Response Number 172

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

As a contractor sole trader who uses cash basis VAT I can't see how this would apply in my situation. I create my invoices in [redacted] I track my expenses mainly via [redacted] Neither of those are going to be offering e-invoicing any time soon.

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

1. Have a transaction level based threshold. I issue less than 100 invoices a year (usually just 12 if I have the same client for that year). I don't need or use an accounts package to track my expenses. I would suggest that someone issuing less than, say, 1000 invoices a year should be exempt from this requirement.
2. Consider from the start how cash basis users will be accommodated. Cash basis is hugely important to contractor sole traders, who may have only one client and that client can take months to pay. If this initiative results in the ending of cash basis it will be a disaster for the sector.

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?

Having previously worked in this area ([redacted]consultant etc.) I would say - about time! But at the same time in my current role as a contractor sole trader I am horrified that the mandatory element might apply to me! I use cash basis andI don't use an account system as I issue so few invoices I don't need one. E-invoicing should not apply in my situation.

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?

Have a transactions level based threshold - e.g. only mandatory for businesses issuing 1000+ invoices a year.

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?

I'm not sure what you mean by information prompt here.