

1. Who are you:

Individual/Business

2. Are you making a submission in relation to the proposals for a:

Designated Withholder (DW)

3. Please tick the sectors that apply to you:

Construction

4. After reading about the proposed new eWHT system, how would you describe your overall reaction?

Somewhat positive - I think it's a good idea overall

5. What aspects of the proposed model appeal most to you, and why?

The fact that all deductions will be done automatically & the report at the end of each month.

6. What concerns or reservations do you have about the proposed approach?

I just wonder how it will all work. You talk about how our IT system will communicate with the API without the need to even go onto ROS - does this mean that all companies will have to upgrade their IT system & will this be costly? In general we are behind in entering our invoices onto our accounts system so how will this work?

7. The proposed eWHT model seeks to expand withholding tax to payments to service providers where a suitable withholder exists. How do you feel generally about this type of expansion?

I can't give an answer on that because its quite a vague question - not sure what is being asked here.

- 8. In relation to PSWT specifically, this currently applies to payments made by state and semi-state bodies for certain services. Do you have a view on how it is targeted and if the types of payments it applies to should be reviewed?**

No i think overall this is working well

- 9. Please indicate if you currently operate:**

Professional Services Withholding Tax (PSWT)

Relevant Contracts Tax (RCT)

- 10. From the perspective of a DW, how does the current application of PSWT and/or RCT impact on your business operations?**

It is working out well - overall not a huge amount of admin goes into it. It is looked after by 2 departments so that is probably it doesn't feel like it's a big workload

- 11. If you are a Platform Operator, does your organisation have any experience of applying taxes to transactions, for services operating on your platform, in other jurisdictions? If yes, please provide information of the jurisdiction and details of the tax.**

- 12. From the perspective of a DW, what are your views on the application of RCT and/or PSWT, as the case may be?**

overall not a huge amount of admin goes into it. It is looked after by 2 departments so that is probably it doesn't feel like it's a big workload

- 13. What is your understanding of the withholding tax model of tax collection of RCT and PSWT and why it is applied to payments?**

Tax is withheld on Subcontractors & used to offset against their income tax return at end of year. As a DW we pay an RCT return each month just like PAYE so any payments are on a report & paid at end of each month

14. The proposal aims to embed eWHT processes directly into accounting, payroll, or other business management systems. How beneficial do you think this would be for your business?

i'm a bit sceptical as to how this will work as currently we are usually behind on entering our invoices so unsure what way this will work. Assume we will have to be entering the Subcontractor invoices directly into our accounting system for this to work properly ?

15. In your view, what opportunities could embedding eWHT within natural business systems create for your business or the wider industry?

Theoretically it is better as you're doing it in real time, just a bit apprehensive about it

16. What challenges do you think your business might face in adopting this embedded within natural systems approach?

Biggest challenge being do we need to have systems upgraded in order for this to work & will we have to be entering the invoices onto the system in order to be able to do a payment

17. What is the estimated number of payments that you make to SPs each month?

40-50

18. Do you currently use software for processing payments and or managing the finances of your business? If so, what packages do you use?

Advanced Business Manager

19. Are you an employer for PAYE? If so, which software package do you use to report payroll taxes to Revenue?

Thesaurus

20. Please indicate if you currently receive payments which are subject to deduction of:

21. Where you are currently subject to PSWT and/or RCT, how does the current application of withholding taxes impact on your business operations?

22. From the perspective of a SP, what are your views on the application of RCT and/or PSWT, as the case may be?

23. What is your understanding of the withholding tax model of tax collection of RCT and PSWT and why it is applied to payments?

Tax is withheld on Subcontractors & used to offset against their income tax return at end of year. As a DW we pay an RCT return each month just like PAYE so any payments are on a report & paid at end of each month

24. Where you are an SP operating as a corporate/partnership or other entity, do the current rates that apply to PSWT and RCT reflect your actual liability on the income received?

25. The proposal aims to embed taxation directly into how you get paid by the DW. How beneficial do you think this would be for your business?

26. Where you are an SP operating as an individual worker, the proposal aims to implement personalised deduction rates (PDR), which means you will pay tax on your income as you go, similar to how employees are taxed under PAYE. What impact do you think PDR will have on your cashflow and financial management?

27. Do you think this new regime, including the PDR will have a positive effect on your end of year Income Tax return filing and preliminary tax payment obligations?

28. The accuracy of PDR is improved by the regular reporting by you to Revenue of your income and business expenses. How likely are you to report your income and expenses to improve the accuracy of your PDR?

29. What changes do you expect to have to implement in your business in order to be ready for the proposed eWHT regime?

Unsure - presume some sort of systems will have to be done?

30. What benefits do you expect the new regime to have on your business processes, costs and delivery of your business services?

Will save time ultimately

31. What would you consider a reasonable timeframe for your business to adapt to the proposed new system?

Anything up to 6 months

32. How confident are you that your business could adapt to the new system within a reasonable timeframe?

Fairly confident

33. In terms of the management of your business, which outcomes from this new regime are the most important for you? (Select a maximum of 3)

Reduced administrative workload

Increased accuracy of information submitted to Revenue

Greater certainty in relation to your tax affairs

34. What supports from Revenue would be of most benefit to you in transitioning to the new regime? (Select a maximum of 3)

Training or awareness sessions

Clear guidance for software providers and a testing environment

Mailshots and guidance on the Revenue website

35. Is there anything else you'd like to share about how the proposed eWHT system could best meet the needs of your business or sector?

I dont think so

