for platform operators that are tax resident in EU member states and theoretically extends to non-EU platform operators that operate in the EU. Enforcement of DAC7 is the responsibility of Member States, however, in practice, there is little enforcement for non-EU platforms. This is likely due to the fact that many non-EU platforms do not have a corporate base or strong nexus to any single Member State. This has created an uneven playing field between EU resident and non-EU resident platforms, who we understand are not complying. Where platforms are non-compliant this gives an incentive for partners to list on their platforms rather than compliant platforms. Imposing WHT obligations over the existing DAC7 obligations would exacerbate this issue and place even more of a disadvantage on compliant platforms. Consequently it would frustrate the tax collection objectives underpinning the introduction of the proposed scheme.

Similarly, we are also concerned that the eWHT proposal could have an unintended impact of reducing tax compliance in certain situations. The current proposal would create a distortion between transactions which take place through an online platform and rentals which are booked through less formal channels. A withholding tax may drive sellers away from regulated, transparent platforms toward unmonitored channels (e.g., social media marketplaces or cash-based arrangements). These channels have zero tax visibility, which would ultimately reduce the total tax revenue for the Government.

Furthermore, a unilateral eWHT implemented by the Irish Government could encourage other governments to implement their own different systems which would become very difficult to manage for EU businesses and harm EU competitiveness. In our view, if an eWHT regime is to be implemented, then Ireland should seek harmonisation on the scope, objectives and operation with EU partners before proceeding.

DAC7 already provides robust and effective tools to ensure income tax compliance

In our view, the existing DAC7 rules already provide tax authorities with the tools they need to ensure the tax compliance of small businesses. Booking.com has proudly invested significant resources in its DAC7 compliance and welcomes continued improvements to the regime through the European Commission's upcoming DAC recast review.

DAC7 has only been in place for a short reporting cycle since 1 January 2023. There is no evidence yet that this data is insufficient for identifying tax gaps and assisting EU tax authorities with their compliance. We therefore recommend that the Government use the automatic exchange of DAC7 reports between Member States to help any non-compliant taxpayers pay



the right amount of tax. We of course welcome discussions with Revenue on how DAC7 can be used to address any such challenges.

Conclusion

We respectfully recommend that the Department of Finance and the Revenue Commissioners reconsider the implementation of a broad eWHT regime, especially for online travel platforms. Instead, we recommend focusing on the effective use of DAC7 data to pre-populate tax returns and ensure local tax compliance, a model successfully adopted in other jurisdictions. This approach ensures tax collection without fragmenting the European digital market.