

BFGD

This summary is based on the Finance Bill 2010 and is intended as a general guide only. We recommend that you obtain professional advice before making any decisions.

SERVICES PROVIDED

Auditing & Accountancy
Taxation Planning and Compliance
New Business Support
Pension and Investment Consultants
Grant & Loan Applications
Bookkeeping & Payroll
Company Secretarial
Liquidations and Receiverships

IMPORTANT DATES

Tax Payments

Income Tax – 2010	31/Oct/10
Capital Gains Tax	
Sold Pre 30/09/10	31/Oct/10
Sold Post 01/10/10	31/Jan/11

Corporation Tax

90% of Tax – 21st day of 11th month in accounting year. Balance – with Tax return.

Tax Returns

Income 2010	31/Oct/10
Capital Gains 2010	31/Oct/10
Corporation Tax	8½ after year end

CORPORATION TAX

Corporation Tax

Standard Rate	
Trading Income	12.5%
Investment and Rental Income	25%

New Companies with a New Trade

Tax Exemption (*three years*) – worth up to €40,000 p.a.

Surcharges

Professional Income – effectively 7.5% of after tax income not distributed by way of dividend.

Investment and Rental Income – 20% of after tax income not distributed by way of dividend.

VALUE ADDED TAX

Normal Registration Level for

Services	€37,500
Goods	€75,000

Cash basis is available to businesses with turnover of less than €1,000,000 p.a.

Standard Rate @ 21%

Other Rates @ 13.5%; 5.2%; zero;

TAX EFFICIENT INVESTMENTS

Films
Seed Capital Investments
Pensions
Unit Linked Funds
Rent a Room Exemption
(*If rents are less than €10,000 p.a.*)
Industrial Buildings
Business expansion scheme investments
Revenue approved building developments

GIFT & INHERITANCE TAXES

Inheritance/Gift Tax	Rates
Threshold Amount	Nil
Excess	25%

Thresholds (*Effective from 8 April 2009*)

Parent to Child	€414,799
Other Family	€41,481
Others	€20,740

(*Gifts and inheritances between spouses are exempt*)

Annual Gift Exemption	€3,000
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Discretionary Trust Tax

Once off	6%
Annual	1%

Principal Reliefs

- Business Assets Relief
- Certain Government Stocks
- Principal residence to occupant
- Site for child to build home
- Agricultural Assets Relief
- Certain Insurance Policies
- Capital Gains Tax Credits

CAPITAL GAINS TAX

Rates

Standard Rate	25%
Life Assurance	28%
Investment Fund Products	48%

Annual Exemption

Per Individual (<i>not transferable</i>)	€1,270
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CAPITAL ALLOWANCES

Plant	12.5% p.a. Straight Line
Industrial Buildings	4% p.a. Straight Line
Energy Efficient Equipment	100% p.a. Straight Line
Motor Vehicles	12.5% p.a. Straight Line
Maximum allowable car cost	€24,000

(*From 1st July 2008, restricted if CO₂ car emission levels exceed 155 G/Km*)

INCOME TAX RATES

Single

First €36,400 @ 20% – Balance @ 41%

Married One Income

First €45,400 @ 20% – Balance @ 41%

Married Two Incomes

First €72,800 @ 20% – Balance @ 41%

Lone Parent

First €40,400 @ 20% – Balance @ 41%

Interest on Late Payment – 0.0273% per day

Interest on Tax Repayments – 0.011% per day

Profits on Sale of Residential Land

Income Tax	20%
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(*Inclusive of PRSI and Levies*)

CHARTERED ACCOUNTANTS

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PRSI

Employed Individuals

Employee's PRSI	
Paid less than €352 per week	Exempt
Paid over €352 over week	
First €127 per week	Exempt
Next €1,316 per week	4%
Excess	0%

Employer's PRSI

Pay €365 per week or less	8.5%
Others (no limit)	10.75%

Self Employed Individuals 3%

INCOME TAX ALLOWANCES & CREDITS

Tax Credits

Single	€1,830
Married Couple	€3,660
Widowed (<i>no children</i>)	€2,430
Lone Parent	€3,660

(Additional credits in 5 years following bereavement)

Home Carer	€900
PAYE	€1,830
Dependant Relative	€80
Incapacitated Child	€3660

Age

Single	€325
Married Couple	€650

Rent Paid

Subject to limits, as follows:	20%
Single Person – Under 55	€400
Married/Widowed – Under 55	€800
Single Person – Over 55	€800
Married/Widowed – Over 55	€1,600

Third Level Education Fees

Limited to	€1,000
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Allowances at Marginal Rate

Employee to care for incapacitated person	€50,000
Permanent Health Insurance Premium	100%
Personal Pension Premiums	100%

(Subject to restrictions which vary depending on age)

Tax relief on mortgage interest and private medical insurance is granted at source.

INCOME LEVY

Income	Rate
First €75,036	2%
Next €99,944	4%
Remainder	6%

HEALTH LEVY

Paid less than €500 per week	Exempt
Paid over €500 per week	
Income up to €75,036 per annum	4%
Excess	5%

Authorised by the Institute of
Chartered Accountants in
Ireland to carry out investment
business

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