

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?

Neutral/undecided - I need to know more before forming a view

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

I'm hoping it will be a more simplified process for inputting RCT for subcontractors instead of the current lengthy process involved.

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

That the focus will be put on making it easier for Revenue and not the actual DW or person inputting the data and making the net payment to the sub contractor.
Hopefully it will be a one step system and not like the current model

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 have no problem with this once the system used is simplified and a one step process.

- 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?**

n/a

- 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?**

Very lengthy process and not realistic in terms of small business practices.

- 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.**

n/a

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

Deduction of RCT makes sense for the Subcontractor but needs to be simplified. Currently the RCT deduction system is outdated, lengthy, and time consuming. If deduction rate is 0% for subbies then no notifications should need to be made, a more simplified reporting process should be available for subbies with a 20% or more deduction rate.

- 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 is Beneficial to subbies to help them pay taxes they may not have money put aside to pay at year end.

- 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?**

Anything that makes the admin side easier and more time efficient will be beneficial.

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

More time to spend doing other things.

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

Software issues, training issues. Hopefully the process will not be complicated and easy to train.

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

20

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

Sage 50

- 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?**

RCT is Beneficial to subbies to help them pay taxes they may not have money put aside to pay at year end.

- 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?

Training of admin staff and possible update of software

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

Hopefully more time efficient and accurate reporting.

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

6 months

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

confident.

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

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?

Please just make it easy to use, remembering that not all businesses have book keepers or administrators to run this. The model needs to be easy enough and fast enough for the average builder to be able to use on his phone whilst standing on a building site with no wifi and little information provided by subbie, in other words, in needs to work in the real world.

