

VALUE ADDED TAX

Normal Registration Level for Goods & Services	€37,500
Turnover at least 90% from Sale of Goods	€75,000
Standard Rate	23%

Other categories of goods and services are taxed at different rates: 0%, 5.2%, 9% and 13.5%.

GIFT / INHERITANCE TAX

Thresholds (post 14 October 2015)	€
Parent to Child	280,000
Blood Relative	30,150
Others	15,075

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	33%

STAMP DUTY

Stocks or Marketable Securities	1%	
Residential Property		
€		
First	1,000,000	1%
Excess over	1,000,000	2%
Commercial & Other Property		2%

DEADLINES TO REMEMBER

Personal Income Tax Payments	31 st October in tax year
Personal Income Tax Returns	31 st October after tax year
Capital Gains Tax Payments	
Gains arising from 1/1/16 to 30/11/16	15/12/16
1/12/16 to 31/12/16	31/1/17

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

Interest on Tax Paid Late

Income Tax (IT), Corporation Tax (CT), Capital Gains Tax (CGT), Capital Acquisitions Tax (CAT)	0.0219% per day
Value Added Tax (VAT), Pay As You Earn (PAYE), Relevant Contracts Tax (RCT), EXCISE, Professional Services Withholding Tax (PSWT), Air Travel Tax (ATT)	0.0274% per day
Interest on Tax Repaid	0.011% 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
Cycle to Work Scheme,
Tax Free Non-Cash Bonus €500 (certain conditions apply)
Tax credit scheme for Research & Development expenditure
Home Renovation Incentive Scheme
Knowledge Development Box

The information in this guide is based on existing law and the Provisions of the Finance Bill 2016. 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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OSK Audit Limited t/a OSK is authorised by Chartered Accountants Ireland to carry on investment business.



ADVISING IRISH BUSINESS

TAX SUMMARY 2016



MAIN PERSONAL CREDITS AND RELIEFS

	Tax Credit €
Married Couple	3,300
Single Person	1,650
PAYE Credit*	1,650
Additional Credits:	
Widowed Person (no dependent children)	2,190
- One parent family credit (single/widowed)	1,650
Home Carers Credit**	1,000
Earned Income Credit***	550

Dependents	€
- Relative	70
- Incapacitated Child	3,300

Age Credit (65 years or more, per person)	245
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* Not available to Proprietary Directors and the Self Employed

** Income limit €7,200, marginal credit if Income > €7,200 & < €9,200

*** Applies to those with earned income (self employed income and certain PAYE employments not entitled to the PAYE credit).

Mortgages taken out from 2009 – 2012†

Years	Mortgage Interest Rate lower off†
1-2	€5,000 or 25% of Interest paid
3-5	€4,500 or 22.5% Interest paid
6-7	€4,000 or 20% Interest paid

Relief granted at 15% for non-first time buyers. Relief granted at source.

Mortgages taken out from 2004 – 2008

Mortgage interest relief granted at 30% for first time buyers.

All rates are subject to maximum limits where relevant.

† Loans taken out on or after 1/1/2013 will not qualify for mortgage interest relief. The relief will be abolished in full post 2018.

†† The above relate to married couples. Threshold is 50% for single persons.

INCOME TAX RATES

	20%	40%
Single/Widowed Persons (no dependent children)	€33,800	Balance
Married Couples/One Income	€42,800	Balance
Married Couples/Two Incomes*	€67,600	Balance
Single/Widowed Persons (with dependent children)	€37,800	Balance

*Certain criteria apply

Exemption Limit	Single	Married
- 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)

1%	On income up to €12,012
3%	On income from €12,012 – €18,668
5.5%	On income from €17,576 – €70,044
8%	Income above €70,044

Universal Social Charge

(aged over 70 years or with a full medical card)†

1%	On income up to €12,012
3%	On income above €12,012

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 €13,000 p.a. or less
All departments of Social Protection payments
Income already subjected to DIRT

† Individuals aged 70 years or over whose aggregate income for the year is €60,000 or less. Individuals (aged under 70) who hold a full medical card whose aggregate income for the year is €60,000 or less (certain terms and conditions apply).

20% TAX CREDIT ON:

- Medical expenses
- Qualifying tuition fees up to €7,000 p.a. but the first €3000 is disregarded if student is full time and €1500 is disregarded if student is part time (for payments in 2015)

BENEFIT-IN-KIND

* The current percentages applicable are as follows:

Annual Business Kilometric Thresholds	Cash Equivalent (% of OMV)
24,000 or less	30%
24,000 to 32,000	24%
32,000 to 40,000	18%
40,000 to 48,000	12%
48,000 and over	6%

* Finance Act (No. 2) 2008 made changes to take account of cars CO₂ emission levels and also revised 'cash equivalent' method of calculation but these changes are subject to a commencement order. Full details available on www.osk.ie

P.R.S.I.

Social Insurance Employer Employee PRSI	Class A1
	*10.75% no limit
	4% no income limit (exempt < €352 per week)

Self Employed Contribution
and directors
Social Insurance

Class S1
**4% no limit

* 8.5% for employees earning up to €356 per week

** 4% subject to minimum payment of €500

CORPORATION TAX

Standard Rate Trading Income	12.5%
Non-Trading income / dealing in development land (where not fully developed)	25%
Knowledge Development Box (effective rate on qualifying profits)	6.25%*
Certain start-up companies exempt from corporation tax for first three years	

*Relief applies to companies for accounting period commencing on or after 1 Jan 2016 and before 1 Jan 2021. In summary this will apply to expenditure incurred wholly and exclusively in the carrying on of R&D activities where these lead to the development, improvement or creation of qualifying assets. The income is treated as being derived from a separate trade. Terms and conditions apply.

CAPITAL GAINS TAX

Individual Annual Exemption	€1,270
Rate (post 6/12/12)	33%
Entrepreneur Relief†	20%

*This reduced rate applies from 1 January 2016 and is capped at a lifetime limit of €1,000,000 of chargeable gains on the disposal of certain business assets. The relief may also apply to the disposal of qualifying shares in a trading or holding company where certain conditions are met. Other terms & conditions apply.

CAPITAL ALLOWANCES

	Plant & Machinery	Motor Vehicles	Industrial Buildings
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.