Response Number 171

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

These proposals will lead to a significant imposed cost and operational overhead. Businesses should be compensated for this. Businesses that already have digital systems in place should not be driven towards having to invest in 3rd party software to accommodate the inefficiencies introduced by this proposed system.
We are a small business / micro enterprise. All of our invoicing is already handled electronically in the sense that there is no paper based system. Our systems are optimised for efficiency and effectiveness.
The statements in the Revenue Guidance to the effect that these proposed impositions will lead to improvements in efficiency and cost savings MAY be true for old fashioned businesses with inefficient processes but are untrue for businesses like ours that have already evolved efficient digital systems that will have to be scrapped or heavily amended.

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

Ease of use / avoidance of additional cost or overhead. These proposals should not be designed to drive businesses that are already highly digitised, towards having to purchase software from 3rd party providers and alter systems that have already been optimised. If real time reporting is envisaged, then businesses should be compensated for having to increase the amount of overhead devoted to acting as collection agents and administrators for the Revenue Commissioners.

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?

As above:
We are a small business / micro enterprise. All of our invoicing is handled electronically in the sense that there is no paper based system. Our systems are optimised for efficiency and effectiveness.
We do not however operate the type of system envisaged by the definition of e-invoicing outlined in the Revenue Guidance on real time VAT reporting.
The proposals appear to have a “baked-in” requirement to purchase proprietary invoicing software. This should not be imposed by the State – it is absolutely not the State’s role to seek to influence operating decisions and impose costs in this way
These proposals are an unacceptable imposition of additional cost and operational overhead that will not lead to any improvement in efficiency or any cost saving.
The statements in the Revenue Guidance to the effect that these proposed impositions will lead to improvements in efficiency and cost savings MAY be true for old fashioned businesses with inefficient processes but are untrue for businesses like ours that have already evolved efficient digital systems that will have to be scrapped or heavily amended.

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.
For invoicing to the UK - we use our electronic / digital invoicing systems by which soft-copy invoices are

generated and issued by email.

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

As above:
- businesses should not be forced to invest in 3rd party software and compromise already well-developed electronically based systems.
- businesses should be compensated for the cost and operational overhead proposed.
- statements to the effect that these changes will result in efficiencies and operational savings are not true for efficient businesses that already have well-developed systems. Such statements are disingenuous and should not be made without clarification that any such change will only benefit old fashioned businesses operating inefficient systems.

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