

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 negative - I have some concerns about aspects of the proposal

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

Better reporting and clearer link between tax deducted and final tax position. If the system is simple and transparent, it can reduce mistakes and confusion for small contractors.

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

My main concern is cash flow. Automatic or personalised deductions that are too high or slow to change can put real pressure on small subcontractors. Work is seasonal and income can drop suddenly, but costs stay the same. The system must be flexible and react fast to changes.

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 understand the idea, but I am concerned about the impact on small self employed workers. Expanding withholding should be done carefully and not put extra pressure on cash flow for small contractors.

- 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?**

I do not work directly with PSWT, but any expansion should be reviewed carefully. It should be clear, simple, and not create extra complexity or cash flow issues for small businesses.

- 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?**

RCT has a direct impact on cash flow. When work is slow or payments are delayed, the deduction still applies and it puts pressure on day to day running costs. For small subcontractors this can be difficult to manage.

- 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 works in principle, but it needs to be flexible. Rates should reflect real trading conditions and allow quick adjustment when income changes. For small subcontractors, cash flow must be taken into account.

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?

Not always. The deduction does not always reflect the final tax liability, especially when expenses, quiet periods, or reduced income are taken into account. This can affect cash flow during the year.

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?

It could be helpful if it is simple and flexible. If it reduces paperwork and gives clarity on tax, that is positive. But if it reduces cash flow or cannot adjust quickly, it would not suit small subcontractors.

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?

Paying tax as you go can help with budgeting, but it also reduces available cash. For small subcontractors with seasonal income, this could create pressure if the rate is too high or slow to change. Flexibility will be very important.

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?

It could help reduce large end of year tax bills if it works correctly. However, for small subcontractors the main issue is cash flow during the year. Any benefit at year end should not create pressure month to month.

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 willing to report regularly if the system is simple and easy to use. If reporting is too complex or time consuming, it will be difficult for small contractors working on site.

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

would need to spend more time on reporting income and expenses and keeping records up to date. This may require using new systems or software, which is a change for small site based businesses.

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

If the system works well, it could give better clarity on tax and reduce large end of year surprises. Less paperwork and clearer figures would be a benefit.

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

At least 12 months. Small businesses need time to understand the system, adjust cash flow, and change reporting processes.

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

Moderately confident, provided the system is simple, well explained, and flexible for small businesses.

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

Greater certainty in relation to your tax affairs

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

Mailshots and guidance on the Revenue website

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 most important thing is flexibility. For small construction subcontractors, income is seasonal and can change quickly. The system needs to be simple, easy to understand, and able to adjust fast when work slows down. If cash flow is protected and the system is practical, it will work better for small businesses.

