

BFGD

This summary is based on the Finance Act 2011 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 – 2011	31/Oct/11
Capital Gains Tax	
Sold Pre 30/09/11	15/Dec/11
Sold Post 01/10/11	31/Jan/12

Corporation Tax

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

Tax Returns

Income 2011	31/Oct/11
Capital Gains 2010	31/Oct/11
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. (Subject to employment levels)

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

Parent to Child	€332,084
Other Family	€33,208
Others	€16,604

(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	30%
Investment Fund Products	50%

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 €32,800 @ 20% – Balance @ 41%

Married One Income

First €41,800 @ 20% – Balance @ 41%

Married Two Incomes

First €65,600 @ 20% – Balance @ 41%

Lone Parent

First €36,800 @ 20% – Balance @ 41%

Interest on Late Payment – 0.0273% per day

Interest on Tax Repayments – 0.011% per day

Windfall gains from

Planning Decisions	80%
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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 4%

INCOME TAX ALLOWANCES & CREDITS

Tax Credits

Single	€1,650
Married Couple	€3,300
Widowed (<i>no children</i>)	€2,190
Lone Parent	€3,300

(Additional credits in 5 years following bereavement)

Home Carer	€810
PAYE	€1,650
Dependant Relative	€70
Incapacitated Child	€3,300

Age

Single	€245
Married Couple	€490

Rent Paid

Subject to limits, as follows:	20%
Single Person – Under 55 (80% Max)	€320
Married/Widowed – Under 55	€640
Single Person – Over 55	€640
Married/Widowed – Over 55	€1,280

Allowances at Marginal Rate

Employee to care for incapacitated person	€50,000
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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.

UNIVERSAL SOCIAL CHARGE

Income	Rate
First €10,036	2%
€10,037 to €16,016	4%
€16,017 to €100,000	7%
Over €100,000	10%

Reductions for persons aged 70+

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

Independent member
of Morison International