

Paycheck | PlusTM

By IRIS

Paycheck Plus Tax Fact Card 2023



National Minimum Wage

As of the 1st of January 2023, the Minimum Wage will be increased by 80 cent.

Category	Gross Rate Per Hour 2022	Gross Rate Per Hour 2023
Experienced Adult Worker	€10.50	€11.30
Workers under 18 years of age	€7.35	€7.91
Aged 18	€8.40	€9.04
Aged 19	€9.45	€10.17

On the 14th June 2022, the Tánaiste outlined a proposal to bring in a living wage for all workers to be phased in over a 4-year period. The living wage will be set at 60% of the median wage in any given year. The national minimum will remain in place until a living wage becomes mandatory in 2026.

There will be no change to tax rates for 2023. The standard rate will remain at 20% and the higher rate at 40%.

Standard Rate Cut off Point	
Single/Widowed Person or Surviving Civil Partner without qualifying children	First €40,000 @ 20% Balance @ 40%
Person qualifying for the Single Person Child Carer Tax Credit	First €44,000 @ 20% Balance @ 40%
Married Couple or Civil Partnership – One Income	First €49,000 @ 20% Balance @ 40%
Married Couple or Civil Partnership – Two Incomes	First €49,000 @ 20% plus an amount equal to the lower income (subject to a maximum of €31,000*) Balance @ 40%

*The rate band is capped at the lower of €31,000 or the income of the lower earner. This increase cannot be transferred between spouses or civil partners.

Universal Social Charge Rates

Medical card holders will continue to pay a reduced rate of USC until the end of December 2023.

From 1st January, USC will apply at the following rates for those earning in excess of €13,000:

Rate of USC	Weekly COP	Fortnightly COP	Monthly COP	Annual COP
USC Rate 1 – 0.5%	€231	€462	€1,001	€12,012
USC Rate 2 – 2%	€440.77	€881.54	€1,910	€22,920
USC Rate 3 – 4.5%	€1,347	€2,694	€5,837	€70,044
USC Rate 4 – 8%	Balance	Balance	Balance	Balance

Non PAYE income in excess of €100,000 is subject to USC at 11%. There was no change to the USC exemption threshold of €13,000. Medical card holders and individuals aged 70 years and over whose aggregate income does not exceed €60,000 will pay a maximum rate of 2%.

Rate of USC	Weekly COP	Fortnightly COP	Monthly COP	Annual COP
USC Rate 1 – 0.5%	€231	€462	€1,001	€12,012
USC Rate 2 – 2%	Balance	Balance	Balance	Balance

Annual Tax Credits	2022	2023
Single/widowed Person or Surviving Civil Partner Tax Credit	€1,700	€1,775
Married Couple or Civil Partnership Tax Credit	€3,400	€3,550
Widowed Person or Surviving Civil Partner in year of bereavement	€3,400	€3,400
Widowed Person or Surviving Civil Partner with dependent child(ren)	€1,700	€1,700
Widowed Person or Surviving Civil Partner without dependent child(ren)	€2,240	€2,240
Additional relief for subsequent years after year of bereavement -		
With a Qualifying Child:		
Widowed Parent bereaved in 2022	-	€3,600
Widowed Parent bereaved in 2021	€3,600	€3,150
Widowed Parent bereaved in 2020	€3,150	€2,700
Widowed Parent bereaved in 2019	€2,700	€2,250
Widowed Parent bereaved in 2018	€2,250	-
Single Person Child Carer Tax Credit	€1,650	€1,650
PAYE Tax Credit	€1,700	€1,775
Home Carer Tax Credit	€1,600	€1,700
Employed Person taking care of an incapacitated individual (max.)	€75,000	€75,000
Age Tax Credit - Single/widowed Person or Surviving Civil Partner	€245	€245
Age Tax Credit - Married Couple or Civil Partnership	€490	€490
Blind Person Tax Credit – Single Person	€1,650	€1,650
Blind Tax Credit - One Spouse or Civil Partner Blind	€1,650	€1,650
Blind Tax Credit - Both Spouses or Civil Partners Blind	€3,300	€3,300
Allowance for Guide Dog	€825	€825
Incapacitated Child Tax Credit	€3,300	€3,300
Dependent Relative Tax Credit	€245	€245
Dependent Relative Income Limit	€16,156	€16,156*
Earned Income Tax Credit	€1,700	€1,775
Sea-Going Naval Personnel Tax Credit	€1,500	€1,500
Rent Tax Credit (per person)**		€500

The Help to Buy programme has been extended to the 31st of December 2024, and allows first time buyers to claim tax relief up to €30,000 or 10% of the purchase price of the new home.

*subject to change in line with increases to the state pension

** The value of the credit is the lesser of 20% of the qualifying payment and €500 or €1,000 for a jointly assessed couple.

Small Benefit Exemption

Small Benefit Exemption has been increased to a limit of €1,000 (previously €500). Two benefits can be given in the tax year (combined total €1,000). Can be applied effective 2022 tax year.

Earned Income Tax Credit

The Earned Income Tax Credit will be increased from €1,700 to €1,775, from 2023 for people with earned income that do not qualify for the PAYE tax credit. It will mainly apply to trading or profession income of self-employed people. Where an individual qualifies for the Earned Income Tax Credit and PAYE Tax Credit, the combined tax credits cannot exceed €1,775.

PRSI

From 1st January 2023, the weekly threshold for the higher rate of employer PRSI will increase from €410 to €441.

The Employer PRSI Class A lower rate of 8.8% and higher rate of 11.05% remains.
A weekly tapered PRSI credit of €12 applies for employees insured at Class A whose earnings are between €352.01 and €424 per week.
The maximum PRSI credit of €12 per week applies to gross weekly earnings of €352.01. There will be no PRSI credit on earnings in excess of €424.

PRSI Class	Employer Contribution Rate	Employee Contribution Rate	Weekly Earnings Threshold	Higher Rate Weekly Threshold
A	8.8%/11.05%	4%	€352	N/A
B	2.01%	0.9% / 4%	€352	€1,443
C	1.85%	0.9% / 4%	€352	€1,443
D	2.35%	0.9% / 4%	€352	€1,443
H	10.15%	3.9%	> €352.01	N/A
J	0.5%	N/A	N/A	N/A
K	N/A	4%	> €100	N/A
S	N/A	4%	All	N/A
M	N/A	N/A	N/A	N/A
E	6.87%	3.33%	€352	N/A
P	N/A	4%	€2,500	N/A

Emergency Basis of Tax

Weekly Paid	Weekly SRCOP	Weekly Tax Credit
Weeks 1 – 4	€769.20	€0.00
Weeks 5 onwards	€0.00	€0.00

Monthly Paid	Monthly SRCOP	Monthly Tax Credit
Month 1	€3,333	€0.00
Month 2 onwards	€0.00	€0.00

USC – All earnings @ 8% under emergency basis. Where an employee does not provide a PPS number the higher rate of 40% applies to all earnings.

SARP

The Special Assigned Relief Programme (SARP) has been extended to 31 December 2025 but the minimum income limit for new entrants has increased to €100,000. Existing claimants are not affected by the change (income limit remains €75,000).

(Foreign Earnings Deduction (FED

The Foreign Earnings Deduction (FED) has been extended to the end of 2025. The FED provides relief from income tax on up to €35,000 of income for employees who are tax resident in Ireland and who travel out of the State to temporarily carry out employment duties in certain qualifying countries

Tax Allowable Pension and PRSA Contribution Limits

Age	Limits
Under 30 years	15% of relevant earnings
30 – 39 years	20% of relevant earnings
40 – 49 years	25% of relevant earnings
50 – 54 years	30% of relevant earnings
55 – 59 years	35% of relevant earnings
60 years or over	40% of relevant earnings

Subject to overall relevant earnings limit of €115,000

Illness Benefit - Statutory Sick Pay

The Tánaiste confirmed on the 14th September 2022 that he will commence the operation of SSP effective 1st January 2023. Once commenced the scheme will be rolled out over four years as follows;

- 2023 – 3 days
- 2024 – 5 days
- 2025 – 7 days
- 2026 – 10 days (full operation)

A rate of payment for statutory sick pay will be set at 70% of usual daily earnings capped at €110 per day. Both full time and part time employees can avail of paid leave and will be in addition to other leave entitlements including annual leave, parental and maternity leave as well as public holidays.

Medical Insurance

Tax Relief at the standard rate available on:

Adult premium – Capped at €1,000 (Equal to a credit of up to €200)

Child premium up to the age of 21 – Capped at €500 (Equal to a credit of up to €100)

e-Workers

An employer is permitted to make a tax-free payment up to €3.20 per working day to e-workers to cover additional utility costs incurred by employees working from home. An income tax deduction of 30% of the cost of vouched expenses for heat, electricity and broadband to be made available and claimed by remote workers. The tax relief can be claimed online via Revenues online system throughout the year.

Termination Relief

Type of Redundancy	Relief Available
Basic Exemption	€10,160 plus €765 for each complete year of service.
Increased Exemption	Add €10,000 to the Basic Exemption, subject to conditions.
Standard Capital Superannuation Benefit (SCSB)	$(A^* \times B^{**}/15 \text{ Years}) - C^{***}$

*A = the average annual taxable payments that the employee has received over the last 36 months of service before leaving employment.

**B = the number of years the employee has worked for the company.

***C = the value of any tax free lump sum that the employee has received from the employers company pension scheme, or the current value of any future tax free lump sum receivable from such a scheme.

Leave from Employment

From 1st January 2023 - Illness benefits will increase from €208 to €220 and the new rates listed below will apply. (This is based on the assumption that all Social Welfare payments will increase by €12)

Type of Leave	Who Gets It?	Maximum Length	Paid by DSP	Standard Amount
Maternity Leave	Female employees	26 weeks	Yes	€262
Adoptive Leave	Adoptive mothers/Men adopting alone	24 weeks	Yes	€262
Additional Maternity or Adoptive Leave	Female employees or Adoptive mothers/ Men adopting alone.	16 weeks	No	€0.00
Carer's Leave	The relevant person	104 weeks	Yes	€237
Parental Leave	Parents and guardians of children under 12 years	26 weeks	No	€0.00
Paternity Leave	New parents of children under 6 months of age (but not the mother of the child)	2 weeks	Yes	€262
Parent's Leave	Parents of children under 2 year of age (or in first 2 years of adoption)	5 weeks(will increase to 7 weeks from July 2022).	Yes	€262

Domestic Subsistence Rates

Overnight Allowance	Rate
Normal Rate (up to 14 nights)	€167.00
Reduced Rate (covers the next 14 nights)	€150.30
Detention Rate (covers each of the next 28 nights)	€83.50

Daily Allowance	Rate
Between 5 to 10 hours	€16.29
Over 10 hours	€39.08

Civil Service Motor Travel Rates: From 1st Sep 2022

Rates per Km	Engine up to 1,200cc	1,201cc to 1,500cc	1,501cc+
First 1,500km	41.80 cent	43.40 cent	51.82 cent
1,501 – 5,500km	72.64 cent	79.18 cent	90.63 cent
5,501 – 25,000km	31.78 cent	31.79 cent	39.22 cent
25,001 km and over	20.56 cent	23.85 cent	25.87 cent

Motor Cycle Rates

Rates per Km	Engine up to 150cc	151cc to 250cc	251cc to 600cc	601cc and over
First 6,437 km	14.48 cent	20.10 cent	23.72 cent	28.59 cent
6,438km and over	9.37 cent	13.31 cent	15.29 cent	17.90 cent
Bicycle rates – 8 cent per kilometre.				

Benefit in Kind – Company Car

From the 1st Jan 2023 the below rates will apply:

Lower Limit	Upper Limit	Cat A	Cat B	Cat C	Cat D	Cat B
kilometres	kilometres	0-59 (CO ₂ g/km)	60-99 (CO ₂ g/km)	100-139 (CO ₂ g/km)	140-179 (CO ₂ g/km)	>180 (CO ₂ g/km)
0	26,000	22.50%	26.25%	30%	33.75%	37.50%
26,001	39,000	18%	21%	24%	27%	30%
39,001	52,000	13.50%	15.75%	18%	20.25%	22.50%
52,001	-	9%	10.50%	12%	13.50%	15%

Benefit in Kind – Electric Vehicles

From the 1st Jan 2023 the €50,000 exemption will be abolished through a phasing out approach. OMV will be reduced in accordance with the below values:

	2023	2024	2025	2026
Original Market Value	€70,000	€70,000	€70,000	€70,000
Tax Free Threshold of OMV	€35,000	€20,000	€10,000	-
Taxable OMV	€35,000	€50,000	€60,000	€70,000

Benefit in Kind – Vans

From 1st January 2023, the percentage used in the calculation of the cash equivalent of the use of a van will increase from 5% to 8%

Redundancy Payments

Type of Redundancy	Relief Available
Statutory Redundancy	2 weeks’ pay per year of service plus 1 Bonus week. Maximum earnings of €600 per week.

Gender Pay Gap Reporting

Commencing in 2022, Gender Gap Pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. There is no obligation at present to produce the gender pay gap report if you have less than 250 employees, but employers can do so voluntarily.

Those required to produce a gender pay gap report must calculate, report and publish the following:

- Mean and median hourly rate for all men and that for all women (all employees)*
- Mean and median bonus for all men and that for all women*
- Mean and median hourly rate of part-time men and that of part-time women*
- Mean and median hourly rate of men on temporary contact and that of women on temporary contact*
- The % of men paid bonus and the % of women paid bonus
- The % of men in receipt of BIK and the % of women in receipt of BIK
- The % of male employees and % of female employees who fall within: Lower, Lower middle, Upper middle and Upper remuneration quartile pay bands.

*Figures are to be expressed as a % of the relevant rate for men.

Companies must also produce a report setting out the reasons for the differences and actions being taken or proposed to be taken to eliminate such differences. For the 2022 reporting cycle, the gender pay gap information must be published on the employer's website or in some other way, in a manner that is accessible to all its employees and to the public, and for a period of at least three years starting from the date of publication.

Reporting obligations will be implemented on a phased basis. The number of employees in your organisation will determine when you will be required to report on the gender pay gap in your organisation:

- +250 employees: 2022 & 2023
- +150 employees: 2024
- +50 employees: 2025


Public Holidays


2nd January – In lieu of New Year's Day
6th February – St. Bridget's Day
17th March – St. Patrick's Day
10th April – Easter Monday
1st May – May Bank Holiday
5th June – June Bank Holiday
7th August – August Bank Holiday
30th October – October Bank Holiday
25th December – Christmas Day
26th December – St Stephens Day


SEPA Non Processing Days*

1st January
7th April
10th April
1st May
25th December
26th December

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