

received 13/12/16.

MC

**PAYE Modernisation Revenue Commissioners Bishop's Square
Redmond's Hill**

Dublin 2

5th December 2016

Re: Public Consultation on PAYE Modernisation

I am a small employer.

I read the consultation document and I welcome that many of the 'P' forms will be eliminated in the new proposed set up.

I'm not certain that your new process will solve a problem I have, and which many small employers have, and that is around the area of **casual and infrequent part-time labour**. I read somewhere – years ago – that if I employed someone and paid them more than €6 (or maybe £6) a year I had to register them as an employee. With all the attendant paperwork there is no chance of me doing this if all I'm employing someone for is one week during a year. Much easier to pay them cash.

What I would love, from a tax compliance point of view, is a situation whereby when I employ someone for short term casual work, that I simply log onto the Revenue website, put in their name, PPS details, who I am as an employer, and the amount of money I am going to pay them, and the system spits back to me a nett figure I should give them and then adds the amount that should be returned to Revenue on behalf of that employee with my employer taxes, to my annual / monthly direct debit. This way you get paid proper taxes and I remain compliant. (Your system could even automatically register them as an employee for me, and assume automatic deregistering after the payment to the employee is made.) The employee would be free to work for two, three, four, or more employers. This would work not just for short term employees but also for 'contractors' like office cleaners who work on their own.

If I had such a system available to me then:

- I would be paying more tax on behalf of my office cleaner and casual students who I employ from time to time.
- I would employ more people when I'm busy knowing I don't have to go through the paperwork of registering them as an employee and then de-registering them 10 days (or whatever timeline) later.
- I would not have ended up in a situation whereby I was employing someone for just 3 weeks and then asked them to remain on for two months, but on the books, only to be told that they were receiving disability, and could only work for me if I gave them a year's contract. I couldn't, but had I known they were costing me tax money through disability payments at the end of week one I would have fired them. I cannot report them as I find once a report goes in I get an inspection!!