

## VALUE ADDED TAX

Normal Registration Level for Goods & Services	€37,500
Turnover at least 90% from Sale of Goods	€75,000
Standard Rate	21%

Other categories of goods and services are taxed at different rates: 0%, 5.2% and 13.5%.

## GIFT/INHERITANCE TAX

Thresholds	€
Parent to Child	332,084
Blood Relative	33,208
Others	16,604

No Gift/Inheritance Tax is payable between spouses  
Annual Small Gift Exemption €3,000

### Business Relief

90% reduction in taxable value of gift/inheritance for qualifying business assets

Rates	%
Threshold Amount	Nil
Balance	25%

## STAMP DUTY

Stocks or Marketable Securities	1%
Residential Property	

	€	
First	1,000,000	1%
Excess over	1,000,000	2%

## STAMP DUTY contd.

Other Property	€		€	
Consideration	0	-	10,000	0%
Consideration	10,001	-	20,000	1%
Consideration	20,001	-	30,000	2%
Consideration	30,001	-	40,000	3%
Consideration	40,001	-	70,000	4%
Consideration	70,001	-	80,000	5%
Consideration	> 80,000			6%

## DEADLINES TO REMEMBER

Personal Income Tax Payments	31 <sup>st</sup> October in tax year
Personal Income Tax Returns	31 <sup>st</sup> October after tax year

### Company Tax Payments\*:

90% up to 1 Mth 10 days before end of year

Balance up to 8 Mths 21 days after end of year

Company Tax Returns	up to 8 Mths 21 days after y/e
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Interest on Tax Paid Late 0.0273% per day

Interest on Tax Repaid 0.0111% per day

Surcharges on Late

Submission of Returns 5% – 10%

\* Additional preliminary payment date where company tax liability exceeds €200,000 in the previous accounting period.

## HAVE YOU THOUGHT ABOUT?

Maximising Your Pension  
Property Related Incentives  
Tax Efficient Charitable Donations  
Investing in Section 481 (Films)  
Cycle to Work Scheme  
Tax Free Non-Cash Bonus €250 (certain conditions apply)  
Tax credit scheme for Research & Development expenditure

The information in this guide is based on existing law and the Provisions of the Finance Bill 2011. Whilst every care and attention has been taken to ensure the accuracy of the data, it is intended for general guidance only and may be subject to change. Please call us at OSK if you would like specific advice on any matter.



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ADVISING IRISH BUSINESS

TAX SUMMARY 2011



## MAIN PERSONAL CREDITS AND RELIEFS

	<b>Tax Credit</b>
	<b>€</b>
Married Couple	3,300
Single Person	1,650
PAYE Credit*	1,650
Additional Credits:	
Widowed Person ( <i>no dependent children</i> )	2,190
- One parent family credit ( <i>single/widowed</i> )	1,650
Home Carers Credit**	810
<b>Dependents</b>	<b>€</b>
- Relative	70
- Incapacitated Child	3,300
<b>Age Credit (65 years or more, per person)</b>	<b>245</b>

**Mortgage interest relief granted at 25% for years 1 and 2; at 22.5% for years 3- 5 and 20% for years 6-7 for first time buyers. Relief granted at 15% for non-first time buyers. Relief granted at source.**

\* Not available to Proprietary Directors and the Self Employed

\*\* Income limit €5,080, marginal credit if Income > €5,080 & < €6,880

## INCOME TAX RATES

	<b>20%</b>	<b>41%</b>
Single/Widowed Persons ( <i>no dependent children</i> )	€32,800	Balance
Married Couples/One Income	€41,800	Balance
Married Couples/Two Incomes*	€65,600	Balance
Single/Widowed Persons ( <i>with dependent children</i> )	€36,800	Balance

\*Certain criteria apply

<b>Exemption Limit</b>	<b>Single</b>	<b>Married</b>
- Over 65	€18,000	€36,000

**The above exemption limits are increased by €575 for each of the first two dependent children and €830 for the third and subsequent children.**

### Universal Social Charge (aged under 70 years)

2%	On income up to €10,036
4%	On income from €10,036.01 - €16,016
7%	On income above €16,016

### Universal Social Charge (aged over 70 years)

2%	On income up to €10,036
4%	On income above €10,036

There is a surcharge of 3% on individuals who have income from self-employment that exceeds €100,000 in a year, regardless of age.

Exemptions from USC:  
Persons earning €4,004 p.a. or less  
All Department of Social Protection payments  
Income already subjected to DIRT

## 20% TAX CREDIT ON:

- Medical expenses
- Rent to private landlord (limits apply)
- Service or refuse charges (max credit €80)
- Qualifying tuition fees up to €5,000

## BENEFIT-IN-KIND

The BIK charge on company cars takes account of the cars CO<sub>2</sub> emission levels. Full details available on [www.osk.ie](http://www.osk.ie).

### Preferential Loans

Specified rate for home mortgage loans	5%
Specified rate for other loans	15%

### Bus & Train Passes

The provision of certain bus, train and Luas passes, valid for one month or more, by employers to their employees, are not subject to tax under the BIK rules.

## P.R.S.I.

<b>Social Insurance Employer</b>	<b>Class A1</b> <b>* 10.75% no limit</b>
<b>Employee</b>	
PRSI	4% no income limit <small>(first €127 of weekly earnings exempt)</small>

### Self Employed Contribution and directors

Social Insurance	<b>Class S1</b> <b>** 4% no limit</b>
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\* 8.5% for employees earning up to €356 per week

\*\* 4% subject to minimum payment of €253

## CORPORATION TAX

Standard Rate Trading Income	12.5%
Non-Trading Income	25%
<b>Certain start up companies exempt from corporation tax for first three years</b>	

## CAPITAL GAINS TAX

Individual Annual Exemption Rate	€1,270 25%
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### Payment date

For gains arising 1 January to 30 November 2011 the payment date is 15 December 2011

For gains arising 1 to 31 December 2011 the payment date is 31<sup>st</sup> January 2012

## CAPITAL ALLOWANCES

	<b>Plant &amp; Machinery</b>	<b>Motor Vehicles</b>	<b>Industrial Buildings</b>
Writing Down Allowance	12.5% p.a. for 8 years	12.5% p.a. for 8 years	4% p.a.

Maximum allowable capital cost for new cars €24,000

**Up to 100% Accelerated Allowances apply to qualifying companies in the IFSC and Shannon Areas and also for certain energy efficient equipment.**