

# TAX REFERENCE TABLES

## Professional 2 Examination 2020

The following rates, formulae and allowances are based on Finance Act 2018 and are to be used for all questions on this paper.

### Rates of Income Tax

		Taxed @ 20%	Taxed @ 40%
Single, widowed or surviving civil partner		€35,300	Balance
Single or widowed or surviving civil partner	Qualifying for single person child carer credit	€39,300	Balance
Married or in civil partnership:	One Income	€44,300	Balance
Married or in civil partnership:	*Dual Income	€70,600	Balance

\* Increased standard rate band of up to € 26,300 or the income of the lower earner where both spouses have income.

### Income Tax Exemption Limits for Aged Over 65

Single, widowed or a surviving civil partner	€ 18,000
Married couple or in a civil partnership	€ 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 with dependant child	€ 1,650
Widowed Person or Surviving Civil Partner without dependent children	€ 2,190
Widowed Person or Surviving Civil Partner in year of bereavement	€ 3,300
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	€ 1,650
Incapacitated Child	€ 3,300
Dependent relative (income limit €14,753)	€ 70
PAYE Tax Credit	€ 1,650
Earned Income Tax Credit	€ 1,350
Home Carer (max)	€ 1,500
Age Tax Credit if Single or Widowed or Surviving Civil Partner	€ 245
Age Tax Credit if Married or In a Civil Partnership	€ 490
Third level tuition fees	
Upper limit €7,000	
Full time qualifying courses disregard amount €3,000	
Part-time qualifying courses disregard amount €1,500	
Health expenses	
Qualifying health care expenses @ 20%	

### 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%

## 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 present value of the amount of any tax free lump sum from the pension scheme)

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

Note: Lifetime limit of €200,000 applicable.

## Capital Allowances

Asset	Note	Rate
Plant and machinery		12.5%
Motor vehicles	*Limits for passenger motor cars	12.5%
Industrial building		4%
Farm building		15% for 6 years 10% in 7th year

## Motor Cars - Limits on capital cost

Category	Emissions	Qualifying Cost
A/B/C	0 – 155g/km	€24,000
D/E	156 -190g/km	Lower of 50% of cost or 50% of €24,000
F/G	191g/km+	No capital allowances

Note: the above capital cost limits also apply in determining the allowable expense for leases of motor cars.

## Motor Cars - Benefit in Kind

Annual business kilometres	% Original MV
Up to 24,000	30%
24,001 to 32,000	24%
32,001 to 40,000	18%
40,001 to 48,000	12%
48,001 and over	6%

## Preferential Loans – Benefit in Kind

Expenditure incurred	Rate
Qualifying Home Loan	4%
All other loans	13.5%

## PRSI

### Employee Class A

Income	Employee PRSI	Employer PRSI
€38 to €352* per week	Nil	8.7%
Up to €352.01* to €386* per week	4%	8.7%
Income greater than €386* per week	4%	10.95%

\* An employee PRSI credit applies from 1 January 2016. This PRSI credit is for a maximum of €12 per week and is available to Class A employees with gross earnings between €352 and €424 per week. The credit is reduced by one sixth of the gross earnings in excess of €352 per week

## Self Employed Class S

Income	Minimum Contribution	Exemption Threshold
All Income @ 4%	€500	€5,000 p.a.

## USC:

Income	Standard Rate	Reduced rate
First €12,012	0.5%	0.5%
€12,013 to €19,874	2%	2%
€19,875 to €70,044	4.5%	2% / 4.5%*
Over €70,044	8%	2%

\* 4.5% applies if aggregate income exceed €60,000

## Exemptions from USC

- An individual is exempt from USC if their total income does not exceed €13,000.
- Income subject to DIRT is exempt from USC
- Department of social protection payments are exempt from USC

## USC Surcharge

- Non PAYE income in excess of €100,000 is subject to an additional 3% USC surcharge

## Corporation Tax

Standard Rate	12.5%
Higher Rate	25%

## Capital Gains Tax

Rate	33%
Annual exemption	€ 1,270
Revised Entrepreneur Relief (subject to limit of €1million gain)	10%

## Capital Acquisition Tax Class Thresholds

Group	Relationship to Disponer	Group Threshold from 12 October 2016
A	Son/Daughter	€ 320,000
B	Parent*/Brother/Sister/ Niece/Nephew/Grandchild	€ 32,500
C	Relationship other than Group A or B	€ 16,250

\*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**  
Rate applicable                6%

**Stocks and Marketable Securities**  
Rate applicable                1%

**Value Added Tax**

**Registration Limits**

Turnover from the supply of goods	€75,000
Turnover from the supply of services	€37,500
Distance sales threshold	€35,000
Intra-community acquisitions	€41,000

**VAT Rates**

Standard rate	23%
Reduced rate	13.5%
Second reduced rate	9%
Flat rate addition	5.4%

**Interest on late payment of tax**

Self assessment taxes	.0219% per day
Fiduciary taxes	.0274% per day

**Revenue Audit - Penalties**

**Abbreviated table of penalties**

Category of behaviour	Full cooperation not given by tax payer	Prompted qualifying disclosure and full cooperation	Unprompted qualifying disclosure and full cooperation
Careless behaviour without significant consequences	20%	10%	3%
Careless behaviour with significant consequences	40%	20%	5%
Deliberate behaviour	100%	50%	10%

## Indexation factors for Capital Gains Tax

<b>Tax Year Expenditure Incurred</b>	<b>Indexation Factor for disposals in Tax Year 2004 et seq</b>
1974/75	7.528
1975/76	6.080
1976/77	5.238
1977/78	4.490
1978/79	4.148
1979/80	3.742
1980/81	3.240
1981/82	2.678
1982/83	2.253
1983/84	2.003
1984/85	1.819
1985/86	1.713
1986/87	1.637
1987/88	1.583
1988/89	1.553
1989/90	1.503
1990/91	1.442
1991/92	1.406
1992/93	1.356
1993/94	1.331
1994/95	1.309
1995/96	1.277
1996/97	1.251
1997/98	1.232
1998/99	1.212
1999/00	1.193
2000/01	1.144
2001	1.087
2002	1.049
2003 et seq.	1.000