



Duffy & Company Accountants & Auditors

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BUDGET 2005 INCOME TAX

Income Tax Highlight

- No change in Tax Rates(Standard Rate: 20% High Rate: 42%)
- Increase in Standard Rate Tax Bands
- Increase in PAYE Tax Credit
- Increase in Personal Tax Credits

TAX CREDITS 2005

	€
Single Person	1,580
Married Person	3,160
Single Parent Family additional Credit	1,520
Widowed Person:	
-Year of Bereavement	
Subsequent Years	
- with Dependent Children	1,980
- without Dependent Children	1,520
Widowed Parent: in addition to widowed person	
-1 st Year after bereavement	2,800
-2 nd Year after bereavement	2,300
-3 th Year after bereavement	1,800
-4 th Year after bereavement	1,300
-5 th Year after bereavement	800
Age Tax Credits	
65 years & Over -Single/Widowed	205
-Married	410
Blind Person Tax Credit	
-Single/Widowed	1,000
-Married	2,000
The following tax credits can range from €0 to a Maximum	
Incapacitated Child Tax Credit	1,000
Dependent Relative Tax Credit	60
Home Carers Allowance	770
Employee Tax Credit	1,270
Rent Relief:	
- Single	
- Under 55	300
- Over 55	600
- Married/Widowed	
- Under 55	600
- Over 55	1,200
Tuition Fees(Academic Year 2005/06)	1,000

INCOME TAX EXEMPTION LIMITS 2004

<i>Age</i>	<i>Single/Widowed</i>	<i>Married</i>
Under 65 Years	€5,210	€10,420
Over 65 Years	€16,500	€33,000



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INCOME TAX RATES & BANDS 2004

<i>Single/Widowed</i>	<i>Married One Income</i>	<i>Married Two Income</i>	<i>One Parent Family</i>	<i>Rate</i>
€1-29,400	€1-38,400	€1-58,800*	€1-33,400	20%
Balance	Balance	Balance	Balance	42%

* Transferable between Spouses up to a maximum of € 38,400 for any one spouse.

MORTGAGE INTEREST TAX CREDIT 2004

	<i>First time Buyers</i>	<i>Non First time Buyers</i>
Single (<i>Maximum Credit</i>)	€ 800	€ 508
Married/Widowed(<i>Max Credit</i>)	€1,600	€1,016

Note: First time Buyers credit apply to first seven years

PRSI RATES & LEVIES 2004

Employee-Class A1



	<i>Employer</i>	<i>Employee(inc. levies)</i>
€1-€14,180	10.75%	6%
Balance	10.75%	2%

Note: PRSI & Levies will also apply to certain benefits in kind

Self Employed

PRSI/Levies	5%
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EARNINGS CAP ON PENSIONS 2004

Cap on earning for which tax relief may be claimed:	€
• Retirement Annuity Contract	 254,000 
• Personal Retirement Savings Accounts (PRSA)	
• Employee Contributions to Occupational Pensions Schemes	

PREFERENTIAL LOANS RATES 2004

	<i>Interest Rate</i>
Residential Loan	3.50%
Other Loans	11.00%

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