Response Number 156

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

All ROS systems for self-employed people should have incentivizing (as opposed to deterring) self-employment as a key priority. People who are self-employed take on work, responsibility and administration on their own, they have no benefits, no paid holidays or paid sick leave. This is ultimately responsible citizenship as self-employment generates commerce and in some cases, takes people out of unemployment. It should be borne in mind that many self-employed people don't have sufficient income to instruct an administrative assistant or accountant services so additional requests can be burdensome. This was my first year in self-employment, I have never been so stressed, had no holidays and would have earned more on the dole but my hope is it will be worth it in the medium-long term.
Therefore, whatever new system is introduced needs to be as user-friendly and stress free as possible. People should not be threatened with legal action if they make a simple mistake or fail to use the system properly. Reporting should be supported by appropriate digital infrastructure including an App with training videos and customer service, as well as more traditional/ hard copy options retained for people who are self-employed but who lack digital literacy e.g. older people, farmers etc. who already have a lot of administrative demands and may not have much support.
For B2G, I think there should be options for people to indicate when VAT returns are not necessary. I am contracted to provide services to a government department and was informed the work is not subject to VAT, while a government agency I contracted with automatically deducted VAT at source. I have never done any other self-employed work but I am still obliged to log into ROS periodically and make VAT returns. This might not sound like much but it is an additional task on a to-do list.

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

This change should not be implemented without notification of stakeholders, building a solid digital and customer service infrastructure - for example an App which would enable VAT to be scanned or entered and helpline. Stakeholders that represent cohorts unlikely to use online systems should be formerly consulted at in-person events or by post.

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?

N/A

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

There is a risk of alienating people who are not digitally literate from self-employment.

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?

N/A

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

N/A

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?

ROS should bear in mind its responsibilities under the Public Sector Equality Duty and carry out an equality/accessibility review of all public interfaces including VAT.
Prompts should be written in plain English, be NALA approved and accessible to someone with no background in accounting. Explanatory documents should be written in plain English, NALA approved. For those who lack literacy skills and/or who may be time poor, explanatory documents should be converted to Mp3 - people do not have the time to read lengthy documents. I would personally find explainer videos and digital walk-throughs on all aspects of ROS helpful. This is easily achievable with Windows Snipping Tool and a video edit on software like Canva.
It should be borne in mind that large businesses are not inherently more capable, they just have accountants. Perhaps the goal should be to take accountants out of the picture as much as possible as that cost is a barrier to self-employment i.e. to make any ROS interface accessible to a person with no accountancy background and eliminate all accountancy terms.