

Association of Consulting Engineers of Ireland Cumann Innealtóirí Comhairle na h-Éireanr

ACEI

46 Merrion Sq., Dublin 2. Tel: +353 1 6425588 Fax: + 353 1 6425590 email: <u>info@acei.ie</u> <u>www.acei.ie</u>

30 May 2006

Mr Don O'Connor Secretary Business Regulation Forum Department of Enterprise, Trade & Employment Earlsfort Centre Hatch Street Dublin 2

## **Re.** Business Regulation Forum

Dear Mr O'Connor

Thank you for your letter of 25<sup>th</sup> May 2006 regarding the Business Regulation Forum.

For some considerable time the Association of Consulting Engineers of Ireland, along with its allied Professional Bodies, has been making the case to Government for the removal of "Withholding Tax" on professional fees in the Construction Sector. The Competition Authority, in its report on the Engineering Profession last year, highlighted the professional manner in which the Engineering Sector operates and, in particular, the open and competitive way it conducts its affairs in relation to fees for professional services.

We have always argued that the imposition of a 20% Withholding Tax by Government on Engineering Consultants is totally unjust, completely unwarranted, and yet again, a further administrative burden on a sector of the Construction Industry renowned for its ethical business stance.

Whatever justification there was for introducing such a tax in an era of economic hardship, there can be absolutely no justification for its continuing existence in the present economic climate with a buoyant Irish economy.

Your efforts on our behalf to eliminate such an outdated, penal and unjust tax system would be greatly appreciated.

Yours sincerely

Derrick Edge

Derrick Edge President