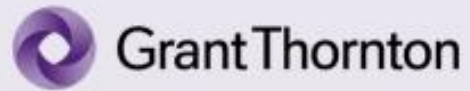


# Special VAT and PAYE Webinar

August 2023



# Topical Tax issues for Irish Hotels Federation



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# INTRODUCTION

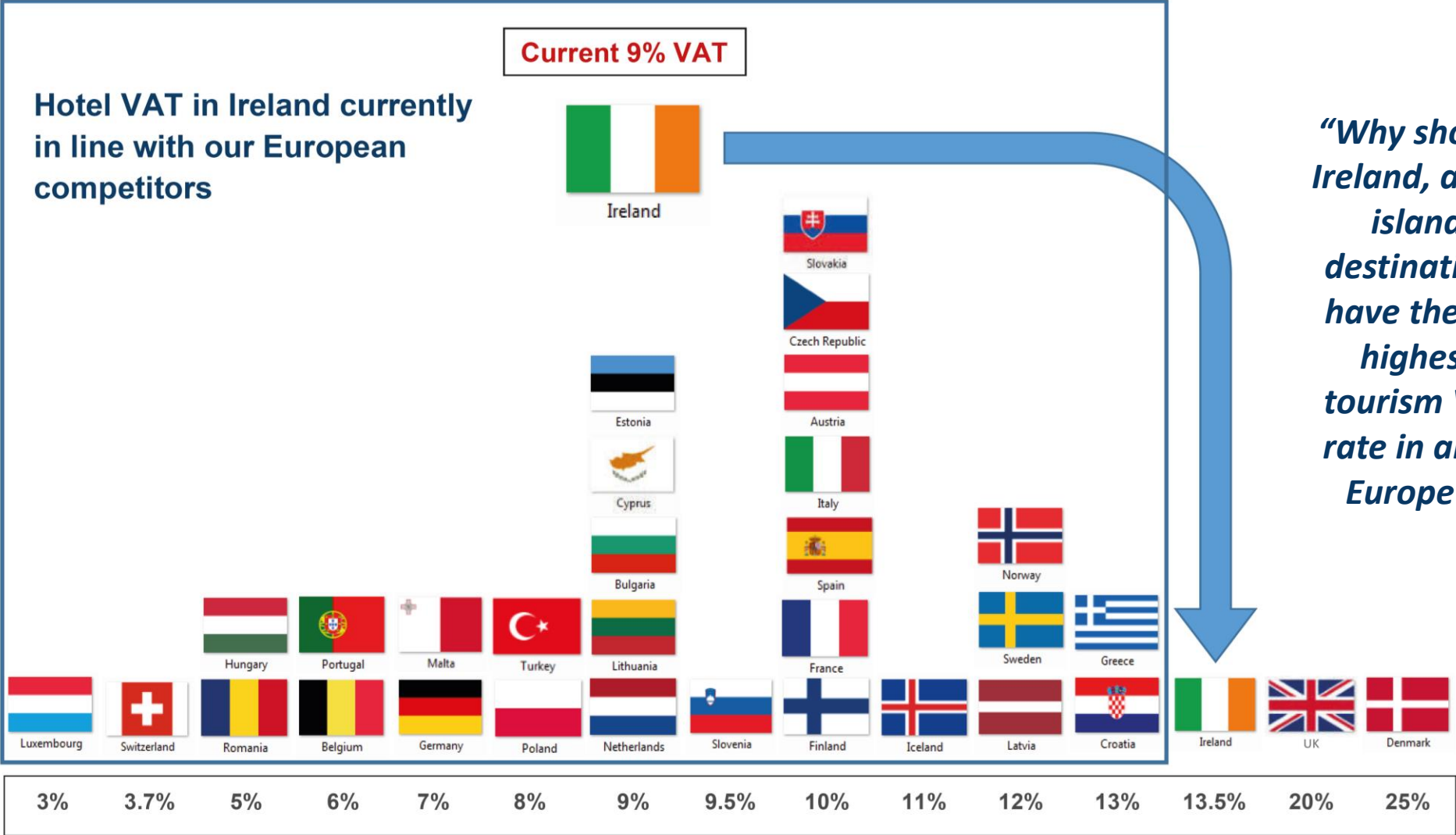
- Background to VAT increase
- Managing the implementation of the planned increase in the tourism VAT rate
- Indirect Tax Issues VAT Rules and Implications
- Enhanced Revenue Reporting Requirements on travel, subsistence, small benefits and remote working allowances
- Q&A

# Background to VAT increase



- 9% VAT introduced on 1 July 2011
- 13.5% 1 January 2019
- 9% 1 November 2020 - 31 August 2022
- Extended to 1 March 2023 (May 2022)
- Extended to 1 September 2023 (Feb 2023)
- Return to the 13.5% VAT rate for the hospitality sector from 1<sup>st</sup> September 2023
- In the last 12 years and 2 months we will have had 9% VAT for 10 years and 4 months.

# Tourism VAT in EUROPE



Source: HOTREC, EU Commission

# Managing the implementation of the planned VAT increase

- Each business should assess the implications for its own:

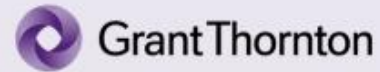
- Performance
- KPIs
- Innovation
- Costs
- Viability
- Sensitivity Analysis
- Financial structure - warehouse debt
- Cash Flows
- Service Quality
- Product Quality
- Target Markets
- Growth
- Forecasts
- Sales Activity
- Operations and processes

# VAT Increase 2023

- **Opportunity for Engagement**
- **Look after your customer with clear communications**
  - **It's a Government Tax!**
  - **This is not additional revenue for your hotel**
  - **Don't let VAT come between you and your customer**

# VAT Rules and Implications

## Upcoming Changes to Revenue Reporting Requirements



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