

1. Who are you:

Other - please specify Subcontractor

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?

Very negative - I do not support the proposed direction

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

None. The current system is already digital and works well. This new proposal only adds uncertainty for workers.

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

My main concern is the lack of predictability. Under the current RCT system, I know exactly that 20% will be withheld. The new 'personalised rate' makes it impossible to calculate my net income in advance. I cannot manage my bills or business expenses if my tax rate changes constantly based on a hidden formula. I believe taxpayers have a right to a clear, fixed formula to calculate their earnings honestly

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 am against this expansion. Increasing the scope of withholding tax to more sectors will create financial difficulties for more workers, just as it does for those in

construction. It adds more complexity and reduces the cash flow available to small operators

- 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?**

The focus should be on keeping taxes simple and predictable for all sectors. Any review should prioritize transparency so that every service provider knows exactly what their net income will be before they start a contract

- 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 current system is manageable because it is predictable. I know exactly that 20% will be deducted, which allows me to calculate my cash flow and pay my own expenses without surprises

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

The current RCT application is fair as long as the rates are fixed and transparent. It ensures tax compliance while giving the subcontractor clarity on their earnings

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?

Yes, the current 20% rate is a fair reflection of my tax liability. It is a simple and clear baseline. I prefer this fixed rate over a 'personalised' one because it allows me to know my exact net income immediately, without needing complex calculations or waiting for Revenue's real-time assessment

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 beneficial at all. Automating taxation directly into payments without a fixed rate creates a risk of over-taxation on individual invoices. It makes managing my business bank account and cash reserves very difficult

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?

It will have a negative impact. As a subcontractor, I need to know my net income to pay my own suppliers and expenses. A 'personalised' rate that changes frequently is unpredictable and makes it impossible to plan my business finances month-to-month

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?

No. While it might simplify the final balance, the stress of not knowing my weekly or monthly take-home pay outweighs any potential benefit at the end of the year. I prefer to manage my own preliminary tax with a clear 20% baseline.

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?

Unlikely. This puts an extra administrative burden on me. I am a worker, not an accountant. Reporting expenses constantly just to get a 'correct' tax rate is too time-consuming and complicated for a small operator

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

I will need to spend more time on administrative tasks and possibly hire an accountant to manage the constant reporting of expenses just to ensure my PDR is accurate. This increases my business costs significantly

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

I do not expect any benefits. The new regime adds complexity and financial uncertainty to a process that currently works fine with the fixed 20% rate

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

At least 12-18 months of transition, with a long period of parallel running

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

Not confident. Small subcontractors do not have the sophisticated software systems required for real-time API integration with Revenue

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

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

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?

The best way to meet the needs of my sector is to keep the fixed 20% rate as an option. Small subcontractors need stability and a clear formula to calculate their earnings. Do not replace transparency with an unpredictable algorithm

