

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:

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 existing RCT system works well for our business and we do not see any clear advantages in the proposed changes.

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

The current RCT system works well for our business and provides certainty around cashflow. We do not support changes that would add complexity or administrative burden for small construction firms.

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 do not agree with expanding withholding tax beyond the current RCT system, which already works well for our business.

- 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?**

PSWT does not apply to our business. Any review should avoid adding complexity for small construction firms.

- 9. Please indicate if you currently operate:**

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?**

the current RCT system is clear, predictable, and manageable. It works well for our business and integrates effectively with our existing PAYE and VAT processes.

- 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.**

Not applicable.

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

RCT is appropriate for construction and works well in its current form. We do not support extending or complicating withholding regime where the existing system is already effective.

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

Withholding tax is applied to ensure tax compliance and timely collection. In construction, RCT serves purpose effectively when kept simple and predictable.

- 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?**

It would be of no benefit to our businesses the current RCT system already works well and is manageable without further system integration.

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

We do not see any significant opportunities for our business. The current system already meets our needs without additional complexity.

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

Increased system complexity, additional costs, training requirements, and potential disruption to existing accounting process.

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

6-8 payments per 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?**

Yes Sage 50 Accounts

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

Sage Payroll

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?

Withholding tax is applied to ensure tax compliance and timely collection. In construction, RCT serves purpose effectively when kept simple and predictable .

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?

Changes to accounting systems, additional reporting processes, staff training and increased administrative oversight.

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

We do not expect any material benefits for our business, as the current RCT system already functions effectively.

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

at least 12-18 month, particularly for small businesses with limited administrative resources.

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

Low to moderate, due to the additional complexity and resource requirements involved.

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)

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?

For small construction businesses, simplicity and certainty are essential. The current RCT system works well and should be retained for small operators. Any changes should be optional, proportionate, and avoid increasing admin burden or cashflow pressures.

