

1. Who are you:

Tax professional

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

Specified Person (SP)

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?

Neutral/undecided - I need to know more before forming a view

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

A flat rate across RCT deductions for all businesses, allowing eWHT to accommodate future CT. Also, possible real time account keeping for self employed with personal rates and effective real time uploading of documentation such as sales/expenses to calculate current tax obligations.

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

If eWHT is allocated to preliminary CT then can it still be used to offset payroll taxes each month? The loss of this function without timely reimbursement of eWHT overpayment creates additional uncertainty. Also, self employed portals need to be particularly user friendly as a basic upload function.

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?

If the model works as proposed then I don't see the issue apart from reducing income to businesses where previously it didn't.

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

9. Please indicate if you currently operate:

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

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?

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

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?

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

- 16. What challenges do you think your business might face in adopting this embedded within natural systems approach?**
- 17. What is the estimated number of payments that you make to SPs each month?**
- 18. Do you currently use software for processing payments and or managing the finances of your business? If so, what packages do you use?**
- 19. Are you an employer for PAYE? If so, which software package do you use to report payroll taxes to Revenue?**

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

Relevant Contracts Tax (RCT)

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

We currently require a bigger work vehicle but must wait until next year to submit year end accounts for this year through the accountant and a further month for refund before we can purchase anything. If the money were in our account we'd have placed a deposit for a new vehicle.

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

I believe it should apply across the board but the percentages are too high, especially the 35% for not being known to revenue. The cost of setting up a business is high and not all can afford to be known before submitting their first year accounts or before earning money.

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

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?

No. We are mainly involved in subcontracting however we do some additional private work, and despite offsetting payroll taxes, we are still owed back a considerable sum. As a small business this money would be better served in our bank account than sitting in revenue for a year.

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?

Im unsure at this point

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?

Check that the accounting package is suitable

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

It may result in lower payments from previously full payment providers.

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

18 months.

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

Very 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)

Increased accuracy of information submitted to Revenue

Better visibility and control of information held by Revenue

Seamless integration of taxation with your business systems

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

Industry/professional body support

Clear guidance for software providers and a testing environment

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?

