

**Taxation Annex to the Summary
of 2015
Budget Measures**

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ANNEX A

The Effect of Budget 2015 Measures On Different Categories of Income Earners

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(i) Examples showing the impact of Budget 2015 Income Tax and USC changes for Different Categories of Married/Civil Partners and Single Income Earners

Examples 1 to 6 show the changes in Income Tax and Universal Social Charge for various categories of income earners. Family Income Supplement payments are included in the calculations, where relevant. The examples are based on specimen incomes with the basic tax credits including the home carer tax credit, where relevant. The examples do not take account of additional tax reliefs such as Mortgage Interest Relief. Variations can arise due to rounding.

(ii) Average Tax Rates

Tables showing average tax rates for the years 2001 to 2015 for various household types are included.

(iii) Distribution of Income Earners

A table showing the distribution of income earners on a 2014 and Post-Budget 2015 basis.

(iv) Illustrative Cases

A number of illustrative cases are included which demonstrate the total tax liability and net pay for 2014 and 2015. Where appropriate, some cases also show changes to Child Benefit announced in this Budget.

(i) Examples showing the effects of Budget changes on different categories of single and married income earners

EXAMPLE 1

Single person, no children, private sector employee taxed under PAYE
Full rate PRSI contributor

Gross Income	Income Tax		PRSI		Universal Social Charge		Net Income		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	
€	€	€	€	€	€	€	€	€	€	€	%
12,000	0	0	0	0	279	0	11,721	12,000	279	5	2.4%
15,000	0	0	0	0	399	285	14,601	14,715	115	2	0.8%
17,542	208	208	0	0	547	374	16,787	16,960	173	3	1.0%
25,000	1,700	1,700	1,000	1,000	1,069	895	21,231	21,405	174	3	0.8%
35,000	4,162	3,940	1,400	1,400	1,769	1,595	27,669	28,065	396	8	1.4%
45,000	8,262	7,940	1,800	1,800	2,469	2,295	32,469	32,965	496	10	1.5%
55,000	12,362	11,940	2,200	2,200	3,169	2,995	37,269	37,865	596	11	1.6%
70,000	18,512	17,940	2,800	2,800	4,219	4,045	44,469	45,215	746	14	1.7%
75,000	20,562	19,940	3,000	3,000	4,569	4,444	46,869	47,616	747	14	1.6%
100,000	30,812	29,940	4,000	4,000	6,319	6,444	58,869	59,616	747	14	1.3%
125,000	41,062	39,940	5,000	5,000	8,069	8,444	70,869	71,616	747	14	1.1%
150,000	51,312	49,940	6,000	6,000	9,819	10,444	82,869	83,616	747	14	0.9%
175,000	61,562	59,940	7,000	7,000	11,569	12,444	94,869	95,616	747	14	0.8%

EXAMPLE 2

Married couple, one income, no children, private sector employee taxed under PAYE
Full rate PRSI contributor

Gross Income	Income Tax		PRSI		Universal Social Charge		Net Income		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	
€	€	€	€	€	€	€	€	€	€	€	%
12,000	0	0	0	0	279	0	11,721	12,000	279	5	2.4%
15,000	0	0	0	0	399	285	14,601	14,715	115	2	0.8%
17,542	0	0	0	0	547	374	16,995	17,168	173	3	1.0%
25,000	50	50	1,000	1,000	1,069	895	22,881	23,055	174	3	0.8%
35,000	2,050	2,050	1,400	1,400	1,769	1,595	29,781	29,955	174	3	0.6%
45,000	4,722	4,490	1,800	1,800	2,469	2,295	36,009	36,415	406	8	1.1%
55,000	8,822	8,490	2,200	2,200	3,169	2,995	40,809	41,315	506	10	1.2%
70,000	14,972	14,490	2,800	2,800	4,219	4,045	48,009	48,665	656	13	1.4%
75,000	17,022	16,490	3,000	3,000	4,569	4,444	50,409	51,066	657	13	1.3%
100,000	27,272	26,490	4,000	4,000	6,319	6,444	62,409	63,066	657	13	1.1%
125,000	37,522	36,490	5,000	5,000	8,069	8,444	74,409	75,066	657	13	0.9%
150,000	47,772	46,490	6,000	6,000	9,819	10,444	86,409	87,066	657	13	0.8%
175,000	58,022	56,490	7,000	7,000	11,569	12,444	98,409	99,066	657	13	0.7%

EXAMPLE 3

Married couple, one income, two children, private sector employee taxed under PAYE
Full rate PRSI contributor

Gross Income	Income Tax		PRSI		Universal Social Charge		Child Benefit		Net Income*		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	%
€	€	€	€	€	€	€	€	€	€	€	%	€	
12,000	0	0	0	0	279	0	3120	3240	26,593	26,836	243	5	0.9%
15,000	0	0	0	0	399	285	3120	3240	27,757	27,939	183	4	0.7%
17,542	0	0	0	0	547	374	3120	3240	28,747	28,936	189	4	0.7%
25,000	0	0	1,000	1,000	1,069	895	3120	3240	31,095	31,285	190	4	0.6%
35,000	1,240	1,240	1,400	1,400	1,769	1,595	3120	3240	34,751	35,045	294	6	0.8%
45,000	3,912	3,680	1,800	1,800	2,469	2,295	3120	3240	39,939	40,465	526	10	1.3%
55,000	8,012	7,680	2,200	2,200	3,169	2,995	3120	3240	44,739	45,365	626	12	1.4%
70,000	14,162	13,680	2,800	2,800	4,219	4,045	3120	3240	51,939	52,715	776	15	1.5%
75,000	16,212	15,680	3,000	3,000	4,569	4,444	3120	3240	54,339	55,116	777	15	1.4%
100,000	26,462	25,680	4,000	4,000	6,319	6,444	3120	3240	66,339	67,116	777	15	1.2%
125,000	36,712	35,680	5,000	5,000	8,069	8,444	3120	3240	78,339	79,116	777	15	1.0%
150,000	46,962	45,680	6,000	6,000	9,819	10,444	3120	3240	90,339	91,116	777	15	0.9%
175,000	57,212	55,680	7,000	7,000	11,569	12,444	3120	3240	102,339	103,116	777	15	0.8%

*Includes Family Income Supplement where applicable

EXAMPLE 4

Single person, no children, taxed under Schedule D

Gross Income	Income Tax		PRSI		Universal Social Charge		Net Income		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	
€	€	€	€	€	€	€	€	€	€	€	%
12,000	750	750	500	500	279	0	10,471	10,750	279	5	2.7%
15,000	1,350	1,350	600	600	399	285	12,651	12,765	115	2	0.9%
17,542	1,858	1,858	702	702	547	374	14,435	14,608	173	3	1.2%
25,000	3,350	3,350	1,000	1,000	1,069	895	19,581	19,755	174	3	0.9%
35,000	5,812	5,590	1,400	1,400	1,769	1,595	26,019	26,415	396	8	1.5%
45,000	9,912	9,590	1,800	1,800	2,469	2,295	30,819	31,315	496	10	1.6%
55,000	14,012	13,590	2,200	2,200	3,169	2,995	35,619	36,215	596	11	1.7%
70,000	20,162	19,590	2,800	2,800	4,219	4,045	42,819	43,565	746	14	1.7%
75,000	22,212	21,590	3,000	3,000	4,569	4,444	45,219	45,966	747	14	1.7%
100,000	32,462	31,590	4,000	4,000	6,319	6,444	57,219	57,966	747	14	1.3%
125,000	42,712	41,590	5,000	5,000	8,819	9,194	68,469	69,216	747	14	1.1%
150,000	52,962	51,590	6,000	6,000	11,319	11,944	79,719	80,466	747	14	0.9%
175,000	63,212	61,590	7,000	7,000	13,819	14,694	90,969	91,716	747	14	0.8%

EXAMPLE 5

Married couple, one income, no children, taxed under Schedule D

Gross Income	Income Tax		PRSI		Universal Social Charge		Net Income		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	
€	€	€	€	€	€	€	€	€	€	€	%
12,000	0	0	500	€500	279	0	11,221	11,500	279	5	2.5%
15,000	0	0	600	600	399	285	14,001	14,115	115	2	0.8%
17,542	208	208	702	702	547	374	16,085	16,258	173	3	1.1%
25,000	1,700	1,700	1,000	1,000	1,069	895	21,231	21,405	174	3	0.8%
35,000	3,700	3,700	1,400	1,400	1,769	1,595	28,131	28,305	174	3	0.6%
45,000	6,372	6,140	1,800	1,800	2,469	2,295	34,359	34,765	406	8	1.2%
55,000	10,472	10,140	2,200	2,200	3,169	2,995	39,159	39,665	506	10	1.3%
70,000	16,622	16,140	2,800	2,800	4,219	4,045	46,359	47,015	656	13	1.4%
75,000	18,672	18,140	3,000	3,000	4,569	4,444	48,759	49,416	657	13	1.3%
100,000	28,922	28,140	4,000	4,000	6,319	6,444	60,759	61,416	657	13	1.1%
125,000	39,172	38,140	5,000	5,000	8,819	9,194	72,009	72,666	657	13	0.9%
150,000	49,422	48,140	6,000	6,000	11,319	11,944	83,259	83,916	657	13	0.8%
175,000	59,672	58,140	7,000	7,000	13,819	14,694	94,509	95,166	657	13	0.7%

EXAMPLE 6

Married couple, one income, two children, taxed under Schedule D

Gross Income	Income Tax		PRSI		Universal Social Charge		Child Benefit		Net Income		Total Change		Change as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Per Year	Per Week	
€	€	€	€	€	€	€	€	€	€	€	€	€	%
12,000	0	0	500	500	279	0	3,120	3,240	14,341	14,740	399	8	2.8%
15,000	0	0	600	600	399	285	3,120	3,240	17,121	17,355	235	5	1.4%
17,542	0	0	702	702	547	374	3,120	3,240	19,414	19,707	293	6	1.5%
25,000	890	890	1,000	1,000	1,069	895	3,120	3,240	25,161	25,455	294	6	1.2%
35,000	2,890	2,890	1,400	1,400	1,769	1,595	3,120	3,240	32,061	32,355	294	6	0.9%
45,000	5,562	5,330	1,800	1,800	2,469	2,295	3,120	3,240	38,289	38,815	526	10	1.4%
55,000	9,662	9,330	2,200	2,200	3,169	2,995	3,120	3,240	43,089	43,715	626	12	1.5%
70,000	15,812	15,330	2,800	2,800	4,219	4,045	3,120	3,240	50,289	51,065	776	15	1.5%
75,000	17,862	17,330	3,000	3,000	4,569	4,444	3,120	3,240	52,689	53,466	777	15	1.5%
100,000	28,112	27,330	4,000	4,000	6,319	6,444	3,120	3,240	64,689	65,466	777	15	1.2%
125,000	38,362	37,330	5,000	5,000	8,819	9,194	3,120	3,240	75,939	76,716	777	15	1.0%
150,000	48,612	47,330	6,000	6,000	11,319	11,944	3,120	3,240	87,189	87,966	777	15	0.9%
175,000	58,862	57,330	7,000	7,000	13,819	14,694	3,120	3,240	98,439	99,216	777	15	0.8%

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(ii) AVERAGE EFFECTIVE TAX RATES ON ANNUAL EARNINGS IN % TERMS*
FULL RATE PRSI

FULL RATE PRSI	SINGLE															
	Gross Income €	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014	2015
15,000	9.5%	7.7%	6.8%	5.2%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	2.7%	2.7%	2.7%	1.9%
20,000	15.2%	13.8%	13.1%	11.9%	8.4%	7.1%	5.1%	4.4%	5.4%	6.4%	9.8%	9.8%	11.1%	11.1%	10.2%	
25,000	17.3%	16.2%	15.7%	14.7%	13.5%	12.5%	10.9%	8.3%	9.3%	10.3%	14.0%	14.0%	15.1%	15.1%	14.4%	
30,000	22.2%	19.3%	18.9%	18.1%	16.0%	14.7%	13.4%	12.9%	13.9%	16.9%	16.8%	16.8%	17.7%	17.7%	17.1%	
40,000	28.3%	26.4%	26.1%	25.5%	24.0%	21.9%	19.7%	18.6%	19.1%	22.1%	24.2%	24.2%	24.8%	24.8%	23.7%	
60,000	33.6%	32.4%	32.3%	32.0%	31.1%	29.8%	28.1%	27.5%	28.2%	31.7%	33.4%	33.4%	33.9%	33.9%	32.8%	
100,000	37.9%	37.1%	37.0%	36.9%	36.3%	35.6%	34.2%	33.8%	34.6%	39.2%	40.9%	40.9%	41.1%	41.1%	40.4%	
120,000	38.9%	38.3%	38.2%	38.1%	37.6%	37.0%	35.7%	35.4%	36.5%	41.1%	42.7%	42.7%	42.9%	42.9%	42.3%	

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FULL RATE PRSI	MARRIED/CIVIL PARTNER ONE INCOME TWO CHILDREN															
	Gross Income €	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014	2015
15,000	2.2%	2.2%	2.2%	2.2%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	2.7%	2.7%	2.7%	1.9%
20,000	4.7%	4.7%	4.7%	4.7%	2.7%	2.7%	2.7%	2.7%	2.7%	3.7%	4.7%	6.3%	6.3%	7.6%	7.6%	6.7%
25,000	8.7%	7.1%	6.5%	5.5%	4.9%	4.9%	4.9%	2.9%	3.9%	4.9%	4.9%	7.2%	7.2%	8.3%	8.3%	7.6%
30,000	11.6%	10.2%	9.8%	9.0%	7.8%	6.7%	5.1%	5.1%	6.1%	9.1%	9.1%	8.6%	8.6%	9.5%	9.5%	8.9%
40,000	16.6%	15.7%	15.5%	14.9%	13.2%	11.5%	10.2%	9.4%	10.4%	13.4%	13.4%	14.2%	14.2%	14.9%	14.9%	14.5%
60,000	25.9%	25.3%	25.1%	24.8%	23.9%	22.5%	20.8%	19.8%	20.5%	24.0%	24.0%	26.2%	26.2%	26.6%	26.6%	25.7%
100,000	33.2%	32.8%	32.8%	32.6%	32.0%	31.2%	29.7%	29.2%	30.0%	34.6%	34.6%	36.5%	36.5%	36.8%	36.8%	36.1%
120,000	35.0%	34.7%	34.6%	34.5%	34.0%	33.3%	32.0%	31.6%	32.6%	37.2%	37.2%	39.1%	39.1%	39.3%	39.3%	38.8%

*Average Effective Tax Rates 2001-2010: Total of Income Tax, Levies (Income and Health) and PRSI as a proportion of gross income.

Average Effective Tax Rates 2011-2015: Total of Income Tax, PRSI and Universal Social Charge as a proportion of gross income.

Calculations only account for the standard employee credit, personal income tax credit and home carer credit where relevant.

(s)Supplementary Budget 2009

AVERAGE EFFECTIVE TAX RATES ON ANNUAL EARNINGS IN % TERMS*
MODIFIED RATE PRSI

MODIFIED RATE PRSI	SINGLE														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014	2015
Gross Income €															
15,000	8.1%	6.3%	5.4%	3.8%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	2.7%	2.7%	2.7%	1.9%
20,000	13.3%	11.9%	11.2%	10.0%	6.6%	5.2%	3.2%	2.5%	3.5%	4.5%	7.9%	7.9%	8.0%	8.0%	7.1%
25,000	15.2%	14.1%	13.6%	12.6%	11.5%	10.4%	8.8%	6.2%	7.2%	8.2%	11.9%	11.9%	12.0%	12.0%	11.3%
30,000	19.9%	17.1%	16.6%	15.8%	13.8%	12.5%	11.1%	10.7%	11.7%	14.7%	14.6%	14.6%	14.6%	14.6%	14.0%
40,000	26.1%	24.0%	23.7%	23.0%	21.6%	19.5%	17.2%	16.1%	16.6%	19.6%	21.7%	21.7%	21.7%	21.7%	20.6%
60,000	32.0%	30.7%	30.5%	30.1%	29.1%	27.8%	25.9%	25.3%	25.9%	29.0%	30.8%	30.8%	30.8%	30.8%	29.7%
100,000	36.8%	36.0%	35.9%	35.7%	35.1%	34.3%	32.8%	32.4%	33.2%	37.1%	38.8%	38.8%	38.8%	38.8%	38.1%
120,000	38.0%	37.3%	37.2%	37.0%	36.6%	35.9%	34.6%	34.2%	35.2%	39.3%	41.0%	41.0%	41.0%	41.0%	40.4%

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MODIFIED RATE PRSI	MARRIED/CIVIL PARTNER ONE INCOME TWO CHILDREN														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014	2015
Gross Income €															
15,000	0.8%	0.8%	0.8%	0.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	2.7%	2.7%	2.7%	1.9%
20,000	2.8%	2.8%	2.8%	2.8%	0.8%	0.8%	0.8%	0.8%	1.8%	2.8%	4.4%	4.4%	4.5%	4.5%	3.6%
25,000	6.6%	5.0%	4.4%	3.5%	2.9%	2.9%	2.9%	0.9%	1.9%	2.9%	5.1%	5.1%	5.2%	5.2%	4.5%
30,000	9.3%	8.0%	7.5%	6.7%	5.5%	4.5%	2.9%	2.9%	3.9%	6.9%	6.4%	6.4%	6.4%	6.4%	5.8%
40,000	14.4%	13.3%	13.0%	12.4%	10.8%	9.1%	7.7%	6.9%	7.9%	10.9%	11.8%	11.8%	11.8%	11.8%	11.4%
60,000	24.3%	23.6%	23.3%	23.0%	21.9%	20.5%	18.6%	17.6%	18.2%	21.3%	23.5%	23.5%	23.5%	23.5%	22.6%
100,000	32.2%	31.8%	31.6%	31.4%	30.7%	29.9%	28.4%	27.7%	28.5%	32.5%	34.4%	34.4%	34.4%	34.4%	33.8%
120,000	34.1%	33.8%	33.7%	33.5%	32.9%	32.2%	30.9%	30.4%	31.4%	35.4%	37.3%	37.3%	37.4%	37.4%	36.8%

*Average Effective Tax Rates 2001-2010: Total of Income Tax, Levies (Income and Health) and PRSI as a proportion of gross income.

Average Effective Tax Rates 2011-2015: Total of Income Tax, PRSI and Universal Social Charge as a proportion of gross income.

Calculations only account for the standard employee credit, personal income tax credit and home carer credit, where relevant.

(s)Supplementary Budget 2009

AVERAGE EFFECTIVE TAX RATES ON ANNUAL EARNINGS IN % TERMS*
SELF EMPLOYED

SELF EMPLOYED	SINGLE														
	Gross Income €	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014
15,000	13.7%	12.9%	12.9%	12.9%	12.5%	12.1%	11.3%	10.8%	10.8%	10.8%	15.7%	15.7%	15.7%	15.7%	14.9%
20,000	18.0%	17.4%	17.4%	17.4%	15.1%	14.9%	14.2%	13.9%	14.9%	15.9%	19.3%	19.3%	19.3%	19.3%	18.5%
25,000	19.4%	18.9%	18.9%	18.9%	18.7%	18.5%	18.0%	15.7%	16.7%	17.7%	21.7%	21.7%	21.7%	21.7%	21.0%
30,000	23.7%	21.4%	21.4%	21.4%	20.2%	19.6%	19.1%	18.9%	19.9%	22.9%	23.2%	23.2%	23.2%	23.2%	22.6%
40,000	29.5%	27.8%	27.8%	27.8%	26.9%	25.3%	23.8%	22.8%	23.3%	26.3%	29.0%	29.0%	29.0%	29.0%	27.8%
60,000	35.4%	34.2%	34.2%	34.2%	33.6%	32.6%	31.2%	30.6%	31.2%	34.2%	36.6%	36.6%	36.6%	36.6%	35.6%
100,000	40.0%	39.3%	39.3%	39.3%	39.0%	38.3%	37.1%	36.7%	37.5%	41.3%	42.8%	42.8%	42.8%	42.8%	42.0%
120,000	41.2%	40.6%	40.6%	40.6%	40.3%	39.8%	38.7%	38.4%	39.4%	43.2%	44.8%	44.8%	44.8%	44.8%	44.3%

B.16

SELF EMPLOYED	MARRIED/CIVIL PARTNER ONE INCOME TWO CHILDREN														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 (s)/2010	2011	2012	2013	2014	2015
Gross Income €															
15,000	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	6.7%	6.7%	6.7%	6.7%	5.9%
20,000	7.2%	6.0%	6.0%	6.0%	3.4%	3.0%	3.0%	3.0%	4.0%	5.0%	7.6%	7.6%	7.6%	7.6%	6.7%
25,000	10.8%	9.8%	9.8%	9.8%	9.3%	8.9%	7.8%	4.8%	5.8%	6.8%	11.8%	11.8%	11.8%	11.8%	11.1%
30,000	13.2%	12.3%	12.3%	12.3%	11.9%	11.6%	10.7%	9.8%	10.8%	13.8%	15.0%	15.0%	15.0%	15.0%	14.4%
40,000	17.9%	17.1%	17.1%	17.1%	16.1%	14.9%	14.3%	13.6%	14.6%	17.6%	19.0%	19.0%	19.0%	19.0%	18.6%
60,000	27.6%	27.1%	27.1%	27.1%	26.4%	25.3%	23.8%	22.9%	23.5%	26.5%	29.4%	29.4%	29.4%	29.4%	28.5%
100,000	35.3%	35.1%	35.1%	35.1%	34.6%	34.0%	32.7%	32.1%	32.9%	36.7%	38.4%	38.4%	38.4%	38.4%	37.8%
120,000	37.3%	37.0%	37.0%	37.0%	36.7%	36.1%	35.0%	34.5%	35.5%	39.4%	41.2%	41.2%	41.2%	41.2%	40.8%

*Average Effective Tax Rates 2001-2010: Total of Income Tax, Levies (Income and Health) and PRSI as a proportion of gross income.

Average Effective Tax Rates 2011-2015: Total of Income Tax, PRSI and Universal Social Charge as a proportion of gross income.

Calculations only account for the personal income tax credit and home carer credit, where relevant.

(s)Supplementary Budget 2009

(iii) ESTIMATED DISTRIBUTION OF INCOME EARNERS ON THE INCOME TAX FILE FOR 2014 AND 2015

	Exempt (standard rate liability covered by credits or age exemption limits)	Paying tax at the standard rate* (including those whose liability at the higher rate is fully offset by Credits)	Higher rate liability NOT fully offset by credits	Total
2014	883,400 38%	982,400 43%	432,600 19%	2,298,400
2015 on a post budget basis	880,700 38%	1,029,500 44%	431,000 18%	2,341,200

B.18

Notes:

1. Distributions for 2015 are estimates from the Revenue tax-forecasting model using actual data for the year 2012, adjusted as necessary for income and employment trends in the interim.
2. Figures are provisional and likely to be revised
3. A jointly assessed married couple/civil partnership is treated as one tax unit.
4. Percentages are rounded to the nearest percentage point

(iv) ILLUSTRATIVE CASES

These cases deal with basic personal tax credits, the employee tax credit, the home carer credit, the age credit, the age exemption limits, the standard rate bands, PRSI and the Universal Social Charge (USC). Social welfare payments such as the State Pension and Child Benefit are included where relevant. Additional tax reliefs such as Mortgage Interest Relief and Rent Relief are not taken into account. Some figures are rounded to the nearest euro.

Example 1

Denise and Ray are married with two children, Michelle aged 6 and Megan aged 4. Denise works in the home. Ray works in the public sector earning €59,300 per annum. The couple will see a gain of €598 in their annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	59,300	59,300
Pension Contribution	3,016	3,016
Pension related Deduction	4,055	4,055
Income tax liability	6,876	6,572
PRSI liability	2,372	2,372
USC liability	<u>3,470</u>	<u>3,296</u>
Total tax liability	12,718	12,240
Child Benefit	3,120	3,240
Net Income	42,631	43,229
Annual Gain		598
Change as a % of net income		1.4%

Example 2

Benny and Ann Marie are married and have four children, Louise, Andrew, Laura and Amy all aged under 12. Ann Marie works in a private sector nursing home and has income of €70,000. Benny works in the family home. The family will see a gain of €896 in their annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	70,000	70,000
Income tax liability	14,162	13,680
PRSI liability	2,800	2,800
USC liability	<u>4,219</u>	<u>4,045</u>
Total tax liability	21,181	20,525
Child Benefit	6,240	6,480
Net Income	55,059	55,955
Annual Gain		896
Change as a % of net income		1.6%

Example 3

Niall and Sarah are married with three children, Rachel, Kevin and George, who are aged 8, 10 and 12 years. Niall is a nurse and Sarah is a Garda. They both joined the Public Sector in 1999. They earn €55,000 and €50,000, respectively. The family will see a gain of €1,204 in their annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	105,000	105,000
Pension contribution	5,148	5,148
Pension Related Deduction	<u>6,750</u>	<u>6,750</u>
Taxable Income	93,102	93,102
Income tax liability	17,796	17,121
PRSI liability	4,200	4,200
USC liability	<u>5,988</u>	<u>5,639</u>
Total tax liability	27,984	26,960
Child Benefit	4,680	4,860
Net Income	69,798	71,002
Annual Gain		1,204
Change as a % of net income		1.7%

Example 4

Michael is a single parent and is the primary carer of his daughter, Sophie aged 2. He is employed full time as retail store manager earning €40,000 per annum. Michael will see a gain of €466 in his annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	40,000	40,000
Income tax liability	3,722	3,490
PRSI liability	1,600	1,600
USC liability	<u>2,119</u>	<u>1,945</u>
Total tax liability	7,441	7,035
Child Benefit	1,560	1,620
Net Income	34,119	34,585
Annual Gain		466
Change as a % of net income		1.4%

Example 5

Gerry and Brenda have three children, Seamus, Marianne and Sinéad, all aged under 10. The family holds a full medical card. Brenda works part-time and earns €20,000. Gerry works full-time earning €35,000 per annum. The family will see a gain of €534 in their annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	55,000	55,000
Income tax liability	4,400	4,400
PRSI liability	2,200	2,200
USC liability	<u>1,799</u>	<u>1,445</u>
Total tax liability	8,399	8,045
Child Benefit	4,680	4,860
Net Income	51,281	51,815
Annual Gain		534
Change as a % of net income		1%

Example 6

John is single and working full time on the minimum wage. John will see a gain of €173 in his annual net income due to this Budget.

	2014	2015
	€	€
Gross Income	17,542	17,542
Income tax liability	0	0
PRSI liability	0	0
USC liability	<u>547</u>	<u>374</u>
Total tax liability	547	374
Net Income	16,995	17,168
Annual Gain		173
Change as a % of net income		1%

Example 7

Patrick and Éilis are a retired couple. Éilis is aged 69 and Patrick is aged 71. Patrick has a Contributory State Pension (€22,703), which includes an adult dependent allowance in respect of Éilis, and an occupational pension of €50,000 per annum. The couple will see a gain of €798 in their annual net income due to this Budget.

	2014	2015
	€	€
State Pension	22,703	22,703
Occupational Pension	<u>50,000</u>	<u>50,000</u>
Gross Income	72,703	72,703
Income tax liability	15,590	15,081
PRSI liability	0	0
USC liability	<u>1,799</u>	<u>1,510</u>
Total tax liability	17,389	16,591
Net Income	55,314	56,112
Annual Gain		798
Change as a % of net income		1.4%

Example 8

Laura is single, no children and self-employed with income of €120,000 per annum. She pays a pension contribution of 5% of her gross income. She will see an annual gain of €687 due to this Budget.

	2014	2015
	€	€
Gross Income	120,000	120,000
Pension Contribution	6,000	6,000
Income tax liability	38,202	37,190
PRSI liability	4,800	4,800
USC liability	<u>8,319</u>	<u>8,644</u>
Total tax liability	51,321	50,634
Net Income	62,679	63,366
Annual Gain		687
Change as a % of net income		1.1%