Response Number 522

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

This is a good idea. However, there are currently a lot of different VAT categories which add an untold burden on businesses. The VAT-RTD for example is a nightmare. Every year, I dread the thing. Sage Accounts breaks down Irish VAT transactions into 20 or 30 categories. The UK equivalent only has about 5. While I understand the need for the reporting data, it's really hard to keep track of all of the various categories. So my concern would be how easy it would be to redo a category if it's filed in real time. It's too easy to make a mistake when there are up to 30 choices and often the difference between categories isn't entirely obvious. If a mistake is made, will it be possible to redo the real-time posting with the correct assignment?

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

Making sure that it works with all of the common, third-party applications. For example, even though the ROS XML format for VAT3 returns is trivial to produce, Quickbooks still requires that I enter the data manually from their screen to the Revenue site. What would be great is a "File now" button on their application. Even if it just means uploading the XML and then bringing me to the "sign and confirm" page within ROS. In other words, without needing Quickbooks (or Sage) to have access to my ROS digital certificate. It shouldn't require all the current hoops to upload an XML. I understand the need to avoid nefarious third-parties uploading erroneous data, but a ROS page which showed me the full details of the form which was uploaded, before I take the step of signing it with my ROS certificate, would be great. Anything which makes the filing of returns easier is to be welcomed. Especially the VAT-RTD, which to my knowledge still doesn't have an offline upload (XML format).

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 to me.

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

I have no concerns. Presumably the eInvoice would be submitted in its entirety? I don't have a data protection issue with this, and it would actually be great if Revenue could provide feedback along the lines of "you have filed this as E5 but it is actually G1" and allowed us to alter the filing or update the upload. Anything which alleviates the pain of the VAT-RTD is good.

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?

Not applicable to me.

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

As stated earlier, make sure the computer accounting systems support it from early on. I worked a bit with the UK Making Tax Digital scheme as I used my own accounting system for a while. Eventually I switched to Quickbooks as the hassle of keeping the software up to date became too much. However, Quickbooks doesn't even support the XML VAT3 file. Provide an automated way for the third-party application to submit

the data directly, even if it requires my explicit confirmation on the ROS site - at least I won't have to cut and paste values from one web page to another.

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?

The VAT3 itself is relatively straightforward. It's the RTD which is complex. When doing VAT returns, I need to keep in mind the extensive nature of the transaction to make sure that when it comes time for the RTD, I have captured the correct flows. If it were automatic/electronic, then you could capture all 25-30 RTD categories at each VAT3 return, and the end of year filing would not be required. This would also give you more immediate access to the intra-EU data.