

1. Who are you:

Individual/Business

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?

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

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

We have always agreed with the RCT system of tax collection. The improvements proposed look much like tweaks of what we already have.

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

The collection and submission of income and expenditure information about data not subject to RCT could prove difficult for small businesses who do not complete regular accounts. It could be prohibitively expensive to pay professionals to provide such information more often than annually. Quite a lot of our work is for private individuals who do not know about RCT or need to know about it. This system could put an unfair administrative burden on small businesses.

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?

RCT for us is for trade with a main contractor. As goods & service providers we are already dealing with RCT and agree with the concept of withholding tax as a way of putting by funds to pay Income Tax each year.

- 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?**

As we do not provide services to state or semi-state, this is not an area we are knowledgeable about.

- 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?

The differentiation of invoices for RCT and non RCT clients can be confusing but it's ok. The collection of RCT eases the burden of Income Tax due at the end of each tax year.

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

RCT is a good way of accumulating funds to pay tax liabilities

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?

Tax withheld based on current rates are generally reflective of income tax due

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?

Not very different from the current system

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?

As above, the current rate of RCT is generally reflective of the income tax liability for our business.

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?

Probably no great difference as long as the PDR is consistent with our current RCT rate.

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?

It is unlikely that we will submit information throughout the year as it would be administratively too burdensome. We will more likely continue to submit our annual

Form 11 when due and use the RCT on account to pay our income tax liability as we do at present.

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

Hopefully none. We are a small business with simple systems to do VAT returns and annual reporting.

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?

Unknown without full details of what is required of a sub contractor.

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

We will do whatever is necessary

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)

Greater certainty in relation to your tax affairs

Better visibility and control of information held by Revenue

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

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?

As a small business we cannot afford additional administration costs so we hope this will not arise with this new system.

