

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:

Platform economy

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?

It does not appeal to me at all.

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

As a sole trader, we have constant and unpredictable upkeep costs. We put away a surplus monthly for our annual taxes and regularly need to use some of these funds for regular maintenance cost.

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 stated in #9, it is too broad and does not take into account the day to day intricacies of running a business. In the outline, it is compared to a PAYE worker system, but a PAYE worker doesn't incur business expenses and is completely a completely incompatible model as the worker does not have business costs. This does NOT make sense.

- 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?**

Each business would need to have a personalized system subject to how their business operates daily. Also this does not take into account that most businesses operate at a loss for the first year, at least. It is far too generalized and seems like it would put operations out of business quickly as it would envelop daily running costs.

- 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:**
- 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?**

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?

This would be completely unbeneficial and harmful

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?

This would destroy our cashflow model and make it impossible to run the 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?

Yes, this would make the end of year income tax reduced but the business would have failed for lack of cashflow and ability to handle last minute maintenance and emergency issues that are very relevant to the business we run.

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?

We report all of our income and expenses annually and this works for us.

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

We will not be able to run our business under this proposal.

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

We would not be able to cover our unpredictable costs and therefore would be unable to maintain our business under the eWHT regime

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

There is no reasonable time frame. It would put us out of business. It is short sighted, too large in scope and does not take specific small businesses into account. It is presumptuous to presume this would work for every business and is a 'one size fits all' approach that does not seem based in the reality of every day business operation.

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

Zero confidence. It seems designed to put small businesses out of business.

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)

none of the above

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

Industry/professional body support

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 stated, this is a broad stroke approach, equated with a PAYE system but the worker does not have the same unpredictable running costs of a small business and is therefore incomparable. This seems designed to control and restrict rather than support and develop. It does not take into account the personalized nature of individual businesses and in fact would be irreparably harmful to my own business

