

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:

Blinds and curtains installer

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?

I support the move from PSWT to eWHT and the aim of collecting tax at the time people are paid. A pay-as-you-go approach, with real-time communication between the Designated Withholder and Revenue, should improve compliance and reduce the need for Revenue to chase people later. Replacing the flat 20% rate with a Personalised Deduction Rate (PDR) is a positive change, as the current rate often results in too much tax being withheld and refund claims. Crediting the tax withheld directly to the individual's income tax or corporation tax account will also make it easier for people to understand their position. For eWHT to work well in practice, deduction rates need to be clear, stable and predictable. While allowing people to provide extra information to improve their PDR is sensible, there should also be a fair default rate so that those who engage less are not over-penalised. VAT is an important area of risk and should be considered as part of the design. Many individuals are very good at their professional work but are not good at administration, including VAT returns and cash management. When the full amount of a payment, including VAT, is paid into a bank account, there is a real risk that VAT is treated as available money and spent. This can lead to VAT payment problems later, even where there is no intention to underpay tax. Clear separation of VAT from net income at the point of payment, or stronger visibility of VAT obligations, would help reduce this risk and improve overall compliance. Finally, accountability needs to be clear. While agents and third parties may assist, responsibility for operating

eWHT correctly should be clearly defined. The system will also depend on reliable real-time technology, with appropriate fallback arrangements to avoid delays to payments.

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

Concerns A key concern is whether all Designated Withholders will be sufficiently prepared and knowledgeable to operate eWHT correctly. Many businesses are not tax specialists and may struggle with real-time withholding rules, which could lead to repeated errors across payments. There is also a risk of over-reliance on systems without a clear understanding of the tax outcome. Simple rules, clear guidance and practical training will be important. System reliability is another concern. As eWHT relies on real-time communication, clear fallback processes will be needed where systems are unavailable to avoid payment delays or incorrect withholding. VAT remains a practical risk. Many individuals are very good at their professional work but are not strong at administration, including VAT returns and cash management. When VAT is paid into a bank account alongside income, it can be treated as spendable money, leading to VAT payment issues later. Finally, accountability needs to be clear. While agents and software may assist, responsibility for operating eWHT correctly should be clearly defined to avoid confusion and disputes.

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 I am paid by a UK company, I am concerned that non-Irish payers may not be familiar with Irish eWHT rules or systems. Clear rules and practical support will be essential to ensure cross-border withholders can operate the regime correctly.

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?

PSWT targeting has worked historically, but it reflects an older service model. It would be sensible to review whether targeting should be based on the capability of the payer to operate withholding correctly, rather than primarily on whether they are a state or semi-state body.

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?

As the person subject to deduction, I would prefer to pay tax accurately and on a timely basis rather than being over-deducted and waiting up to 12 months to recover amounts through refunds. The current flat-rate approach can create unnecessary cash flow and administrative issues.

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 and PSWT can create an imbalance between employees and contractors. While simpler for the withholder, flat-rate deductions place a disproportionate cash flow and administrative burden on self-employed individuals compared to PAYE for employees.

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. The current rates do not reflect the actual corporation tax liability, which is typically higher than the amount withheld.

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?

Paying tax as part of the payment process would be beneficial, as it improves cash flow planning and reduces end-of-year adjustments, provided the system is accurate, predictable, and reliable.

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?

PDR should improve cashflow management by allowing tax to be paid as income is earned, similar to PAYE, reducing large end-of-year liabilities and refund claims, provided rates are stable and predictable.

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?

Yes, I believe the new regime, including PDR, would have a positive effect. Paying tax more accurately as income is earned should reduce the balance due at year end and make the income tax return simpler, particularly if information is pre-populated. It should also reduce or eliminate large preliminary tax payments, as more of the tax liability would already have been settled during the year. This would improve cash flow certainty and reduce the stress and administrative effort associated with year-end tax compliance

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?

I would be likely to report income and expenses if the process is simple and clearly improves the accuracy of my PDR. Ease of use will be key to encouraging regular engagement.

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

I would need to improve ongoing tracking of income and expenses, ensure clear separation of VAT from income, and adjust cash flow planning to reflect more regular tax payments. These changes would be manageable if the system is simple and well supported.

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

I provide a practical service and do not have complex business processes. The main benefit of the new regime would be greater certainty and less time spent dealing with tax at year end. Paying tax as I go would make cash flow easier to manage and reduce the risk of large bills or refunds later. If the system works smoothly, it should also reduce the time and cost spent on administration, allowing me to focus more on delivering my services rather than managing tax paperwork.

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

The impact on my business processes is likely to be limited, as I provide a straightforward service and do not have complex systems. Provided the new regime is clear and works smoothly, I would not expect a long adaptation period. A reasonable timeframe would be a short transition period to understand the new rules and ensure payments are being processed correctly. Any changes should be easy to implement if guidance is clear and support is available

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

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

Greater certainty in relation to your tax affairs

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)

Helpdesk or dedicated Revenue contact

Clear guidance for software providers and a testing environment

a good and straightforward system

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?

