

# BFGD

This summary is based on the Finance Act 2012 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

<b>Income Tax – 2012</b>	<b>31/Oct/12</b>
Capital Gains Tax	
Sold Pre 30/09/12	15/Dec/12
Sold Post 01/10/12	31/Jan/13

### Corporation Tax

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

### Tax Returns

Income 2012	31/Oct/12
Capital Gains 2011	31/Oct/12
Corporation Tax	8½ months 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 @ 23%  
Other Rates @ 13.5%; 9.0%; 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	30%

### Thresholds

Parent to Child	€250,000
Other Family	€33,500
Others	€16,750

(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 properties purchased between 07/12/11 and 31/12/2013 and held for 7 years

## CAPITAL GAINS TAX

### Rates

Standard Rate	30%
Life Assurance	40%
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*

\*(Restricted if CO<sub>2</sub> 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%

### One Parent Family

First €36,800 @ 20% – Balance @ 41%

Interest on Late Payment – 0.0219% per day

Interest on Tax Repayments – 0.011% per day

### Windfall gains from

Planning Decisions	80%
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## CHARTERED ACCOUNTANTS

1 Castlewood Avenue  
Rathmines, Dublin 6

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+353 1 496 0061

www.bfgd.ie

## PRSI

### Employed Individuals

Employee PRSI	
Paid less than €352 per week	Exempt
Paid over €352 over week	
First €127 per week	Exempt
Excess	4%

### Employer's PRSI

Pay €356 per week or less	4.25%
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+

## STAMP DUTIES

### Residential Property

First €1,000,000	1%
Excess	2%

### Other Property

2%

### Shares

1%

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

Independent member  
of Morison International