Response Number 188

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

Requires more administration than preparing VAT returns, limits the ability to adjust and ultimately makes the VAT manager sit in the passenger seat. It involves ERP system reconfigurations that are expensive, and for most businesses, it requires obtaining external support and converting data into transmission files, which reduce the visibility to what was filed and requires licenses and a good command of technology to manage.

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

Revenue should invest money in making every recognized ERP supplier configure free modules that can be used for editing, submission etc. It would be better than having many businesses paying more for their compliance, only to probably receiving more questions from Revenue. Revenue could also balance these things by removing penalty for other than fully deliberate errors.

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?

We prepare VAT returns the common way in Excel, then converts that into submission files. These files are checked by software, and we have to do a second review of the software file, i.e. accuracy and sensibility checks x2. We also obtain services from audit firms, service providers, and obtain annual software licenses for each country, just for providing transactional listings upon which our VAT return is based. Nevertheless, we would never file a return having any discrepancy from what we have in the Excel workbook, as it is the closest we have to certainty over our data accuracy. It also cost more, takes longer, and results in a higher risk for fixed penalties for line inaccuracy, even if the tax amount itself is correct.

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

No concerns. But should be done via one EU portal with ability to accommodate various ERPs to ensure that both ends embrace the digital vision equally. Take the example of eRecognition, is there one provider that is accepted by more than two countries, to help foreign established companies to easily fulfill its responsibilities in all EU member states?

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?

Provide the means and make it easy. ROSs offline tool is a good example of making things difficult. One should be able to use commonly used data file types and protocols to fulfill reporting obligations.

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?

N/A