Response Number 815

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

I am a small business owner. I think the proposal for real time reporting is a good one. In terms of vat compliance, a system which reduces the work involved in vat reporting, vies, RTD reporting is a good one. As a small business owner a concern would be how the likes of Sage, Xero, Quickbooks will manage the changes and charge customers for this. Or will Revenue have an accounting package that a business can use?

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

1. How will existing accounting packages deal with the change
2. If the system is real time, will a small business still be able to account for VAT on a cash receipts basis rather than an invoice basis?
3. Number of inputs required - it would be great if on inputting an sales invoice or a purchase invoice, that all the necessary inputs to track for sale/not for resale/EU/postponed accounting entries were captured and that data flows through to the vat return and VIES/Intrastat etc.
4. How will the payment of the vat liability work? If sales and purchases are entered and this is captured in real time, at any given moment it will be know what the liability/refund to Revenue is. When will the payment/refund happen? Will it still be bi-monthly on the 23rd or will each business have a fluctuating vat account with Revenue which will change on a daily basis according the the sales/purchase inputs?

Any system to make the reporting system easier would be welcome.

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?

Just that system is affordable and easy to use for small business owners.

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

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

Just that the einvoicing programme is affordable for small business owners and easy to use.

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?

It would be helpful if the new system ties together the VAT 3, VIES and RTD reporting requirements. For those who use a manual system the reporting can be time consuming. The RTD form is particularly confusing I think for a lot of people. If the real time system was able to pull all this reporting together from a minimum

amount of inputs that would be very helpful ie. when inputting sales invoices and purchase invoices all the required information is inputted at that point and the reports flowed from this, it would save time.