

Income Tax and VAT

Income Tax Worksheet

2

Solutions



Case Study 1

Read the following case study and answer the questions below.

In 2023, Shane earned the following employment income and rental income:

- Schedule E employment income of €24,420
- Schedule D Case V net Irish rental income of €6,000

1. Is Shane required to register for Income Tax starting from the year 2023?
 - Yes, as his net non-PAYE income exceeds €5,000.
2. If required, how could Shane register for Income Tax?
 - Shane could register for Income Tax online using Revenue's e-registration service on myAccount.
3. Does Shane need to file an Income Tax Return (Form 11) for 2023? **Yes** / No
4. If required, by what date would Shane need to file the Income Tax Return (Form 11) for 2023?
 - He is required to file his Income Tax Return (Form 11) for 2023 on or before the pay and file deadline of 31st October 2024, or approximately two weeks later if paying and filing through ROS.

Case Study 2

Read the following case study and answer the questions below.

In 2023, Aisha was employed by her company ABC Ltd. and earned self-employed income as a hairdresser. A breakdown of her income is shown below:

- Schedule E employment income of €45,240
- Schedule D Case V net income of €4,500

1. Is Aisha required to register for Income Tax starting from the year 2023? Yes / **No**
2. Does Aisha need to pay Preliminary Tax for 2024? Yes / **No**

Case Study 3

Read the following case study and answer the questions below.

In 2023, Somto was employed by Ireland Ltd. and earned self-employed income as a professional accountant. A breakdown of his income is shown below:

- Schedule E employment income of €15,965
- Schedule D Case V gross Irish rental income of €49,200

Somto filed his self-assessed Income Tax Return on 14th December 2024

1. Is Somto required to file a self-assessed Income Tax Return (Form 11) for 2023? **Yes** / No
2. If required, did Somto file the Income Tax Return (Form 11) for 2023 on or before the pay and file deadline? Yes / **No** (He did not file on time, as he should have filed it by the 31st October 2024)
3. If not filed on or before the pay and file deadline, will a surcharge apply? **Yes** / No
4. If a surcharge of €786 is applied to Somto's tax liability of €15,724, calculate Somto's total tax liability including the surcharge.
 - $€15,724 + €786 = €16,510$

Case Study 4

Read the following case study and answer the questions below.

In 2023, Aoife was employed by XYZ Ltd. and had a foreign rental income. A breakdown of her income is shown below:

- Schedule E employment income of €42,150
- Schedule D Case III net foreign rental income of €14,650

Aoife filed her self-assessed Income Tax Return (Form 11) and made the payment for her outstanding tax liability on 2nd February 2025.

1. Did Aoife make the payment for her outstanding tax liability on time? Yes / **No** (Payment should have been made on 31st October 2024)
2. If Aoife did not make the payment for her outstanding tax liability on time, will interest apply? **Yes** / No
3. If interest of €131 is applied to Aoife's tax liability of €4,347, calculate Aoife's total tax liability including the interest.
 - $€4,347 + €131 = €4,478$