Response Number 72

Q.1 What are your views on the proposal to introduce real-time reporting for B2B and B2G transactions?

As the Payroll real time reporting works well I think in theory a similar system for VAT seems like a good idea. However, we are a small company on VAT Cash Accounting, which means we only pay VAT on receipt of payment from our customers and can claim VAT on purchases as they arise. We currently submit VAT returns every two months and this system works well. I am concerned that there will be an extra burden to generate and submit reports in real time.

Q.2 What matters should be considered in planning for a transition to a new VAT Reporting system?

Will the system be complicated? We currently have the training and knowledge to manage the VAT process.
How often will we have to submit information?
Will the accounts package we use generate the correct reports?
Will there be cash flow implications?

Q.3 If your business is currently subject to a VAT reporting programme in another EU or non-EU country, can you please share best practice, recommendations or lessons learnt?

not applicable

Q.4 Have you any observations, concerns or recommendations on a move to mandatory electronic invoicing for B2B & B2G domestic VAT transactions?

Some of our clients use eInvoicing process but as we only have a small number of clients using it we find the registration system complicated and difficult to manage - this usually results in delays in getting paid.

Q.5 Revenue is particularly interested in hearing views from businesses that are already engaged in eInvoicing Public Bodies within Ireland or engaged in B2B eInvoicing throughout Europe and beyond. How did you prepare and what challenges prevailed in your preparations for eInvoicing?

In theory it would be great to use such a system but as we don't have large volumes of invoices and a lot of different clients I can't see how this would be an improvement on the current system.
The new system must be simple and easy to operate, particularly for small companies who only generate a small number of invoices .

Q.6 What suggestions would you offer in Ireland's arrangements for a mandatory B2B and B2G eInvoicing programme?

Give time for companies to make necessary arrangements both in terms of setting it up and training,

Q.7 Revenue are cognisant that small businesses may have different perspectives and requirements to large businesses, so what information prompts would you find useful for businesses in completing the VAT return?

We are a micro company, operating for 28 years, and find the administrative workload is becoming a bigger burden as time goes on.
A step by step approach is required.
Small companies like ours have generally quite simple work practices. We purchase goods and services, Sell goods and/or provide a service, get paid by our clients, pay our staff, suppliers and ROS. Our accounts systems gives us the information we need to comply with all VAT regulations.

In any new system we need reporting form to be understandable and simple with clear explanations and not jargon. Brexit transition was a nightmare as there was no clear plan. We attended a huge numerber of in person and online seminars and training sessions, employed external consultants (luckily this was Government funded) but the time required was out of all proportion to the need we have for the small number of imports we make every year. It is vital that lessons hopefully learned from that transition can be taken into account in planning the introduction of the new system.