

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?

Somewhat positive - I think it's a good idea overall

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

From an admin viewpoint it could cut down the need for paperwork and if it even replaces the need to fill in the tax return form end of year that would be a bonus. A lot more info is needed regarding specifics though.

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

Just ideas in my head. Something to consider for people who may be known as digital nomads or even people who may operate and move to several countries a year etc. I'm not sure how this system would accurately/fairly tax those who may not owe tax as they may not be a tax resident or maybe they have tax treaty to ensure not double taxed in their designated country even if they operate here for a bit of the year. How is the system designed to ensure those who may not exclusively operate in Ireland for some or most of the year are treated correctly, as they may even be tax exempt etc? Depending how its operated it could be seen as a detractor to anyone considering becoming a tax resident. Any answers in this space would be appreciated.

- 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?**

Could there be data breaches? Would you need to request data from private companies with these platforms to ensure you get such information? Could this breach their data privacy laws/country laws? Would you need consent from all sides? If this goes ahead, all platform hosts would probably need a lot of time to implement this - if they agree to also.

- 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 think regular reviews should always be a good thing to ensure fairness and/or if it still makes sense to operate etc.

- 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?

It may be good so there's no big bill at the end of the year, but I also find it easy keeping a cashflow journal. I'm unsure how it finds out business expenses, as depending on expenses it could just lead to refund claims end of the year unless you must constantly feed it data so it makes such deductions on the fly?

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?

I'm unsure how this rate will be taxed if you don't know the deductibles (business expenses etc), unless you use it based on a previous year and calculate accordingly.

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?

Personally, I don't think it will have a positive effect as I think it will be calculated wrong, but I don't know enough about this. In the efforts that it somehow knows income and deductibles on an on-going basis then it could at least have a neutral effect. This is why we have accountants afterall.

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 think that is actually just more work, that we could be just producing to some accounting software. Everyone has their own ways of doing things, to create a united structure is admirable, but it may actually create a lot of needless hassle for people when they may be much more comfortable giving it to a 3rd party to sort: accounting software/accountant. I think if it relies on people regularly reporting, it actually creates more admin work not detracting. Why should a business need this if an accountant does it anyway? Unless you intend to replace accountants. It sounds to me that the initial reporting will be largely off, like an estimated electric bill until you give the meter reading and slowly over time it corrects itself. It's like being emergency taxed for a new employee off the bat until everything settles. I think if the system goes ahead it will need a very good source of data per person to create as much accuracy and fairness as it can - or it could lead to a lot of very annoyed people which could just end up leaving Ireland with their business.

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

I'd imagine depending on what info is needed on a regular basis, I just have to adjust to sending it off, but if I'm sending to an accountant then maybe you need to go to them for this info regularly instead of relying on the business owner. This could mean that an accountant would need to report on their behalf, or the client would need to get the accountant to send them this info regularly which seems very counter-intuitive.

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

It may lead to an increase in costs to cover a possible very messy launch. Personally, I'd rather just use an accountant to do everything, I don't see why this is an issue to not keep it as is. Maybe let people opt in for this system if they prefer it, or rather an accountant etc.

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

Personally, I'm a small business so it could be quite agile, a few months notice at very least, with as much clarified info on everything. Step by step, simple. K.I.S.S.

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

Confident - if the requirements aren't silly. Once again, I don't know why an accountant doesn't suffice.

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)

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)

Industry/professional body support

Clear guidance for software providers and a testing environment

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?

Simply: I don't see why an accountant can't suffice. The more I read this of the system, the more unconfident I become with it handled correctly. This is Ireland after all, mis-management central (unfortunately!!!). I think testing roll-outs will be needed and maybe a phased approach to diminish bugs and errors in the system.

