

1. Who are you:

Other - please specify very small limited company

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:

Agriculture /horticulture

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?

The evident need for additional software and internet access with the increased risk of a cyber attack/ransom attack.

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

For a very small company that does not have a complex accounting system the new proposals will add an expensive burden without any additional benefits. We are happy with the current system.

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 not sure I understand the proposal.

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?

The existing system is very efficient and effective, and should be maintained for semi-state and public bodies. Expansion to other clients will add a significant burden for very small companies and increase the overpayment of tax within a financial year, further reducing cash flow

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?

For very small companies this would be a significant burden in time and additional software costs.

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

None

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

Additional costs in time and software

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

N/A

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

MS Office software.

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

N/a

- 20. Please indicate if you currently receive payments which are subject to deduction of:**

Professional Services Withholding Tax (PSWT)

- 21. Where you are currently subject to PSWT and/or RCT, how does the current application of withholding taxes impact on your business operations?**

The system works very well, and knowing that tax is deducted on each relevant invoice ensures that our company is tax compliant.

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

The current system works very well and is efficient.

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?

Usually, an overpayment when taken over the entire financial year the PSWT is known, and at year end the final tax due is less of a burden.

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?

Not beneficial at all for very small companies.

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?

N/A

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?

No, it will add to business costs.

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?

N/A

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

It should not be introduced for small companies.

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

Increased costs.

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

If imposed for small companies they may close.

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

N/A

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)

N/A

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

N/A

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 proposed new system might benefit the self employed contractor but not small limited companies.

