

1. Who are you:

Individual/Business

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

Both DW & SP (for tax professionals, representative bodies, RCT middle principals)

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 positive - I think it's a good idea overall

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

I like the proposed eWHT model because it simplifies compliance, provides real-time clarity on tax rates, and reduces admin work for both contractors and subcontractors.

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

My main concern is the potential for technical issues and errors in real-time reporting, which could create extra administrative work and cash-flow challenges.

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'm generally supportive of the expansion as long as the system is simple and reliable, but I'm cautious about the extra compliance burden it might add

- 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 PSWT is reasonably targeted, but it could be worth reviewing the types of payments it covers to ensure it focuses on services where withholding is most appropriate and avoids unnecessary compliance for low-risk payment

- 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?**

As a DW, PSWT and RCT add administrative work and require careful tracking of rates and payments, which can slow cash flow and increase compliance costs

- 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.**

We do not operate as a Platform Operator, so we do not have experience applying taxes to transactions on a platform in other jurisdictions

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

From a DW perspective, RCT and PSWT work but are administratively burdensome, requiring careful tracking of payments and rates, which can increase compliance costs and slow operations.

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

RCT and PSWT are withholding tax systems where the payer deducts tax before paying the subcontractor or service provider. They are applied to ensure tax is collected at source, reduce non-compliance, and make it easier for Revenue to track income

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 into our accounting and payroll systems would be very beneficial, as it would simplify compliance, reduce errors, and save time on administrative tasks.

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

Embedding eWHT into business systems could streamline payments, reduce errors, improve cash-flow management, and make compliance easier for the entire construction industry

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

The main challenges would be the initial setup and integration with our existing systems, staff training, and ensuring data accuracy for real-time tax reporting

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

Around 39

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

We use Sage 50 Accounts professional

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

Yes, i am .Company uses Sage Payroll

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?

Currently, our RCT/PSWT rate is 0, so there's no impact. If the rate changes, it could affect cash flow and increase administrative work, though the withheld amount can be offset against the company's tax liability.

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

As an SP, RCT/PSWT ensures tax is collected at source, which is helpful for compliance, but it can temporarily reduce cash flow until the tax is offset against our liability

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

RCT and PSWT are withholding tax systems where the payer deducts tax before paying the subcontractor or service provider. They are applied to ensure tax is collected at source, reduce non-compliance, and make it easier for Revenue to track income

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?

Yes, the current rates generally reflect our actual tax liability, and any amounts withheld can be offset against our company's overall tax

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?

Embedding taxation directly into payments would be very beneficial, as it would simplify compliance, reduce administrative work, and ensure accurate real-time tax reporting

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?

PDR would reduce surprises at year-end and make tax more predictable, but it could slightly reduce cash flow as tax is deducted in real time

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, the new regime and PDR should simplify end-of-year filings and reduce the risk of large preliminary tax payments, making tax more predictable

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 are very likely to report income and expenses regularly, as accurate reporting will ensure the correct PDR and help manage cash flow effectively.

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

We would need to update our accounting systems, train staff on new reporting requirements, and adjust our cash-flow management to accommodate real-time tax deductions

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

The new regime should streamline our processes, reduce administrative costs, improve accuracy, and make payments and tax reporting more efficient.

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

A reasonable timeframe to adapt would be 2-6 month, allowing for system updates, staff training, and process adjustments

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

We are confident we could adapt within a reasonable timeframe, as we already withhold tax and our customers use the system to RCT our invoices

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

Better visibility and control of information held by Revenue

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

Helpdesk or dedicated Revenue contact

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 system would work best if it integrates seamlessly with existing accounting and invoicing software, provides clear guidance on rates, and allows flexibility to manage cash flow efficiently.

