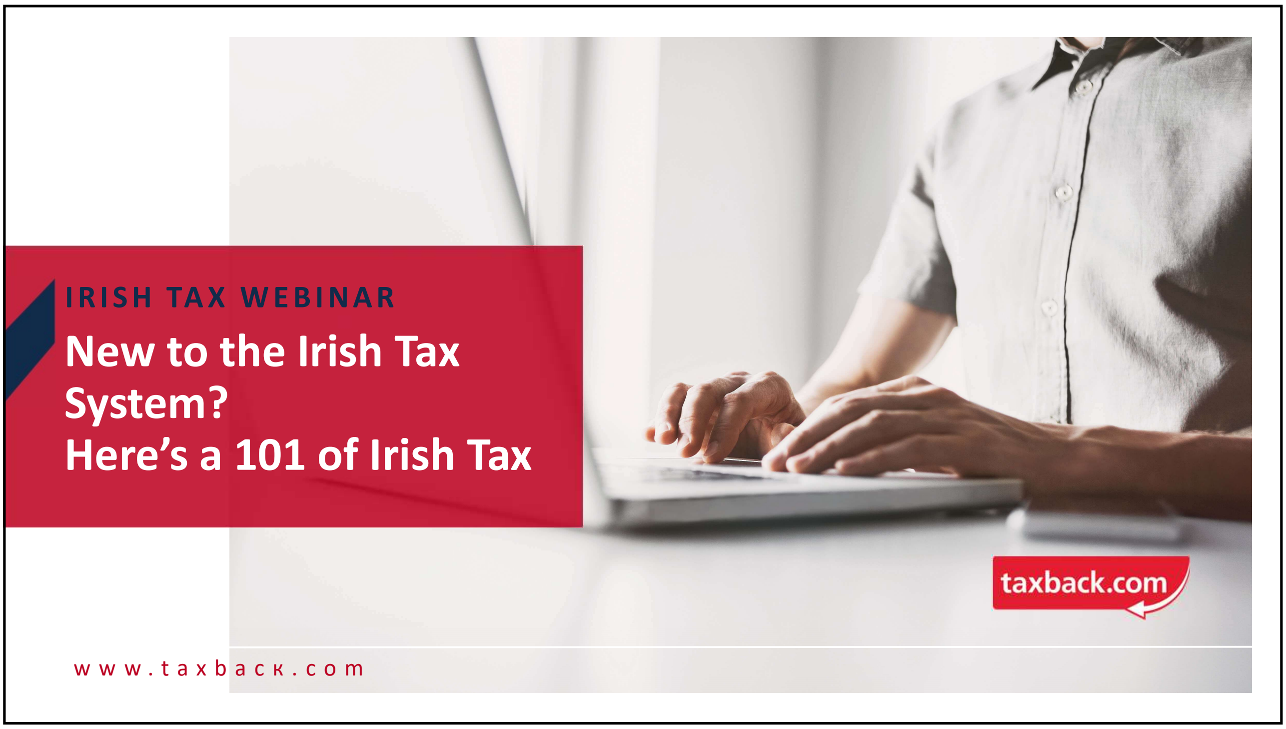
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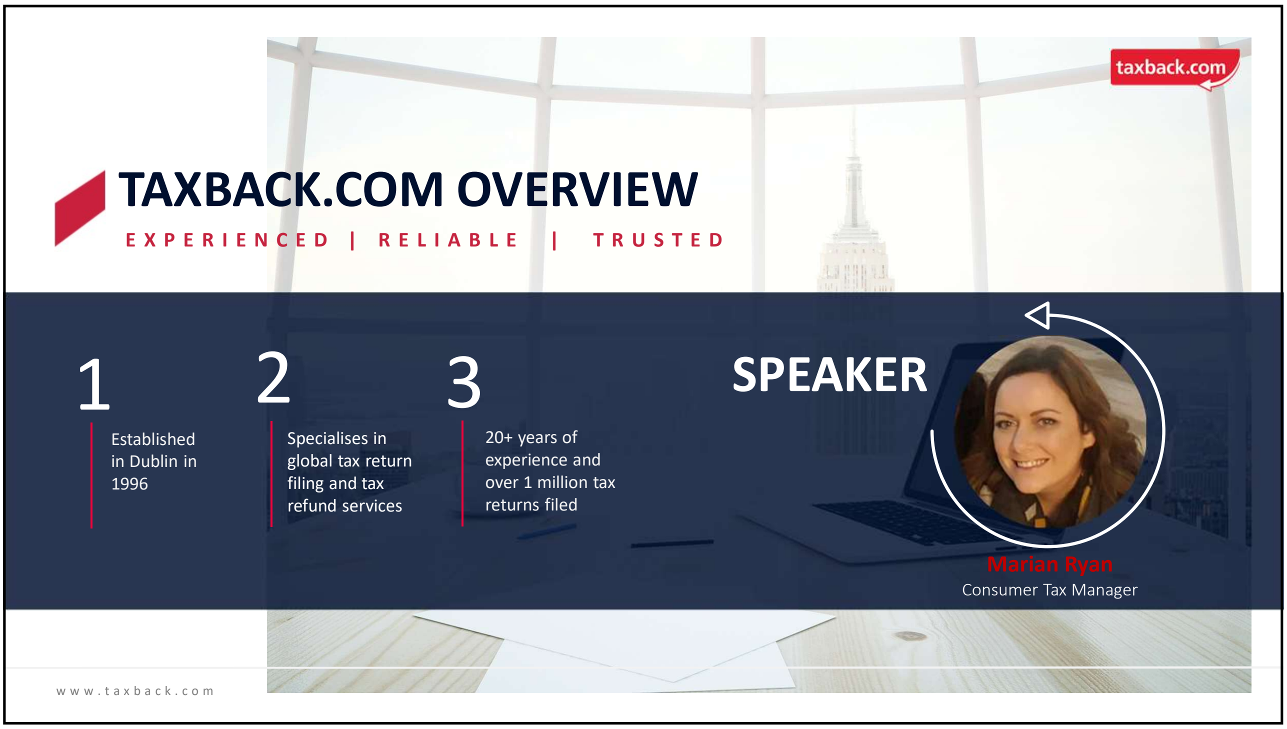
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# Key Irish Tax Facts

- There is **no tax-free allowance** in Ireland; you are taxable on every cent you earn
- The tax year runs from **1 January to 31 December**
- Can claim tax back for the past 4 years (2017-2020)
- Thousands of Irish people overpay tax each year and are due tax back
- Important to keep receipts as evidence for your expenses



# WHAT WILL BE COVERED?

1. Who is liable to tax in Ireland?
2. Residency and Non-Residency Status
3. Split Year Relief
4. Determining if you are due a tax refund
5. Flat Rate Expenses
6. Tax Credits and Expenses to increase your refund

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# Who is liable to pay tax in Ireland?

## The tax you pay is determined by your residency status:

- **Resident and Domicile** – Taxable on worldwide income
- **Irish Resident, Non Domicile** – Irish income and income remitted into Ireland
- **Non Resident -** Tax is always due on Irish source income



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# Determining your tax residency

### Residence

Your Tax Residency is determined by your physical presence here in Ireland.

It is calculated by looking at the number of days that you spent in Ireland in a calendar year.

If you are physically present here in Ireland for more than 183 days or more in a calendar year, you are deemed as resident for tax purposes.

You may also be deemed as tax resident based on the "look back rule" if you spend 280 days in Ireland in the current year and previous year combined. You must however spend at least 30 days in Ireland during that one year.

### Ordinary Residence

You are deemed as ordinary resident if you have been Irish tax resident in the three preceding consecutive tax years – ordinarily resident in the beginning of the fourth tax year.

A person will cease to be ordinarily resident in Ireland where they have been non-resident for the preceding 3 tax years. Cease in the fourth consecutive tax year of non-residence.

Takes 3 tax years to gain and 3 tax years to lose.

### Domicile

This is a legal concept and it is acquired at birth and is generally your country of birth. This is not something that changes over time.

# Split Year Relief

*NB - can be very valuable the year you arrive in or leave Ireland

**You can claim this relief in the year you arrive in Ireland and in the year you leave Ireland.**

## What is Split Year Relief:

In the year that you arrive, your employment income will be taxable in Ireland from the date of arrival, but your tax credits are not apportioned, so you will receive the full years worth of tax credits.

Similarly in the year you depart Ireland, your employment income will be taxable in Ireland up to the date of departure and you can avail of the full 12 months of tax credits.

Both scenarios can trigger a sizable tax refund.

For example, a person is resident in Ireland in 2019 and leaves Ireland in June 2020 and becomes non-resident in 2021.

As their tax credits for 2020 were apportioned over 12 months, they did not receive the benefit of the full value of their tax credits in January to June, so they can file a current year claim to be refunded the tax they overpaid in Jan –Jun. A person has to be considered resident in Ireland in the year of departure and non-resident in the following year.

•Reverse can apply to year of arrival.



# Determining if you are due a tax refund

## There are a number of reasons why you may be due a tax refund:

- If your personal circumstances have changed
  - Marital Status
  - Dependants
- If you incurred certain expenses
- If you are eligible for Split Year Relief
- If you went on maternity leave
- And many more!

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# Flat Rate Expenses

## What are they?

Flat Rate Expenses are a type of tax relief that is available to workers in certain occupations to help with costs associated with work (such as uniforms, tools and equipment).

The amount of the deduction is agreed between Revenue and representatives of groups of employees (usually trade union officials).

## Who can claim?

There are over 180 different types of flat rate reliefs and thousands of workers in Ireland are entitled to claim something.

## How much can you claim?

| | |
|---|---|
| Professor, Heads of Schools/Departments | €608 |
| Senior lecturer | €518 |
| College lecturer | €518 |
| Assistant lecturer | €518 |
| Part-time lecturer (on full hours) | €518 |
| Part-time lecturer (not on full hours) | €279 |

**Please note:** If you have never claimed your flat rate expenses before, the good news is that you can claim them back for the last four years.



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# Tax Credits and Reliefs

### Medical and Non-Routine Dental Expenses

If you have paid for eligible health expenses in the past four years, you will be entitled to claim tax relief.

### How much can be claimed?

You can claim back 20% of your medical and non-routine dental costs. Meanwhile, if you pay for nursing home costs, you may be eligible for relief at your highest rate of tax (up to 40%).

### What costs are eligible for relief?

For a medical expense to be eligible for relief it must be carried out by a registered practitioner (such as a doctor).

## The full list of eligible medical expenses is extensive, and includes:

### Medical expenses

- Doctor and Consultants Fees
- Prescriptions
- Ambulance transport
- Physiotherapy
- Diagnostic procedures
- Maternity care
- Eye care

### Non-routine dental expenses

- Crowns
- Veneers
- Root canal treatments
- Periodontal treatment
- Orthodontic treatment
- Wisdom tooth removal
- Bridgework

### Nursing home expenses

- If you pay for the cost of nursing home fees (for yourself or a loved one) you may be eligible for relief of up to 40%.

### However, you can't claim for tax relief on:

- Routine check ups
- Extractions
- Scaling and filing of teeth
- Provision and maintenance of dentures

Tax Credits and Reliefs

# Marital Status Reliefs

## Year of Marriage Tax Relief

### Who can claim?

If you got married in the last four years, you could be entitled to tax back.

### How does it work?

In the year you're married, both you and your spouse will continue to be treated as single people for tax purposes. However, if the tax you pay as two single people is greater than the tax payable if you were taxed as a married couple, you can claim the difference as a tax refund.

### How much can be claimed?

You can potentially make a saving if:

- Both you and your spouse are working but only one of you pay tax at the higher rate
- Both you are your spouse are working and one spouse has unused credits due to low income
- Only one spouse is working
- One spouse cares for children in the home
- You are disposing of assets or making investments

Exactly how much you can claim will depend on your personal circumstances.

### Home Carer Tax Credit

You can claim the Home Carer Tax Credit (worth €1,600 for 2021) if you are married or in a civil partnership, and you care for one or more dependent persons.

### Year of Separation Relief

- Potentially very valuable
- Additional set of credits
- Assessable spouse on joint income up to date of separation
- Non Assessable spouse from date of separation

### Single Person Child Carer Credit (SPCCC)

You can claim this credit (worth €1,650) if you are a single parent and care for a child on your own.

- Only one parent of a child can claim the SPCCC in a tax year
- You may only claim one credit, even if you care for more than one child
- You will also be entitled to an increased rate band of €4,000 i.e. You can earn an additional €4,000 at the 20% tax rate



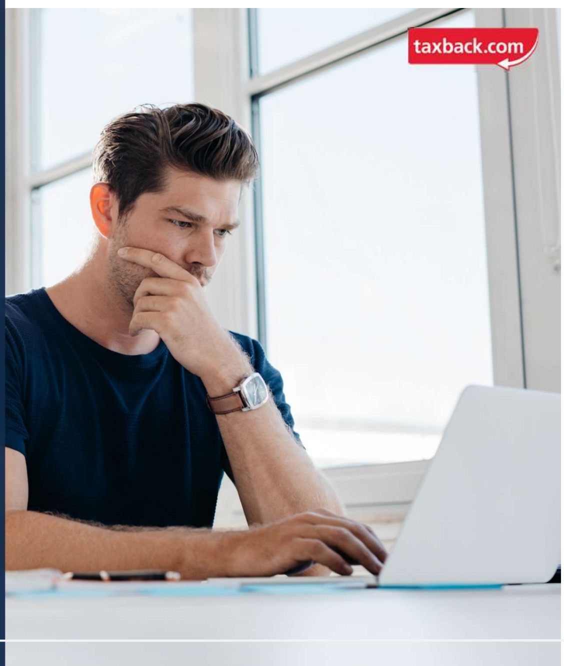
# Tuition Fee Relief

### Did you pay college fees for yourself or someone in your family?

- Third level fee payers can claim tax relief on tuition fees for eligible education courses
- Relief is paid at the standard rate – 20%
- There is a €7,000 limit of fees on which you can claim relief
- Before calculating the tax relief, you must factor in the disregard amount
  - €3,000 full time - €1,500 part time

### Relief is not available in respect of:

- Any part of the tuition fees that are or will be met directly or indirectly by grants, scholarships, by an employer or otherwise.
- Administration, registration or examination fees



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# Remote Worker Tax Relief

## Who can claim?

**You can claim this relief if you work:**

- At home on a full or part-time basis
- Log onto a work computer remotely
- Work developing ideas, products and services remotely

## Your employer may cover your Working from Home costs

- They can pay you €3.20 per day without deducting PAYE, PRSI or USC (tax-free)
- This covers Wi-Fi, heating, electricity and other utility bills

***Note:* There is no obligation on your employer to make this payment.**

## What if your employer doesn't pay?

Where additional expenses are incurred as a result of working from home, you are entitled to claim:

ELECTRICITY AND HEAT - 10% of cost of electricity and heat apportioned on the basis of the number of days worked from home over the year

BROADBAND - In general, 10% of the cost of broadband is apportioned based on the number of days worked from home over the year. However, it is possible to claim 30% of the cost for the duration of the pandemic

*Important to note: If an expense is shared between two or more people, the cost can be apportioned based on the amount paid by each individual.*



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# What is the Stay & Spend Scheme?

Under the scheme, you are entitled to a tax credit equal to 20% of "qualifying expenditure" incurred from 1 October 2020 to 30 April 2021.

Qualifying expenditure includes expenditure on accommodation, food and non-alcoholic drink.

***Note:* Please check that the supplier is on the Revenue's approved list of service providers.**

## How much can you claim?

€125 per person

€250 per couple

You can claim for multiple transactions under two conditions:

- Each transaction is above €25
- You do not exceed the €625, per individual, limit

***Note:* Keep your receipts! You will need them as proof of the expenditure.**

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## How To Contact Taxback.com ?

**Email:** marianryan@taxback.com

**Web address:** www.taxback.com

**Free phone:** 1800 991805

**Phone:** 056 7797345




# THANK YOU!

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