

1. Who are you:

Other - please specify Management company for PPP contracts

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

Construction and facilities management of PPP contracts

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

Very negative - I do not support the proposed direction

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

Nothing appealing

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

This could have a major cashflow impact to our existing PPP contracts if tax is deducted earlier than current requirements, due to how these projects modelled the tax cash flow at the outset of the project. The project is for a term of at least 25 years.

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?

As above, collecting taxes earlier and therefore could have cashflow issues compared to how we modelled our tax cashflow at the outset of our PPP projects.

- 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 view on this

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

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?**

RCT currently does not impact on our business operations as we have 0% rate and therefore no deductions

- 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.**

n/a

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

Not sure what being asked. As above current RCT has no implications on cash flow as we have 0% deduction rate, whereas proposed single flat rate would have cash flow issues given how our projects have been modelled several years ago.

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

My understanding is that you would currently deduct withholding tax if the recipient of the payment was not fully tax compliant.

- 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?**

Large impact to systems, and the business, not to mention the cash flow impact

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

Cannot see any opportunities.

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

As above, cash flow challenges

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

Several across 7 projects

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

Yes SAP

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

Yes however our payroll is out sourced to ADP

- 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?**

My understanding is that you would currently deduct withholding tax if the recipient of the payment was not fully tax compliant.

- 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?

Rerun of all financial models to understand the full impact of the change on our cash flows

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

None

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

No time frame as we would not welcome this change

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

Confident we could implement however the impact is still out major concern

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)

As we currently do not deduct WHT it is difficult to say.

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

Helpdesk or dedicated Revenue contact

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?

This would not meet the needs of our sector. As we are in the PPP business, we have signed up to long term contracts. We have modelled the tax cashflows on the

projects based on the size of the company for tax purposes and when we would have our tax cash flows. This flat rate regime will impact this.

