

“Take up a job ...  
... and end up with less”

**MORE!**

## **HAVE YOU BEEN OUT OF WORK FOR SOME TIME, AND ARE NOW TAKING UP A JOB?**

If the answer is **YES**, then you may be able to claim additional tax allowances. Revenue Job Assist is a scheme available to help people who have been unemployed for 12 months or more, or single parents who have been similarly unemployed, to take up a job.

A similar leaflet (IT 59) is available for employers which informs them how they can benefit.

## HOW DOES REVENUE JOB ASSIST WORK?

- ◆ **IF YOU HAVE BEEN OUT OF WORK FOR 12 MONTHS OR MORE**  
and now
- ◆ **TAKE UP A QUALIFYING JOB**  
you may get
- ◆ **ADDITIONAL TAX ALLOWANCES OVER THREE TAX YEARS**  
and you may
- ◆ **RETAIN YOUR MEDICAL CARD & SECONDARY BENEFITS** (see page 8)

## HOW DO I QUALIFY FOR THIS SCHEME

To qualify for this scheme you must have been continuously unemployed for the 12 months immediately prior to the date you start the job. During those 12 months you must have been in receipt of one of the following payments from the Department of Social and Family Affairs:

- ◆ Jobseeker's Benefit
- ◆ Jobseeker's Assistance
- ◆ One-Parent Family Payment
- ◆ Disability Allowance
- ◆ Blind Persons Pension

With effect from the **1<sup>st</sup> of January 2006**, the following payments from the Department of Social and Family Affairs also qualify :

- ◆ Illness Benefit - where you have been in receipt of the payments for a continuous period of at least three years
- ◆ Invalidity Pensions - where you have been in receipt of the payments for a continuous period of at least one year

## What if I was on a FÁS course or a training scheme?

Time spent on:

- ◆ Certain FÁS training courses (non-apprenticeship)
- ◆ The Community Employment Scheme
- ◆ The Job Initiative programme
- ◆ The “Workplace” 5 week job experience programme
- ◆ The Back to Education scheme administered by the Department of Social and Family Affairs

will also count as periods of unemployment for Revenue Job Assist provided you were in receipt of one of the payments listed previously, immediately prior to commencing the course or scheme.

## What if I was in prison?

Time spent in prison will count as a period of unemployment for Revenue Job Assist if you fall into one of the following categories:

- ◆ With effect from **31<sup>st</sup> of July 1998** prisoners released under the terms of the Good Friday Agreement can qualify for this relief provided the period spent in prison was for a continuous period of **at least 12 months**, immediately prior to the date you started this job
- ◆ With effect from the **1<sup>st</sup> of January 2006**, if you have been released from prison then periods spent in prison are deemed equivalent to periods of unemployment.

## TAKING UP A JOB

Revenue Job Assist only applies if you are taking up a job. It does not apply if you are becoming self-employed.

The job you are taking up must:

- ◆ Start on or after 6 April 1998
- ◆ Be for a minimum of 30 hours per week
- ◆ Be capable of lasting at least 12 months

You cannot claim the additional tax allowances if you are benefiting from any other employment scheme such as the 'Back to Work Allowance Scheme', administered by the Department of Social and Family Affairs.

There are also certain conditions attaching to the job which you are taking up.

For example:

- ◆ The employment must not be primarily commission based (i.e. over 75% of earnings derived from commission)
- ◆ The previous holder of the job must not have been unfairly dismissed
- ◆ There must have been no redundancies in the company in the previous 26 weeks
- ◆ It must not be an employment where the employer requires no workforce

If you are in doubt, your new employer will be able to inform you whether or not the job you are taking up qualifies in this regard.

## ADDITIONAL TAX ALLOWANCES

The additional tax allowances are an extra personal tax allowance and a child tax allowance for each qualifying child. These allowances are marginally rated which means they are allowed at the individual's highest rate of tax and appear as an increase to your tax credits and Standard Rate Cut Off Point on the Tax Credit Certificate.

The Revenue Job Assist is added to your other tax credits and Standard Rate Cut Off Point and can be claimed for three years. Also, this tax allowance can be claimed irrespective of your marital status.

	<b>Extra Personal Tax Allowance</b>	<b>Child Tax Allowance for each qualifying Child</b>
<b>Year 1</b>	€3,810	€1,270
<b>Year 2</b>	€2,540	€850
<b>Year 3</b>	€1,270	€425

### What income can I claim the tax allowances against?

The tax allowances can only be set against income from the new job.

### When can I claim the tax allowances?

You can start to claim the tax allowances either:

- ♦ in the tax year\* in which you take the job

or

- ♦ in the following tax year

\* The tax year runs from 1 January to 31 December

For example, if you take up a job on 1 June 2006, you can start claiming the tax allowances in either the tax year 2006 or 2007. If your income from the new job in the first year is low, it may be more beneficial to wait until the following tax year to start claiming so that you will get the full benefit of the allowances.

Revenue's LoCall operators will be happy to assist you choose in which tax year it would be more beneficial for you to start claiming the allowances. Please see the LoCall contact numbers for your Regional Revenue Office at the end of this leaflet.

### Example

John is a married man with two children. He takes up a Revenue Job Assist qualifying job on the 1<sup>st</sup> of June 2006 and expects to earn €18,000 to the 31<sup>st</sup> of December 2006. He has also received €4,000 in taxable Jobseeker's Benefit to that date. His total taxable income for 2006 is therefore €22,000. John's highest rate of tax is 20%. His 2006 income tax liability is €22,000 @ 20% = €4,200 less tax credits.

John's tax credits for 2006 are €6,020 - made up as follows:

Married Person's Credit	€3,260
PAYE Credit	<u>€1,490</u>
Total Ordinary Credits	<b>€4,750</b>

Plus:

Personal Job Assist Allowance	€3,810	
Child Job Assist Allowance (€1,270 x 2)	<u>€2,540</u>	
Revenue Job Assist Tax Credit	€6,350	@ 20% <b>€1,270</b>

In this case it is more beneficial for John to wait until the tax year 2007 to start claiming the Revenue Job Assist Allowances as his ordinary tax credits of €4,750 cover his income tax liability of €4,200 arising from his taxable income of €22,000 for 2006.

For 2007, he will have tax credits of €6,550 (Married Person's Credit €3,520 + PAYE Credit €1,760) plus the additional Revenue Job Assist tax credits of €1,270 making his total credits €6,550.

If John had started to claim the Revenue Job Assist tax credits in 2006, he would have lost the benefit of the Job Assist Allowances for 2006 as his income did not require them and, in addition, as he would now be in his second year of the Revenue Job Assist scheme, his total credits for 2007 would be only €6,128 i.e.

Married Person's Credit	€3,520
PAYE Credit	<u>€1,760</u>
Total Ordinary Credits	<b>€5,280</b>

Plus:

Personal Job Assist Allowance (Year 2)	€2,540	
Child Tax Allowance (€850 x 2)	<u>€1,700</u>	
Revenue Job Assist Tax Credit	€4,240	@ 20%    €848
Total Tax Credits for 2007		<b>€6,128</b>

## How do I qualify for the extra child tax allowance?

An extra tax allowance can be claimed for each qualifying child. A qualifying child is a child of yours who is:

- ♦ Under 18 years of age
- or
- ♦ Over 18 years of age **and** in full-time education or full-time training as an apprentice where the training is for at least two years
- or
- ♦ Physically or mentally incapacitated, having become so either while undergoing full-time education or while under 21 years of age

The child must be resident with you for the whole or part of the tax year.

## Can two people claim for the same child?

Yes, but only one allowance can be claimed for each qualifying child in any year. If two people are entitled to claim for the same child then the allowance is split between them as follows:

- ♦ Where the child is maintained by one person only, then that person receives the allowance
- ♦ Where the child is maintained jointly, then the allowance is split either in the same proportion as they each maintain the child or in such manner as they jointly decide.

### Example

John and Mary have both taken up jobs and each of them is entitled to claim the additional child tax allowance. They have two qualifying children. John contributes €3,000 each year towards the children's upkeep and Mary contributes €1,000.

The tax allowance for the two children in Year 1 is €2,540 (€1,270 x 2)

<b>John will be allowed</b> €2,540 x $\frac{3}{4}$ * = €1,905	* €3,000/€4,000
<b>Mary will be allowed</b> €2,540 x $\frac{1}{4}$ ** = €635	** €1,000/€4,000

John and Mary could also jointly decide to let one of them claim the child tax allowance in full or to have that allowance split between them in any other way.

Each of course will be entitled to the €3,810 personal tax allowance for the first year of the claim.

### What happens if I change jobs?

If you change jobs once during the 3 years you can still keep the allowance. If however, you move on to a third job you will lose the allowance.

**Note:** You can only claim this relief for one 3 year period. If you claim the relief, become unemployed and then return to work again in the **same** 3 year period, you can continue to claim. If you claim the relief, become unemployed and return to work **after** the three year period, you cannot claim the relief.

### Can I retain my medical card and secondary benefits?

Under Revenue Job Assist you can retain your medical card for 3 years from the date you return to work.

You may also retain secondary benefits such as rent/mortgage subsidy, fuel allowance, etc. for 3 years, **subject to certain income limits and other conditions**. For queries in relation to entitlement, or otherwise, to secondary benefits, please contact the Health Service Executive directly.

### Can I claim the Family Income Supplement (FIS)?

Yes, you can claim FIS (a weekly tax-free payment) if your family income falls below a certain limit. For further details contact the FIS Section in the Department of Social and Family Affairs at (01) 704 3000 or (043) 45211.

## HOW DO I MAKE A CLAIM?

There is a claim form RJA1 attached to this leaflet.

There are two parts to this form:

- ◆ Part 1 must be completed by you
- ◆ Part 2 must be completed by your employer to certify that the job you are taking up qualifies for the scheme.

When both parts of the form have been completed you should forward it to your Regional Revenue Office either in person or in an envelope marked "Freeport" (no stamp required).

## FURTHER INFORMATION

This leaflet is for general information only.

If you require further information you can visit [www.revenue.ie](http://www.revenue.ie) or phone your Regional Revenue Office whose LoCall number is listed below.

- ◆ **Border Midlands West Region** **1890 777 425**  
Cavan, Monaghan, Donegal, Mayo,  
Galway, Leitrim, Longford, Louth, Offaly,  
Roscommon, Sligo, Westmeath
- ◆ **Dublin Region** **1890 333 425**  
Dublin (City and County)
- ◆ **East & South East Region** **1890 444 425**  
Carlow, Kildare, Kilkenny, Laois,  
Meath, Tipperary, Waterford,  
Wexford, Wicklow
- ◆ **South West Region** **1890 222 425**  
Clare, Cork, Kerry, Limerick

All calls are charged at local rates.

If you are calling from outside the Republic of Ireland, please phone 00 353 (1) 702 3011.

Website address: [www.revenue.ie](http://www.revenue.ie)

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**IT 58**

**EMPLOYER DETAILS**

Name

Address

Employer's PAYE Registered Number

**DETAILS (Complete in full)**

Employee's Name  Employee's PPS Number

Date of commencement of job \_\_\_ / \_\_\_ / \_\_\_

Number of hours worked each week

Is the job capable of lasting at least 12 months? Yes  No

Amount of Gross Pay for job (please tick (✓) whichever of the following apply and enter the amount)

Weekly  €  Fortnightly  €  Monthly  €

**CERTIFICATION BY EMPLOYER (Please read the following carefully)**

A qualifying employment for the purposes of **Revenue Job Assist** is one which:

- Starts on or after 6 April 1998
- Is for a minimum of 30 hours per week
- Is capable of lasting at least 12 months.

**Revenue Job Assist** does not apply to:

- Mainly commission based jobs (i.e. not more than 75% of the wages can consist of sales commission)
- Jobs already grant aided by other agencies (statutory or otherwise)
- Jobs supported under existing schemes such as the Back to Work Allowance Scheme administered by the Department of Social and Family Affairs and Jobstart administered by FÁS
- Jobs created where the previous holder of the job was unfairly dismissed
- A proprietary director of the company or the spouse of such a director.

You may not benefit under this scheme in respect of an employment if the number of your employees has been reduced by way of redundancy in the 26 weeks prior to the date of commencement of the employment. However, the genuine replacement of an existing employee will qualify (e.g. replacing an employee who retires or voluntarily leaves the employment).

Having read the above, I hereby certify that the employment is a qualifying employment as set out above.

Signature  Date \_\_\_ / \_\_\_ / \_\_\_

Daytime Telephone No.  Email Address

*Have Part 1 (overleaf) completed by the employee*

## PERSONAL DETAILS

Name  Marital Status Please tick (✓) Single  Married  Widowed   
 Address   
 Separated / Divorced   
 Date of Marriage \_\_\_ / \_\_\_ / \_\_\_ Spouse's Name   
 PPS Number  Spouse's PPS Number

## SECTION 1 - SOCIAL WELFARE DETAILS (must be completed in all cases)

Please complete the following in relation to any Social Welfare Payment(s) you were in receipt of for the last 2 years (or 4 years if you were on Disability Benefit)

Payment Type  from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_

Payment Type (2)  from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_

## SECTION 2 - FÁS DETAILS (if you were not on a FÁS Scheme leave blank and move to Section 3)

During the last 12 months please tick (✓) whichever of the following apply and enter the relevant dates:

FÁS non-apprenticeship course from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_  Community Employment Scheme from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_  Job Initiative programme from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_

Workplace programme from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_

Please state the address of the FÁS office with which you were dealing:

## SECTION 3 - Prisoners (If you were in prison for any period over the last two years complete this section otherwise move on to Section 4)

Period of Imprisonment from \_\_\_ / \_\_\_ / \_\_\_ to \_\_\_ / \_\_\_ / \_\_\_

If you were released under the terms of the Good Friday Agreement please tick (✓) here

## SECTION 4 - CLAIM DETAILS (must be completed in all cases)

In relation to this job, are you benefiting from any other employment scheme (e.g. Back to Work Allowance Scheme)?

Yes  No  If the answer is yes, please give details

Do you wish to start claiming the credit in (please tick ✓) The current tax year  Next tax year

## SECTION 5 - CHILD TAX ALLOWANCE (only complete if you are claiming an additional tax allowance for children. Otherwise, sign the declaration in Section 6 and give Part 2 to your employer for completion)

Do you wish to claim an additional tax allowance for child(ren)? If so, please give the following details:

Name of Child	Date of Birth	Name of school if receiving full-time education -or- Name of employer if undergoing training of not less than 2 years duration -or- Nature of incapacity, if relevant
<input type="text"/>	___ / ___ / ___	<input type="text"/>
<input type="text"/>	___ / ___ / ___	<input type="text"/>
<input type="text"/>	___ / ___ / ___	<input type="text"/>

Is any other person(s) entitled to claim for the same child(ren) under this scheme? Yes  No  If the answer is yes, please state:

Name of Person  Relationship to child(ren)  PPS Number

The yearly amount contributed by you towards the maintenance of the child(ren) €

The yearly amount(s) contributed by others towards the maintenance of the child(ren) €

The child tax allowance will be split on the basis of amounts contributed towards the maintenance of the child(ren). However, if you wish to have the child tax allowance split between you in any other way please give details here in any other way please give details here:

To be allocated to self €  To be allocated to others €

## SECTION 6 - Declaration (must be completed in all cases)

I declare that all of the information given by me on this form is correct to the best of my knowledge and belief.

Signature  Date \_\_\_ / \_\_\_ / \_\_\_

Daytime Telephone No.  Email Address

Have Part 2 (overleaf) completed by your employer