

TAX TABLES

Professional 2 Examination 2016

The following rates, formulae and allowances are based on the Finance Act 2014 and are to be used for all questions on this paper.

Rates of Income Tax

Single or Widowed		€33,800 @ 20%	Balance @ 40%
One Parent Family		€37,800 @ 20%	Balance @ 40%
Married Couple:	Single Income	€42,800 @ 20%	Balance @ 40%
Married Couple:	*Two incomes	€67,600 @ 20%	Balance @ 40%

* Transferable between spouses/civil partners up to a maximum of €42,800 for any one spouse/civil partner.

Income Tax Exemption Limits

	Over 65
Single & Widowed	€ 18,000
Married Couple	€ 36,000

Increase in Income Tax Exemption Limit for Dependent Children

First & second child	€ 575
Third and subsequent child	€ 830

Abbreviated list of Tax Credits

Single Person	€ 1,650
Married Person or Civil Partner Tax Credit	€ 3,300
Widowed Person or Surviving Civil Partner in year of bereavement	€ 3,300
Widowed Person or Surviving Civil Partner without dependent children	€ 2,190
Widowed Person or Surviving Civil Partner with dependant child	€ 1,650
Widowed Person or Surviving Civil Partner with qualifying child:	
1st year of bereavement	€ 3,600
2nd year of bereavement	€ 3,150
3rd year after of bereavement	€ 2,700
4th year of bereavement	€ 2,250
5th year of bereavement	€ 1,800
Single Person Child Carer (with qualifying dependent children)	€ 1,650
Incapacitated Child	€ 3,300
Dependent relative (income limit €13,837)	€ 70
PAYE Tax Credit	€ 1,650
Home Carer (max)	€ 810
Age Tax Credit if Single or Widowed or Surviving Civil Partner	€ 245
Age Tax Credit if Married or In a Civil Partnership	€ 490
Employment of carer (incl. relative) to care for incapacitated person €75,000 @ marginal rate.	

Preferential Loans

Qualifying Home Loan	4%
All other loans	13.5%

Rent Relief*

	Rent Limit	Max Tax credit
Under 55: Single	€ 600	€ 120
Under 55: Widowed or a Surviving Civil Partner, Married or in a Civil Partnership	€ 1,200	€ 240
Over 55: Single	€1,200	€240
Over 55: Widowed or a Surviving Civil Partner, Married or in a Civil Partnership	€ 2,400	€480

*In order to avail of the rent credit, the tenant must have been paying rent under a tenancy on 7 December 2010.

Mortgage Interest Relief

Maximum allowable

First Time Buyers: Single	€10,000
First Time Buyers: Married or in a Civil Partnership, Widowed or a Surviving Civil Partner	€ 20,000
Others: Single	€ 3,000
Others: Married or in a Civil Partnership, Widowed or a Surviving Civil Partner	€ 6,000

With effect from 1 May 2009 the number of tax years in respect of which mortgage interest relief may be claimed is 7 years for both first time and non-first time buyers. The rates of relief in the table below will be available until 2017 for loans taken out on or after 1 January 2004 and on or before 31 December 2012.

Percentage of interest allowable (subject to above maximums)

	First Time Buyers	Others
Years 1 & 2	25%	15%
Years 3 to 5	22.5%	15%
Years 6 to 7	20%	15%

For individuals who purchased their first qualifying residence on or after 1 January 2004 and on or before 31 December 2008, the rate of tax relief on the interest paid on the loan to purchase that property will be 30% for the tax years 2012 to 2017.

Interest Relief is available for the tax years 2013 to 2017 in respect of interest paid on a loan taken out and used by an individual:-

- on or after 1 January 2012 and on or before 31 December 2012 to purchase a site on which his or her home is constructed, or
- on or after 1 January 2012 and on or before 31 December 2013 to construct the said home on that site.

Mortgage interest relief will no longer exist for the tax years 2018, et seq.

Retirement Annuity*

Age	% of Net Relevant Earnings
up to 30 years	15%
30 but less than 40	20%
40 but less than 50	25%
50 but less than 55	30%
55 but less than 60	35%
60 years plus	40%

* Cap on earnings of €115,000

Ex Gratia Payments - Tax Free Amount

Basic exemption: €10,160 + (€765 x number of years of complete service)

Increased exemption:

(€10,160 plus (€765 x number of years of complete service)) plus (€10,000 minus the amount of any tax free lump sum from the pension scheme)

or

(€10,160 plus (€765 x number of years of complete service)) plus (€10,000 minus the present value of future entitlement to pension lump sum).

Standard Capital Superannuation Benefit (SCSB)

SCSB = (A x B/15) minus C, where:

A = annual average salary over the past three years

B = Number of complete years of service in the employment

C = Any tax free lump sum received or receivable under an approved superannuation scheme

With effect from 1 January 2011 a lifetime cap of €200,000 was introduced regardless of whether the tax free amount is calculated using the basic exemption, increased exemption or SCSB.

Motor Cars - Limits on capital cost qualifying for capital allowances

Chargeable Period ending	Capital Allowances	Categories		
On or after 01/01/2007	All cars: €24,000			
		A-C: (max 155g/Km)	D&E: (156 - 190g/Km)	F&G: (>191g/Km)
On or after 1 July 2008	Limit dependant upon car category	Limit €24,000	Lower of: cost or €24,000*50%	None available

Capital Allowances

Wear and Tear

Expenditure incurred	Equipment	Motor car / vehicle	Industrial Premises
Prior to 1st. January 2001	15%	15%	4%
1st. January 2001 to 3rd. December 2002	20%	20%	4%
4th. December 2002 onwards	12.5%	12.5%	4%

* For cars purchased on or after 1 July 2008, refer to table above regarding the limits imposed on the cost qualifying for capital allowances.

Motor Cars - Benefit in Kind

Lower limit - Kilometres	Upper limit - Kilometres	Categorisation A, B & C	Categorisation D & E	Categorisation F & G
0	24,000	30%	35%	40%
24,000	32,000	24%	28%	32%
32,000	40,000	18%	21%	24%
40,000	48,000	12%	14%	16%
48,000		6%	7%	8%

The CO² emission categories are as follows:

Vehicle category	CO2 Emissions (g/km)
A	0 to 120
B	120 to 140
C	>140 to 155
D	>155 to 170
E	>170 to 190
F	>190 to 225
G	>225

PRSI

Class A

For year 2015

Income	Employee PRSI	Employer PRSI
€38 to €352 per week	Nil	8.5%
Up to €352.01 to €356 per week	4%	8.5%
Income greater than €356 per week	4%	10.75%

Self Employed

Income	PRSI (Min)	Minimum Contribution	Exemption Threshold
All Income	4%	€500	€5,000 p.a.

USC

	Aged under 70 years		Aged over 70 years	
	No medical card	Medical card	No medical card	Medical card
Income per annum	Rate	Rate	Rate	Rate
Up to €12,012*	1.5%	1.5%	1.5%	1.5%
Next €5,564	3.5%	3.5%	3.5%	3.5%
Next €52,468	7%	3.5% / 7%**	3.5% / 7%**	3.5% / 7%**
The Remainder***	8%	8%	8%	8%

* An individual is exempt from USC if their total income does not exceed €12,012.

**3.5% if aggregate income is €60,000 or less. 7% if aggregate income exceeds €60,000.

***A rate of 11% applies to relevant income in excess of €100,000.

Rates of Corporation Tax

Accounting Period	Standard Rate	Higher Rate *	Lower Rate
Year ended 31/12/03 onwards	12.5%	25%	12.5%

* Higher rate applies to Case III, Case IV and Case V and income from dealing in non residential land

Capital Gains Tax

Rate	33%
Annual exemption	€ 1,270

Capital Acquisition Tax Class Thresholds 2013

Group	Relationship to Disposer	Group Threshold from 6 December 2012
A	Son/Daughter	€ 225,000
B	Parent*/Brother/Sister/ Niece/Nephew/Grandchild	€ 30,150
C	Relationship other than Group A or B	€ 15,075

*In certain circumstances a parent taking an inheritance from a child can qualify for Group A threshold.

Rate of Capital Acquisition Tax	Threshold Amount	Balance
Benefits taken from 6 December 2012	Nil	33%

Rates of Stamp Duty

Residential Property

Rates of duty for deeds executed on or after 8 December 2010

Aggregate Consideration	Rate of Duty
First €1,000,000	1%
Excess over €1,000,000	2%

Non-Residential Property

A rate of 2% applies to all transfers of non-residential property with effect from 7 December 2011.

Stocks and Marketable Securities

Rate applicable	1%
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Value Added Tax

Registration Limits

Turnover from the supply of goods	€ 75,000
Turnover from the supply of services	€ 37,500

VAT Rates

Standard	23%
Lower	13.5%
Additional lower rate from 1/7/2011	9%
Flat rate for farmers	5%
Zero	0%

Interest on overdue tax

Tax due up until 31 August 2002 interest 1% per month or part of a month.

Tax due 1 September 2002 to 1 March 2005 interest .0322% per day.

Tax due 1 April 2005 to 30 June 2009 interest .0273 per day

Thereafter interest .0219% per day.

Revenue Audit - Penalties

Penalties under section 1077E TCA 1997 and the 2014 Revenue Audit Code

PENALTY TABLE 1

PENALTY TABLE 1		NO QUALIFYING DISCLOSURE		QUALIFYING DISCLOSURE	
	Category of Tax Default	NO CO-OPERATION	CO-OPERATION ONLY	Prompted Qualifying Disclosure and co-operation	Unprompted Qualifying Disclosure and co-operation
The tax-gearred penalty is a percentage of the underpaid tax					
FIRST DEFAULT	Deliberate behaviour	100%	75%	50%	10%
	Careless behaviour with significant consequences	40%	30%	20%	5%
ALL DEFAULTS	Careless behaviour without significant consequences	20%	15%	10%	3%
SECOND DEFAULT	Deliberate behaviour	100%	75%	75%	55%
	Careless behaviour with significant consequences	40%	30%	30%	20%
THIRD OR SUBSEQUENT DEFAULT	Deliberate behaviour	100%	75%	100%	100%
	Careless behaviour with significant consequences	40%	30%	40%	40%

‘Significant consequences’ means the difference between the tax underpaid is greater than 15% of the correct tax payable for the relevant period.

Indexation Factors for Capital Gains Tax to 2003

Year	Multiple for disposals in Year to 5 April												Year Ending 31 Dec.			
Expenditure Incurred	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2001	2002	2003	2004 onwards
1974/75	5.009	5.221	5.355	5.552	5.656	5.754	5.877	6.017	6.112	6.215	6.313	6.582	6.930	7.180	7.528	7.528
1975/76	4.046	4.217	4.326	4.484	4.568	4.647	4.764	4.860	4.936	5.020	5.099	5.316	5.597	5.799	6.080	6.080
1976/77	3.485	3.633	3.726	3.863	3.935	4.003	4.104	4.187	4.253	4.325	4.393	4.580	4.822	4.996	5.238	5.238
1977/78	2.988	3.114	3.194	3.312	3.373	3.432	3.518	3.589	3.646	3.707	3.766	3.926	4.133	4.283	4.490	4.490
1978/79	2.760	2.877	2.951	3.059	3.117	3.171	3.250	3.316	3.368	3.425	3.479	3.627	3.819	3.956	4.148	4.148
1979/80	2.490	2.596	2.663	2.760	2.812	2.861	2.933	2.992	3.039	3.090	3.139	3.272	3.445	3.570	3.742	3.742
1980/81	2.156	2.247	2.305	2.390	2.434	2.477	2.539	2.590	2.631	2.675	2.718	2.833	2.983	3.091	3.240	3.240
1981/82	1.782	1.857	1.905	1.975	2.012	2.047	2.099	2.141	2.174	2.211	2.246	2.342	2.465	2.554	2.678	2.678
1982/83	1.499	1.563	1.603	1.662	1.693	1.722	1.765	1.801	1.829	1.860	1.890	1.970	2.074	2.149	2.253	2.253
1983/84	1.333	1.390	1.425	1.478	1.505	1.531	1.570	1.601	1.627	1.654	1.680	1.752	1.844	1.911	2.003	2.003
1984/85	1.210	1.261	1.294	1.341	1.366	1.390	1.425	1.454	1.477	1.502	1.525	1.590	1.674	1.735	1.819	1.819
1985/86	1.140	1.188	1.218	1.263	1.287	1.309	1.342	1.369	1.390	1.414	1.436	1.497	1.577	1.633	1.713	1.713
1986/87	1.090	1.136	1.165	1.208	1.230	1.252	1.283	1.309	1.330	1.352	1.373	1.432	1.507	1.562	1.637	1.637
1987/88	1.054	1.098	1.126	1.168	1.190	1.210	1.241	1.266	1.285	1.307	1.328	1.384	1.457	1.510	1.583	1.583
1988/89	1.034	1.077	1.105	1.146	1.167	1.187	1.217	1.242	1.261	1.282	1.303	1.358	1.430	1.481	1.553	1.553
1989/90	-	1.043	1.070	1.109	1.130	1.149	1.178	1.202	1.221	1.241	1.261	1.314	1.384	1.434	1.503	1.503
1990/91	-	-	1.026	1.064	1.084	1.102	1.130	1.153	1.171	1.191	1.210	1.261	1.328	1.376	1.442	1.442
1991/92	-	-	-	1.037	1.056	1.075	1.102	1.124	1.142	1.161	1.179	1.229	1.294	1.341	1.406	1.406
1992/93	-	-	-	-	1.019	1.037	1.063	1.084	1.101	1.120	1.138	1.186	1.249	1.294	1.356	1.356
1993/94	-	-	-	-	-	1.018	1.043	1.064	1.081	1.099	1.117	1.164	1.226	1.270	1.331	1.331
1994/95	-	-	-	-	-	-	1.026	1.046	1.063	1.081	1.098	1.144	1.205	1.248	1.309	1.309
1995/96	-	-	-	-	-	-	-	1.021	1.037	1.054	1.071	1.116	1.175	1.218	1.277	1.277
1996/97	-	-	-	-	-	-	-	-	1.016	1.033	1.050	1.094	1.152	1.194	1.251	1.251
1997/98	-	-	-	-	-	-	-	-	-	1.017	1.033	1.077	1.134	1.175	1.232	1.232
1998/99	-	-	-	-	-	-	-	-	-	-	1.016	1.059	1.115	1.156	1.212	1.212
1999/00	-	-	-	-	-	-	-	-	-	-	-	1.043	1.098	1.138	1.193	1.193
2000/01	-	-	-	-	-	-	-	-	-	-	-	-	1.053	1.091	1.144	1.144
2001	-	-	-	-	-	-	-	-	-	-	-	-	-	1.037	1.087	1.087
2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.049	1.049
2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. The year e.g. 1974/5 means the year commencing on 6/4/74 and ending on 5/4/75.
2. The year 2001 onwards means the year commencing 1st January and ending 31st December
3. No indexation for expenditure made within 12 months prior to the date of disposal.