

1. Who are you:

Individual/Business

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

Designated Withholder (DW)

3. Please tick the sectors that apply to you:

Facilities Management (FM) - providing cleaning, security, building maintenance, and support services across Ireland

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?

Digital Transformation and Real-Time Reporting: Aligns with modern compliance practices and reduces manual intervention, improving accuracy and transparency.
Personalised Deduction Rates: Ensures fairness and reduces risk of incorrect deductions for self-employed workers. Streamlined Compliance Processes: A centralised eWHT platform simplifies interaction with Revenue and provides clarity on obligations.

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

System Integration and Cost: Real-time API reporting will require significant ERP upgrades and custom development, creating cost and resource burdens.
Operational Complexity: Personalised deduction rates increase complexity and risk of errors if systems are not fully aligned. Transition and Readiness: Moving from periodic to real-time reporting requires process redesign and training; short timelines could lead to compliance gaps. Impact on Cashflow and Controls: Immediate withholding may affect cashflow timing and reconciliation processes, requiring additional internal controls.

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?

We are cautiously supportive. Expanding withholding tax could improve compliance and transparency, but it raises concerns about administrative burden, complexity in determining applicability, and potential cashflow impact. A phased approach with clear guidance is essential to avoid disruption.

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?

We believe the scope should be reviewed to reflect the reality that large private sector organisations, like Bidvest Noonan, also engage professional services such as audit, legal, and consultancy. Including these payments under a modernised regime would create consistency and improve compliance across sectors. Clearer guidance is needed on what constitutes “professional services” in practice. For example, while audit and legal services are clearly within scope, ambiguity exists for consultancy or advisory services delivered through corporate entities. This clarity is essential for businesses like ours to avoid compliance gaps. Maintain focus on high-risk professional service categories but avoid extending PSWT to routine operational services (e.g., cleaning, security, maintenance) that are core to our facilities management business. This will prevent unnecessary administrative burden while achieving the policy objective.

9. Please indicate if you currently operate:

Professional Services Withholding Tax (PSWT)

Relevant Contracts Tax (RCT)

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

Administrative Burden- Managing PSWT and RCT compliance requires manual checks, periodic reporting via ROS, and issuing certificates (e.g., F45 for PSWT). This

adds complexity to Accounts Payable processes and increases workload for our Tax and Finance teams. Vendor Management Challenges-For PSWT, we must verify exemption status for professional service providers (audit, legal, consultancy). For RCT, we need to correctly classify subcontracted works (e.g., building maintenance, fit-outs) and apply the correct withholding rate. Misclassification risk is high without clear guidance. System Limitations-Our ERP (Agresso) is not fully automated for PSWT/RCT compliance, so manual intervention is common. This creates inefficiencies and increases the risk of errors in deductions and reporting. Cashflow and Reconciliation-Withholding tax deductions affect payment amounts and reconciliation processes, requiring additional controls to ensure accuracy and timely remittance. The current PSWT and RCT regimes impose significant operational effort on Bidvest Noonan, primarily due to manual processes, system limitations, and complexity in classification. While we comply, the administrative burden is high, and modernisation through eWHT could reduce risk and improve efficiency”provided implementation is phased and supported.

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.

N/A

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

PSWT: The principle of withholding tax on professional services is sound and supports compliance. However, the current scope and definitions can be ambiguous, particularly for consultancy services delivered through corporate entities. Administrative processes (manual checks, exemption validation, ROS reporting) create inefficiencies and increase compliance risk. RCT: The regime is effective for high-risk sectors like construction, but classification challenges arise for facilities management activities that overlap with construction (e.g., fit-outs, building maintenance). Complexity in determining applicability and rates adds operational burden and risk of misclassification. Overall View - Both regimes achieve their compliance objectives but impose significant manual effort and system limitations on businesses like ours. Modernisation through eWHT is welcome, provided it includes clear guidance, phased implementation, and technical support to reduce complexity and cost.

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

The withholding tax model for PSWT and RCT is designed to collect tax at the source of payment rather than relying solely on self-assessment by the recipient.

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?

Embedding eWHT processes directly into our accounting and business management systems would be highly beneficial in the long term, but the immediate challenge for Bidvest Noonan is significant due to current system limitations. Our compliance with PSWT and RCT is heavily manual. Processes involve manual checks, ROS submissions, and issuing certificates outside the ERP workflow because our core system (Agresso) does not support automated withholding tax functionality. While the proposal aligns with best practice and would transform compliance efficiency, for Bidvest Noonan the benefit will only materialise after overcoming substantial system and resource challenges. A realistic timeline and phased rollout are essential.

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

Automation of Compliance: Eliminates manual steps for PSWT and RCT reporting, reducing risk of errors and penalties. Efficiency Gains: Frees up Finance and AP resources currently tied up in repetitive compliance tasks. Real-Time Visibility: Improves accuracy of tax deductions and reporting, supporting better cashflow forecasting and audit readiness. Integration with Existing Workflows: Aligns withholding tax processes with payment cycles, reducing duplication and delays.

16. What challenges do you think your business might face in adopting this embedded within natural systems approach?

High Integration Costs: Implementing real-time API reporting will require major changes to our ERP (Agresso), including custom development and testing. If ERP vendors are not fully aligned with Revenue's technical requirements, businesses will face substantial costs and delays. System Readiness Gap: Not all ERP solutions are

currently equipped for eWHT integration. Without industry-wide engagement and standardisation, businesses cannot simply “switch on” real-time reporting. A phased approach and vendor collaboration are essential. Risk of Uneven Implementation: If Revenue does not work closely with ERP providers upfront, smaller and mid-sized businesses will struggle to comply, creating operational and financial strain.

17. What is the estimated number of payments that you make to SPs each month?

Approximately 5-10 payments per month to SPs, though this can fluctuate depending on project activity and compliance work.

18. Do you currently use software for processing payments and or managing the finances of your business? If so, what packages do you use?

ERP System: Agresso (Unit4 Business World) - used for financial management, accounts payable, and payment processing. Payroll System: A separate payroll solution integrated with HR for salary and statutory deductions (MegaPay) Banking Platforms: For payme

19. Are you an employer for PAYE? If so, which software package do you use to report payroll taxes to Revenue?

Yes, Bidvest Noonan is an employer for PAYE. Payroll Software (MegaPay): Payroll solution for processing salaries and statutory deductions. It's integrated with our ERP via manual upload data functionality. Reporting to Revenue: Submissions are made via

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?

The withholding tax model for PSWT and RCT is designed to collect tax at the source of payment rather than relying solely on self-assessment by the recipient.

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?

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?

Upgrade ERP and Payroll Systems to embed eWHT functionality for automated withholding, reporting, and Revenue integration. Redesign Payment Processes to include real-time eWHT validation before releasing payments. Update Supplier Onboarding and SOPs to capture tax status and ensure compliance for professional services. Train Finance and AP Teams on new rules and system changes. Plan for Significant Integration Costs and Resource Impact, as embedding eWHT will require major ERP development and could increase manual workload if automation is limited.

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

Potential Long-Term Efficiency: Once fully embedded, eWHT could streamline workflows by eliminating manual checks currently required for RCT/PSWT compliance. However, in our current scenario: High Initial Costs and Complexity: Significant ERP integration and process redesign will be required, which will increase short-term costs and resource demands. Limited Immediate Cost Savings: Any efficiency gains will only materialise after full system implementation and stabilisation. Impact on Service Delivery: Transition may temporarily slow payment cycles and supplier onboarding until systems and teams adapt.

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

18-24 months after finalisation of Revenue requirements, because: ERP Selection and Implementation Dependency: eWHT functionality should ideally be embedded during ERP rollout to avoid costly retrofits. HR System Integration: Payroll processes linked to HR will also need alignment with eWHT rules. Process Redesign and Training: Coordinating changes across Finance, AP, and HR teams during system migration will require phased implementation. Testing and Stabilisation: Additional time for pilot runs and troubleshooting to prevent disruption to payment cycles and compliance.

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

We are moderately confident, provided the following conditions are met: Alignment with ERP and HR Projects: Since we are currently selecting new systems, embedding eWHT during implementation will be critical. If requirements are clear early,

integration can be planned efficiently. Vendor Support and Revenue Guidance: Confidence depends on timely specifications from Revenue and ERP vendors offering compliant solutions. Resource Allocation: Dedicated project management and training will be required to avoid delays.

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

Increased accuracy of information submitted to 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

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?

To best meet the needs of our business and the wider facilities management sector, the proposed eWHT system should: Ensure early engagement with ERP and payroll vendors so compliant solutions are available before implementation deadlines. Without this, businesses face high integration costs and operational disruption. Provide phased rollout and adequate transition time, especially for organisations currently migrating to new ERP and HR systems, to avoid duplication of effort and compliance risks. Offer robust testing environments and clear technical specifications well in advance, enabling businesses to validate processes and minimise errors before go-live. These measures would significantly reduce complexity and cost while supporting a smooth transition.

