

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?

Real time reporting with Revenue through use of API sounds like it would be beneficial

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

I'd like to see how the process will work through online video link if possible.
Questions like - will it still be necessary to input the contract notification and payment notification into ROS? Will it be instant information received back from Revenue on the PDR ?

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?

Change is good and technology is great nowadays, if it the net payment amount is given in real-time through an App, then this could be a good thing. All new ideas will take time to roll out and sort initial teething problems, but will be good thereafter.

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?

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?

Inputting the information to ROS takes a little time for each Sub/RCT payment but the payment notifications are always given immediately, it works well.

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?

Same as above, as a DW, admin & time is required for inputting CN to ROS for every time you need to pay a Subcontractor through RCT.

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

I understand that Revenue use this RCT withholding tax from Subcontractors to ensure they keep compliant with their own tax returns. When there is a deduction rate applied to a subcontractor invoice - then we as the DW, return that to ROS and they offset that against the Subcontractor tax liability - it's a good way to make all services keep their tax returns up to date!

- 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 sounds like a good idea and would be beneficial once all the initial problems get sorted, with any new system, there will be teething problems. It might save some time, hard to know until we see the process on screen, then we'll have a better understanding of how it will work.

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

Time & efficiency in subcontractor payments

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

Surely there will be challenges with any new system that is to be integrated to our existing accounting system, hard to know until I see how it will work.

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

Some months it could be 8-10, other months it could be 10-20 subcontractor payments on RCT

- 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 Business Cloud for Accounting & Payroll software

- 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:**

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?**

We are a Principal Contractor so our payments received are subject to RCT when our clients are paying us.

- 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?**

I understand that Revenue use this RCT withholding tax from Subcontractors to ensure they keep compliant with their own tax returns. When there is a deduction rate applied to a subcontractor invoice - then we as the DW, return that to ROS and they offset that against the Subcontractor tax liability - it's a good way to make all services keep their tax returns up to date!

- 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 would be beneficial, might speed up the payments process to us.

- 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?

It would take getting used to I guess, bottom line is, to keep tax returns up to date so that the PDR is 0% deduction rate.

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?

Possibly.

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 keep this information updated on ROS and will continue to do so going forward.

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

Hopefully none!! We are currently using Sage Business Cloud so Revenue should be able to implement their new program interface without issue.

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

Reduce time spend inputting contract & payment notifications

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

Maybe roll out of a pilot programme - this could help to see how businesses get on with the proposed new system. Training, instructions and online video tutorials will be required for DW's and SP's to have access to. Initial live webinars could be useful to explain how the system will work and how it will be integrated using API's into software we are currently using.

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

I'd say it's possible to do, within this year, have the system up and running with eWHT and all teething problems solved so it runs smoothly. The last thing you want is delay's in payments to Subcontractors because the new system is poorly managed / integrated, that would be a disaster.

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

Greater certainty in relation to your tax affairs

Seamless integration of taxation with your business systems

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?

It will need work & dedication to get it right, teething problems will occur, it's normal, but to have correct support & training for all DW's and SP's is absolutely imperative so that it works efficiently.

