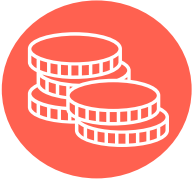


Income Tax 2024: Insights on PAYE Taxpayers



€42,100
average gross pay per employee



Employers
194,900



Employments
4.45m

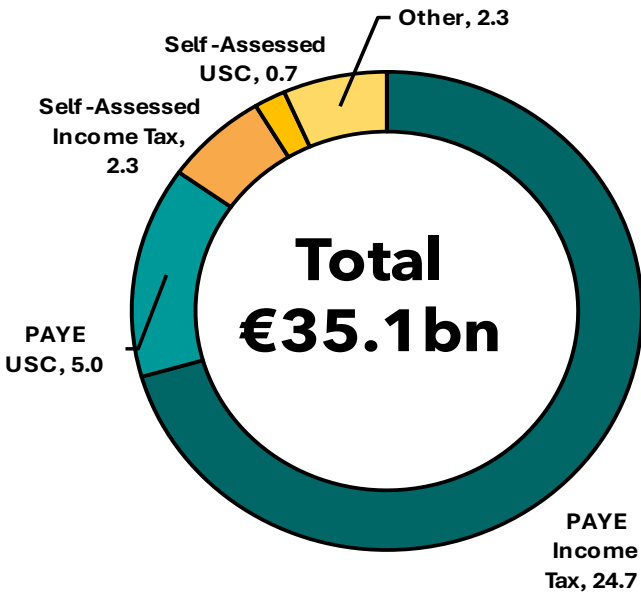


Employees
3.4m



1 in 3
employees
paid into a pension

Net Income Tax Receipts



Employee Characteristics



52% Male
48% Female



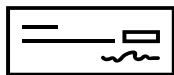
75% Irish
3% Polish
3% Indian
2% British
2% Romanian

Tax liability increase for Continuing Employments



€2.3b

Net Tax Effect from Employment Churn



- €100m

Sectors



Wholesale and Retail had the largest share of employments at 13%



Information and Communication had the highest average gross pay per employment at €70,600

Key Findings:

Income Tax is the second largest tax-head, representing 33 per cent of net tax receipts in 2024.

Gross receipts of €39 billion were collected in 2024. Following repayments of €3.9 billion, the net transfer to the Exchequer in the year was €35.1 billion, a 7 per cent increase from 2023.

There were 3.4 million employees in 2024 who held 4.39 million employments.

Irish nationals made up the largest proportion of employees at 75 per cent. The next most common nationalities were Polish (3 per cent), Indian (3 per cent) and British (2 per cent).

In 2024, the average annual gross pay per employee was €42,100 with the equivalent figure per employment being €32,000.

75 per cent of 2024 employments continued from 2023, driving higher Income Tax receipts. New employment creation slowed, contributing to modest net employment gains and tax yield from job churn was slightly negative.

40 per cent of gross income was earned by the employments in the top decile. However, the incidence of Income Tax and USC contributions is highly progressive, with the top decile accounting for 59 per cent of income tax and 60 per cent of USC contributions in 2024.

1 in 3 employees made a pension contribution in 2024. There were €1.1 million pension contributors in total, a 6 per cent increase in 2023. Most employees earning less than €40,000 did not make pension contributions.

Commentary:

Income Tax receipts continued to grow in 2024, increasing by €2.2 billion (7 per cent) compared to 2023. This increase is primarily driven by persistently high employment levels and growth in gross pay. The proportion of income tax receipts to total tax receipts decreased by 5%, primarily due to the increase in Corporate Tax receipts in 2024. The majority of income tax revenue is derived from PAYE employees but there is sustained year-on-year growth in DIRT receipts, which grew by 328% in 2024. There were €3.4 million employees in 2024 who held 4.39 million employments with the largest concentration of employees in the Wholesale and Retail sectors, followed by Human Health and Financial and Insurance Activities. Most sectors experienced an increase in average yearly gross pay compared to 2023, particularly in Arts Entertainment (11%) and Accommodation and Food Service (9%). 1 in 3 employees contributed to their pension in 2024 according to real-time payroll data. Compared to 2023, there were more than 60,000 (6 per cent increase) individuals contributing to a pension in 2024. Employees earning between €30,000 and €60,000 make up 41% of all pension contributors. Across all income bands, the average percentage of income allocated to pension contributions ranges from 3 per cent to 7 per cent.

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Further statistical detail on Income Tax can be found here:

<https://www.revenue.ie/en/corporate/information-about-revenue/statistics/personal-taxes/index.aspx>

Previous annual reports on Income Tax can be found here:

<https://www.revenue.ie/en/corporate/information-about-revenue/statistics/personal-taxes/income-tax-reports/index.aspx>

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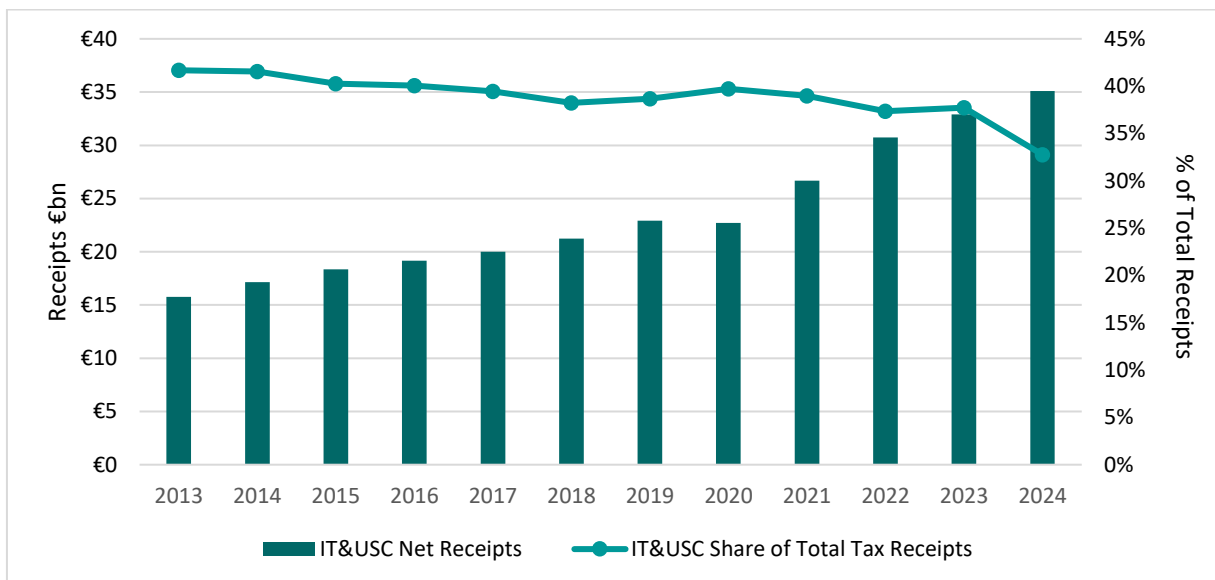
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1 Introduction

Revenue's gross receipts of Income Tax ("IT"), including Universal Social Charge ("USC"), in 2024 were €39 billion. With repayments of €3.9 billion, the net transfer to the Exchequer in the year was €35.1 billion, which was €2.2 billion (7 per cent) higher than 2023.

IT (including USC) is the second largest tax head in receipts terms, making up 33 per cent of the overall net tax receipts in 2024. This is almost a 5 per cent decrease in the proportion of income tax as share of total receipts compared to 2023, primarily due to exceptional Corporation Tax receipts during 2024. Growth in net receipts in 2024 continued the trend of the last four years. Receipts in 2024 were over double the level recorded 10 years previously, reflecting a sustained period of strong labour market growth.

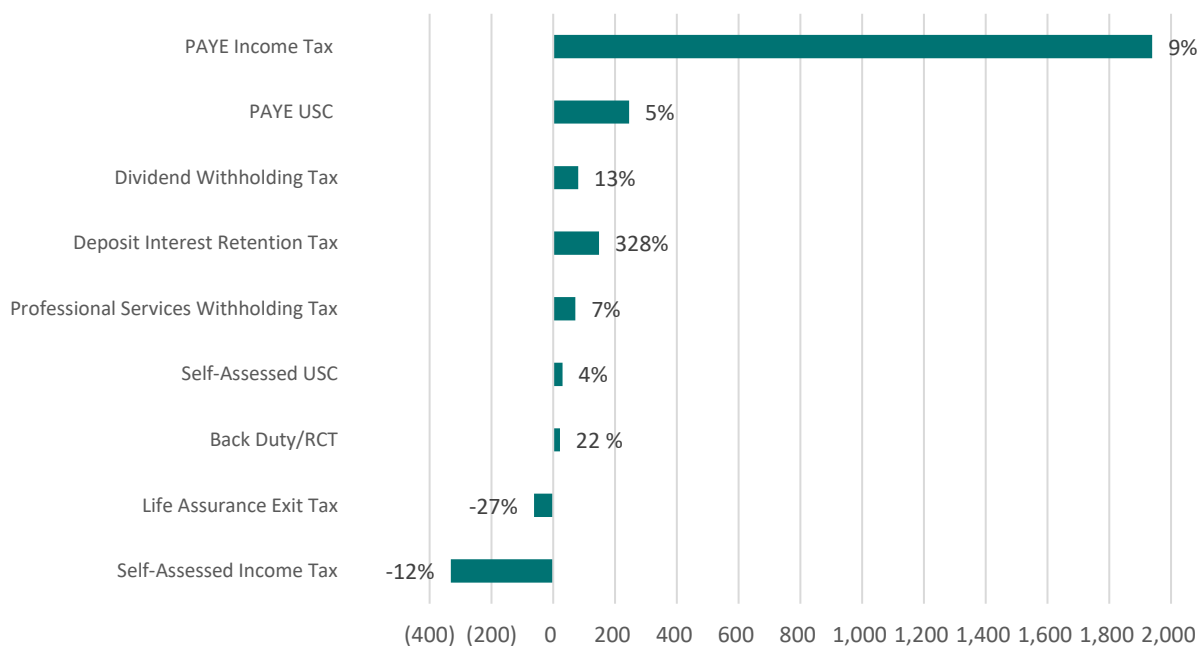
Figure 1: Income Tax Receipts



Source: Revenue analysis.

A large majority of IT net receipts in 2024 were made up of PAYE IT including PAYE USC (85 per cent). Schedule D self-assessed IT (including USC) made up 9 per cent of receipts. Aside from this, Professional Services Withholding Tax (3 per cent) and Dividend Withholding Tax (3 per cent) are relatively large contributors, with the balance being made up by RCT, LAET (Life Assurance Exit Tax), and DIRT.

Figure 2 illustrates there has been growth across many Income Tax subheads in 2024. PAYE IT and PAYE USC combined account for most of the net year-on-year increase. In terms of year-on-year percentage change, DIRT had the largest increase from 2023 (328% increase), continuing the trend of the previous year of a 221% increase, reflecting the recent higher interest rate environment. Self-Assessed Income Tax decreased by approximately 12 per cent. Self-Assessed USC, however, increased at a similar rate to PAYE USC, by 4 per cent.

Figure 2: Change in Income Tax Receipts by Subhead, 2024 vs 2023, € million

Source: Revenue analysis.

Table 1: Revenue Net Receipts

Duties Taxes & Levies	2023 Net Receipts	2024 Net Receipts	2024 Net Receipts	2024 share of Total Income Tax Receipts
	€ bn	€ bn	+/- 2023	%
PAYE Income Tax	22.7	24.7	1.9	70
PAYE USC	4.8	5.0	0.2	14
Self-Assessed Income Tax	2.7	2.3	-0.3	7
Self-Assessed USC	0.7	0.7	0.0	2
Life Assurance Exit Tax	0.2	0.2	0.0	0
Deposit Interest Retention Tax	0.0	0.2	0.1	1
Professional Services Withholding Tax	1.1	1.1	0.1	3
Dividend Withholding Tax	0.6	0.7	0.1	2
Back Duty/RCT	0.1	0.1	0.0	0
Total Income Tax and USC	32.9	35.1	2.2	

Source: Revenue analysis

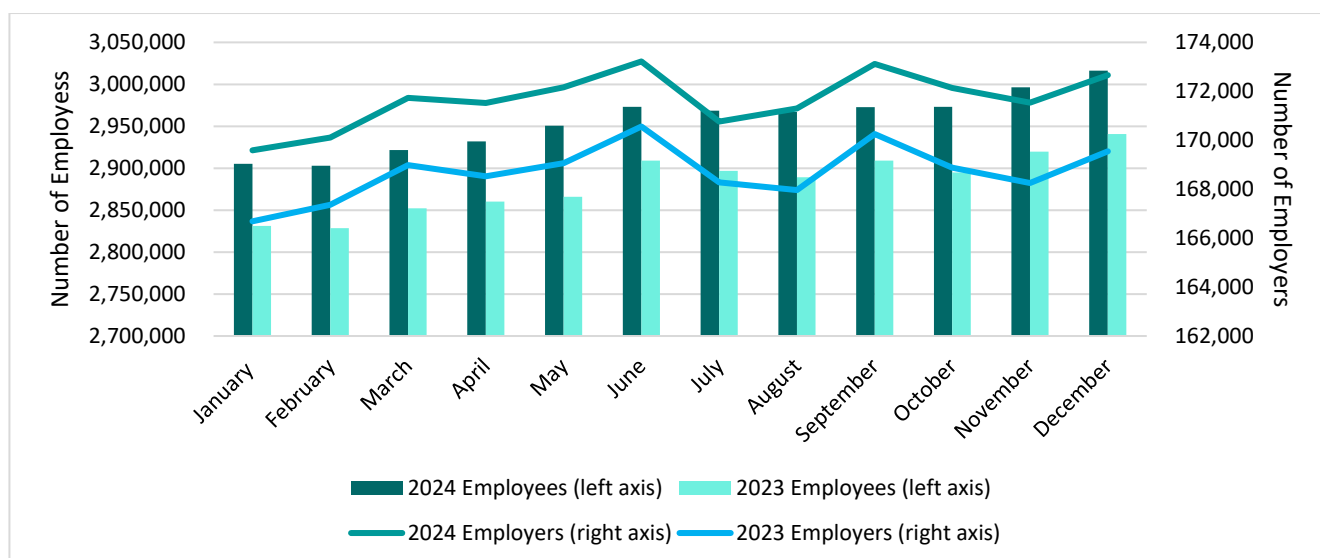
2 PAYE Overview

This and the following sections provide a statistical overview of the primary component of receipts, PAYE taxpayers, using real-time payroll data from Revenue's PAYE system. The payroll data includes information in relation to those in receipt of occupational pensions and as such the data below in relation to employees and employments includes both current employees and those in receipt of an occupational pension. Section 7.4 looks at pension recipients specifically and the challenges with identifying them from the payroll data.

2.1 Employees and Employer Size

There were 3,396,230 employees recorded on payroll in 2024. As shown in Figure 3, the number of people in active employment in 2024 was higher than 2023 for every month of the year; on average there were 73,500 additional employees in each month of 2024 compared to 2023.¹ This trend is also observed for employers, with an additional 3,000 employers per month on average compared to 2023. Similar to 2023, December had the highest number of employees, likely illustrating the seasonal demand for workers.

Figure 3: Number of Employees and Employers 2023 and 2024



Source: Revenue analysis.

Table 2 and Table 3 provide breakdowns of the number of employers and employments based on the size of the employer.² Two measures of size are used – the Revenue Division of the employer and the number of people employed in the enterprise.

¹ Throughout this paper, active employment is defined as appearing at least once on payroll records with non-zero gross income. As such, it includes both those in paid employment and those in receipt of occupational pensions.

² An employee can have more than one employer, so the level of employments always exceeds the level of employees.

As can be seen in Table 2, the number of employments and employers broken down by the size of the employer, as measured by number of employees, increased in 2024 with a roughly 1.7 and 1.3 percent increase in employers and employments respectively.

Table 2: Number of Employers and Employments by Range of Employees

Employee Range	Number of Employers 2023	Number of Employers 2024	Growth in Number of Employers	Number of Employments 2023	Number of Employments 2024	Growth in Number of Employments
1-9	146,600	149,100	1.7%	429,200	434,900	1.3%
10-49	35,100	36,000	2.6%	723,400	738,000	2.0%
50-249	8,100	8,100	0.0%	785,900	800,200	1.8%
250+	1,800	1,800	0.0%	2,448,800	2,473,200	1.0%
Total	191,600	194,900	1.7%	4,387,300	4,446,400	1.3%

Source: Revenue analysis.

Table 3 presents an alternative view of the same data. Both Medium Enterprises Division and Personal Division saw a decrease in employer numbers (down by 1 per cent and 1.1 per cent respectively) with the employment numbers increasing by 0.1 per cent and 9.8 per cent respectively. Both number of employers and employments increased (by 1.2 per cent and 3.1 per cent respectively) in the Business Division. The number of employers remained static for both the Large Corporates and High Wealth and Financial Services Divisions whilst the employee numbers in both divisions decreased slightly by 1.8 percent and 0.8 per cent respectively.

Table 3: Number of Employers and Employments by Revenue Division³

Revenue Division	Number of Employers 2023	Number of Employers 2024	Growth in Number of Employers	Number of Employments 2023	Number of Employments 2024	Growth in Number of Employments
Business	170,300	172,300	1.2%	1,364,400	1,406,500	3.1%
Medium Enterprises	9,700	9,600	-1.0%	1,841,600	1,843,400	0.1%
Personal	9,300	9,200	-1.1%	167,100	183,400	9.8%
Large Corporates	1,200	1,200	0.0%	622,600	611,400	-1.8%
HW&FSD*	2,800	2,800	0.0%	398,800	401,800	-0.8%

Source: Revenue analysis.

Note: taxpayers in the Business Division are typically micro and small SMEs; taxpayers in the Medium Enterprises Division are typically medium-sized SMEs and includes Civil and Public Service bodies; taxpayers in the Personal Division have only PAYE income or are trusts, charities etc.; taxpayers in the Large Corporates Division are the State's largest businesses; taxpayers in High Wealth and Financial Services Division are the State's wealthiest individuals and Financial Services organisations.

Overall, the data shows that there was a moderate annual increase in the number of employers and employees. Section 4 discusses Employment Churn in further detail.

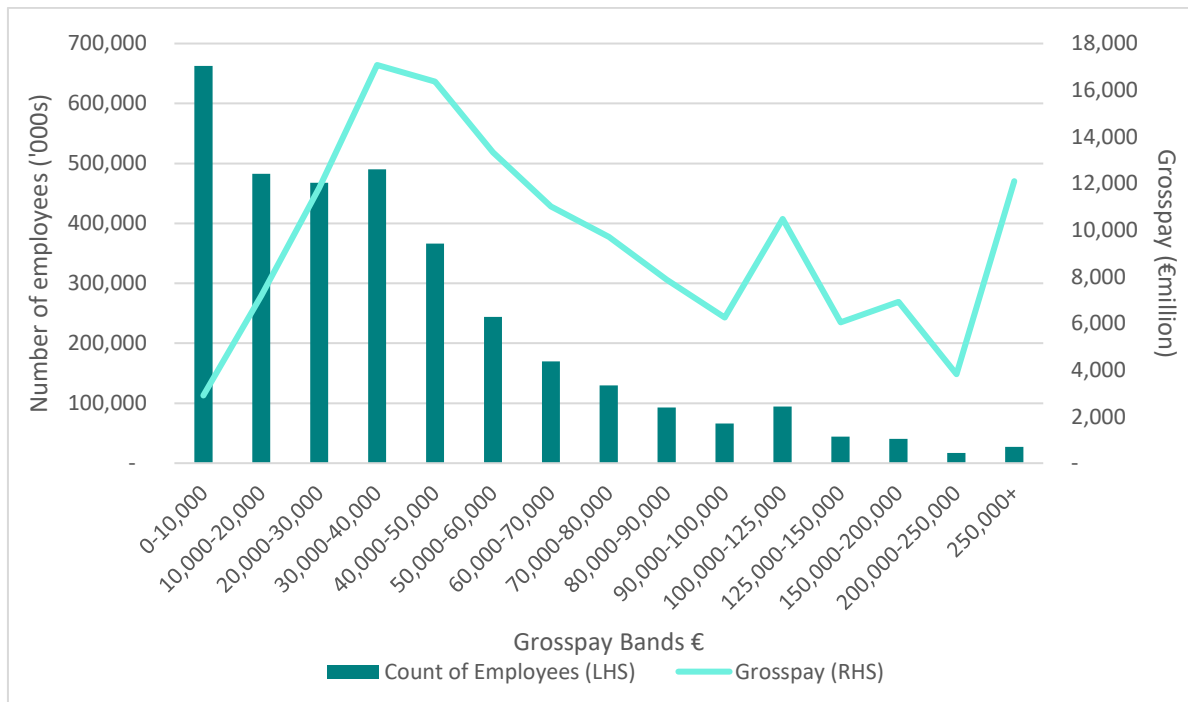
³ LC-HWID was restructured and renamed High Wealth and Financial Services Division (HW&FSD) mid-year in 2024. This restructuring involved the incorporation of financial services branches which were previously in LCD. As a result, the table is revised for 2023 and divisions updated based on the current allocation.

2.2 Gross Pay

Figure 4 presents the distribution of employees and annual gross pay (throughout this section gross pay refers to the gross income reported through payroll systems). As can be seen, there is a large concentration of employees at the lower end of the distribution particularly between the 0-€10,000 range which makes up almost 20% of the number of employees. However, this cohort only makes up approximately 2 per cent of the total gross pay for the year. On the other end of the distribution, those who earned over €100,000 made up roughly 6.6 per cent of employees but 27 per cent of the total gross pay. It should be noted that the number of hours worked is not available in the payroll submissions to Revenue, but it is likely that the data includes many employees who worked part-time hours and/or on a temporary basis.

Average (mean) gross pay for all employees in 2024 was €42,100, a 6 per cent increase compared to 2023⁴. The median gross pay for all employees in 2024 was €31,600.

Figure 4: Distribution of Employees and Annual Gross Pay



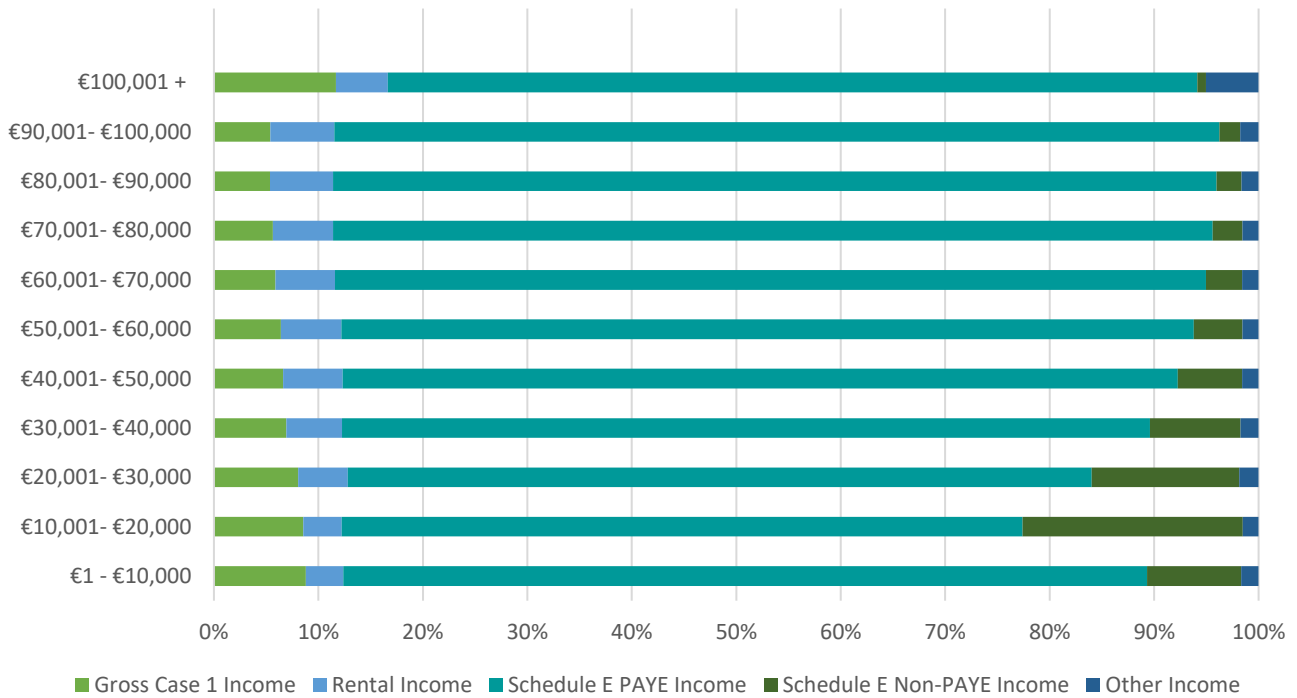
Source: Revenue analysis.

2.3 Non-PAYE Income

PAYE employees may also derive income from sources other than paid employment. If taxable non-PAYE income exceeds €5,000 or gross non-PAYE income exceeds €30,000, they must register for Income Tax self-assessment. Figure 5 presents income shares for those taxpayers with employment income who are registered as an assessable person for income tax and file a

Form 11 tax return, or who are the spouse of an assessable person in a jointly assessed tax unit. This analysis is based on 2022, the latest year for which the full suite of tax returns is available for analysis currently.

Figure 5: Distribution of Income Sources for Those with an Employment Income who are also Registered for Income Tax

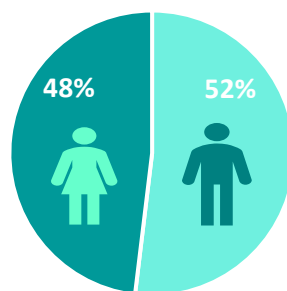


Source: Revenue analysis of consolidated 2022 data.

2.4 Sex Breakdown

In 2024, there was a slight majority of males in the overall total number of employees recorded on payroll data, as shown in Figure 6. This is the same ratio as in 2023 and 2022. There was 1.76 million male employees and 1.63 million female employees recorded on payroll data.

Figure 6: Distribution of Employee Sex



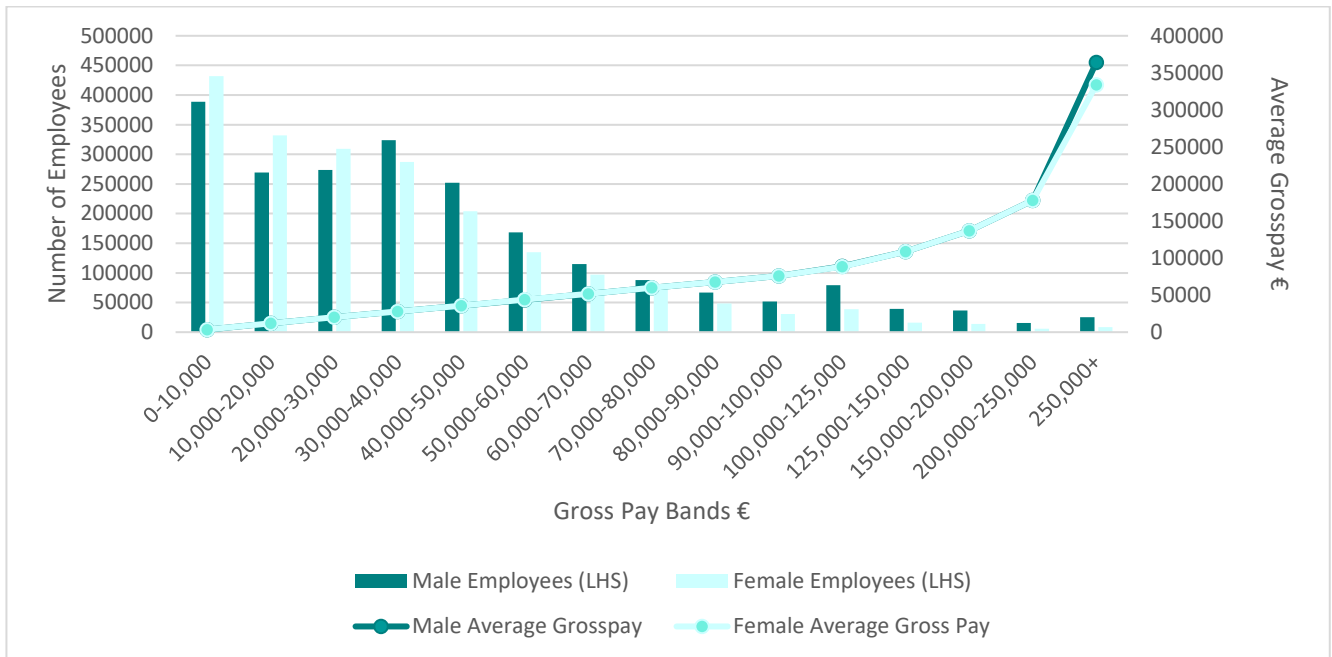
Source: Revenue analysis.

Figure 7 presents the distribution of employees and annual mean gross pay by sex. As can be seen, females make up the majority in the first three gross pay ranges and in all other ranges

male employees make up the majority. In terms of the mean gross pay, this was similar for male and female employees within each income range except for the €250,000+ range where the mean gross pay of males is slightly greater.

Average (mean) gross pay for male employees in 2024 was €47,600, while it was €36,200 for female employees.⁵

Figure 7: Distribution of Employees and Annual Mean Gross Pay by Sex



Source: Revenue analysis.

2.5 Employee Nationality

Table 4 presents the top 10 breakdown of employee nationalities for 2023. Figure 8 goes on to illustrate the top 20 nationalities. Irish nationals made up the largest proportion of employees at 75 per cent of the share. The next most common nationalities were Polish which made up 3 per cent, Indian which made up 3 per cent and British which also made up 2 per cent. Indian is the third most common nationality, overtaking British which was in third place in 2023.

³ The average income is a mean average based on all individuals who appeared at least once on a payslip in 2024, and therefore includes a range of scenarios including those working part-time, full-time, permanent, temporarily, seasonal workers etc.

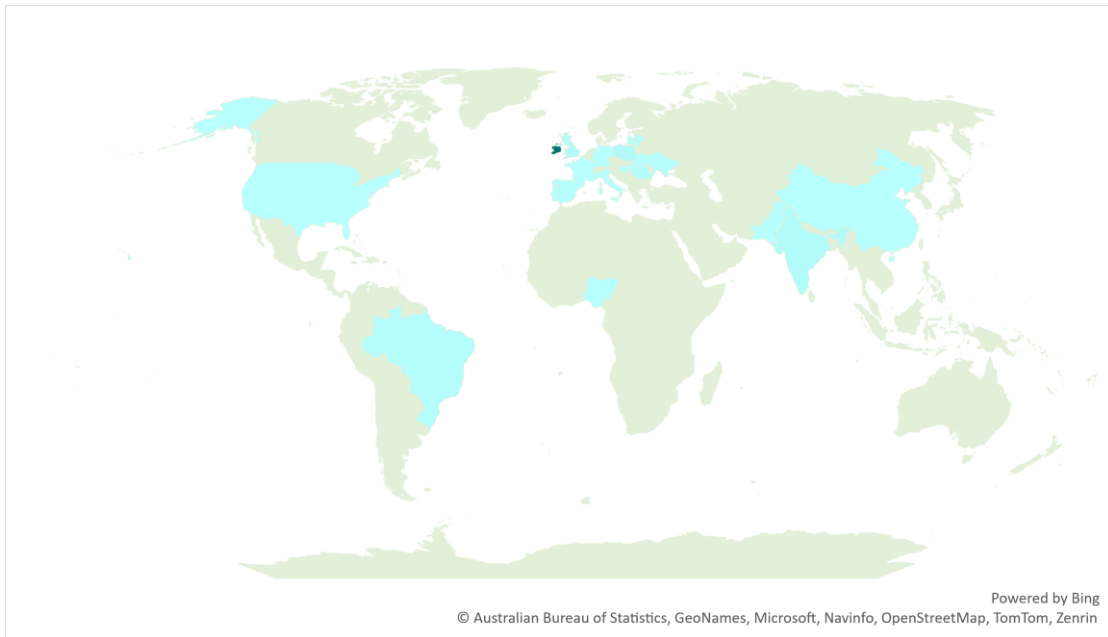
Table 4: Employee Nationality (Top 10)

Nationality	% of Employees
Irish	75%
Polish	3%
Indian	3%
British	2%
Romanian	2%
Brazilian	2%
Ukrainian	1%
Lithuanian	1%
Spanish	1%
Italian	1%
Other	10%
Total	100%

Source: Revenue analysis.

Only includes those where a nationality is identified (over 96% of employees are included).

Figure 8: Employee Nationality Map (Top 20)



Source: Revenue analysis.

Only includes those where a nationality is identified (over 96% of employees are included).

2.6 Age

Table 5 presents the average annual gross pay and tax broken down by age range. As can be seen, there is a relatively even distribution of employees between the 21-64 ranges. As expected, the share of employees as well as the average annual gross pay and tax drops significantly for the groups aged below 21 and over 65 years.

Table 5: Mean Annual Gross Pay by Age Range

Age Range	Share of Employees	Annual Mean Gross pay €	Mean Income Tax €	Mean USC €
<=20	7%	8,500	300	80
21-30	19%	28,300	3,300	700
31-40	20%	49,000	9,000	1,700
41-50	21%	58,500	11,700	2,300
51-64	20%	55,300	10,800	2,200
65+	13%	25,100	4,500	700

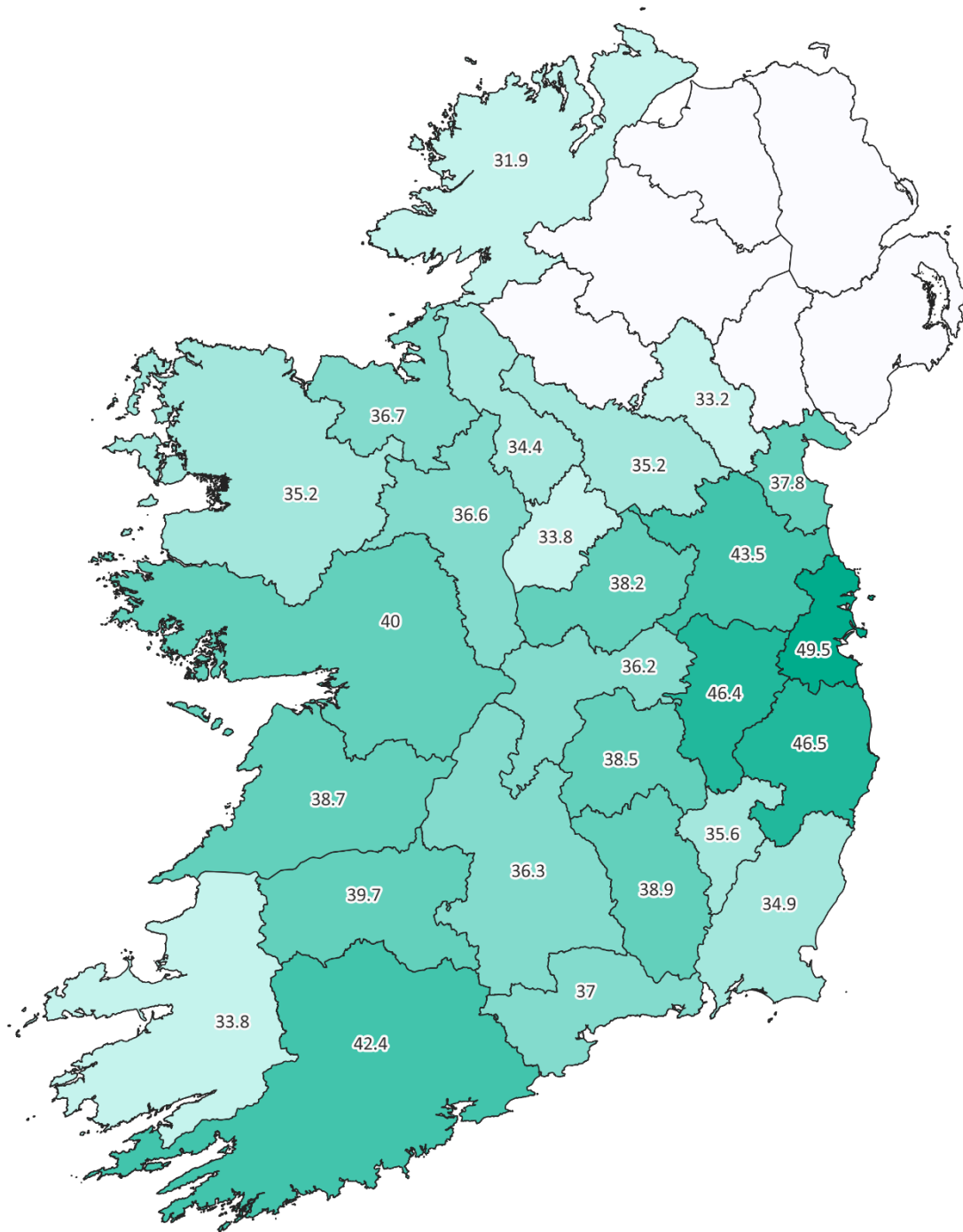
Source: Revenue analysis

Note: gross pay refers to the income reported through payroll systems. For some individuals the payment may refer to occupational pension income (see Section 6.4).

2.7 Location

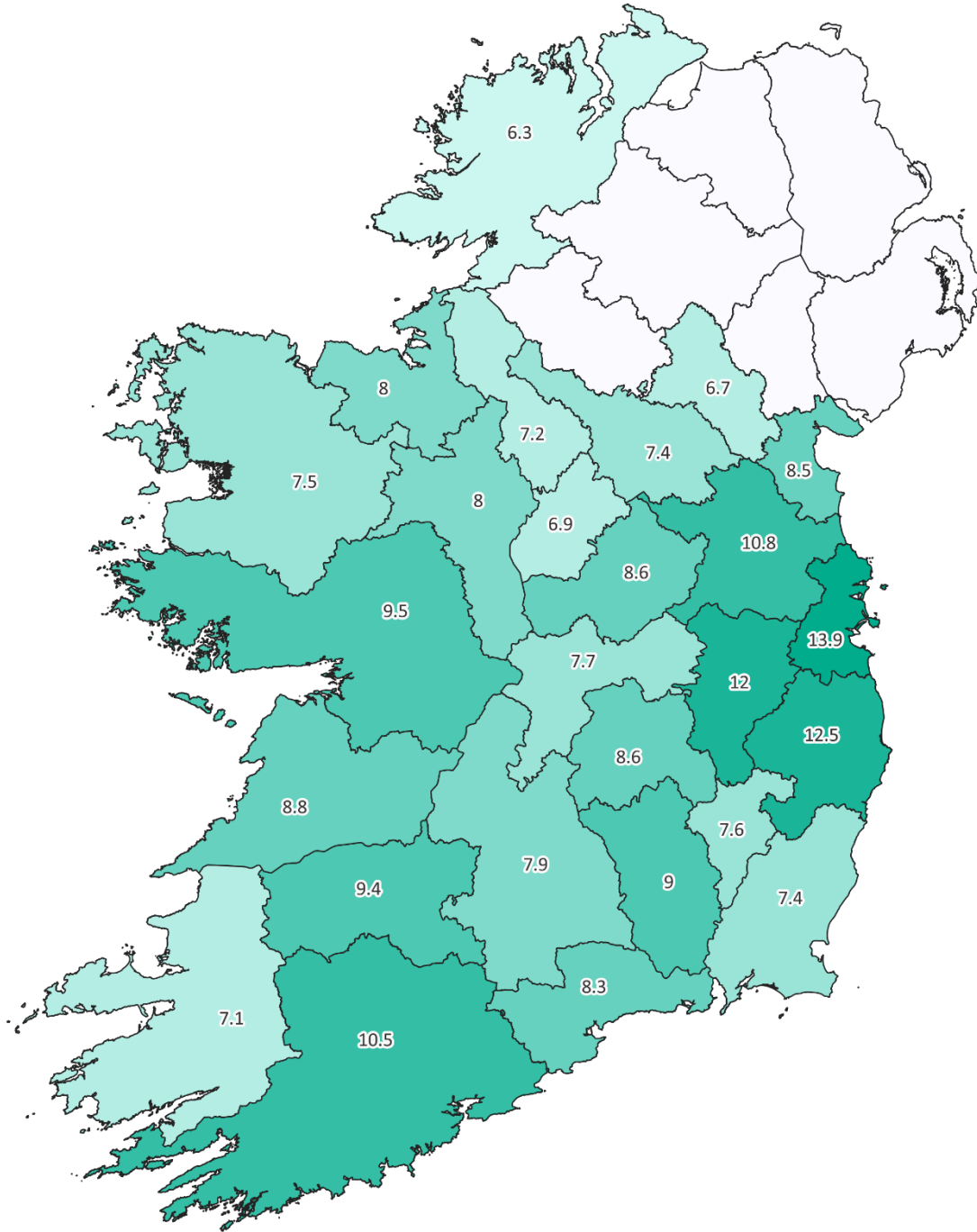
Figure 9 presents the average annual gross pay per employment by County. Dublin has the highest average gross pay at €49,500, followed by Wicklow and Kildare. Figure 10 represents the average tax paid per employment, in this context tax paid is calculated as the sum of Income Tax, Universal Social Charge and Employee PRSI. Similar to Figure 9, Dublin has the highest average tax paid at €13,900, followed by Wicklow and Kildare.

Figure 9: Average Annual Gross Pay by County (€'000)



Source: Revenue analysis.

Figure 10: Average Annual Tax Paid by County (€'000)



Source: Revenue analysis.

2.8 Proprietary Directors

The PAYE system applies to both proprietary and non-proprietary directors as it does to any other employee. Table 6 sets out the pay and deductions of directors, broken down by director type.

Table 6: Breakdown of Pay and Deductions for Directors

Taxpayer Type	Number	Gross Pay €m	Income Tax €m	USC €m	Employee PRSI €m	Employer PRSI €m	Employee Pension Contribution €m	Employer Pension Contribution €m
Proprietary Directors	81,632	4,573.4	1,098.2	197.2	177.3	14.4	15.6	118.4
Non-Proprietary Director	9,125	565.3	157.6	29.6	16.2	32.2	9.3	14.4
Both Proprietary and Non-Proprietary Directors	1,091	110.4	35.0	6.6	3.5	2.3	0.6	3.1
Total	91,848	5,249.1	1,290.8	233.4	197	48.9	25.5	135.9

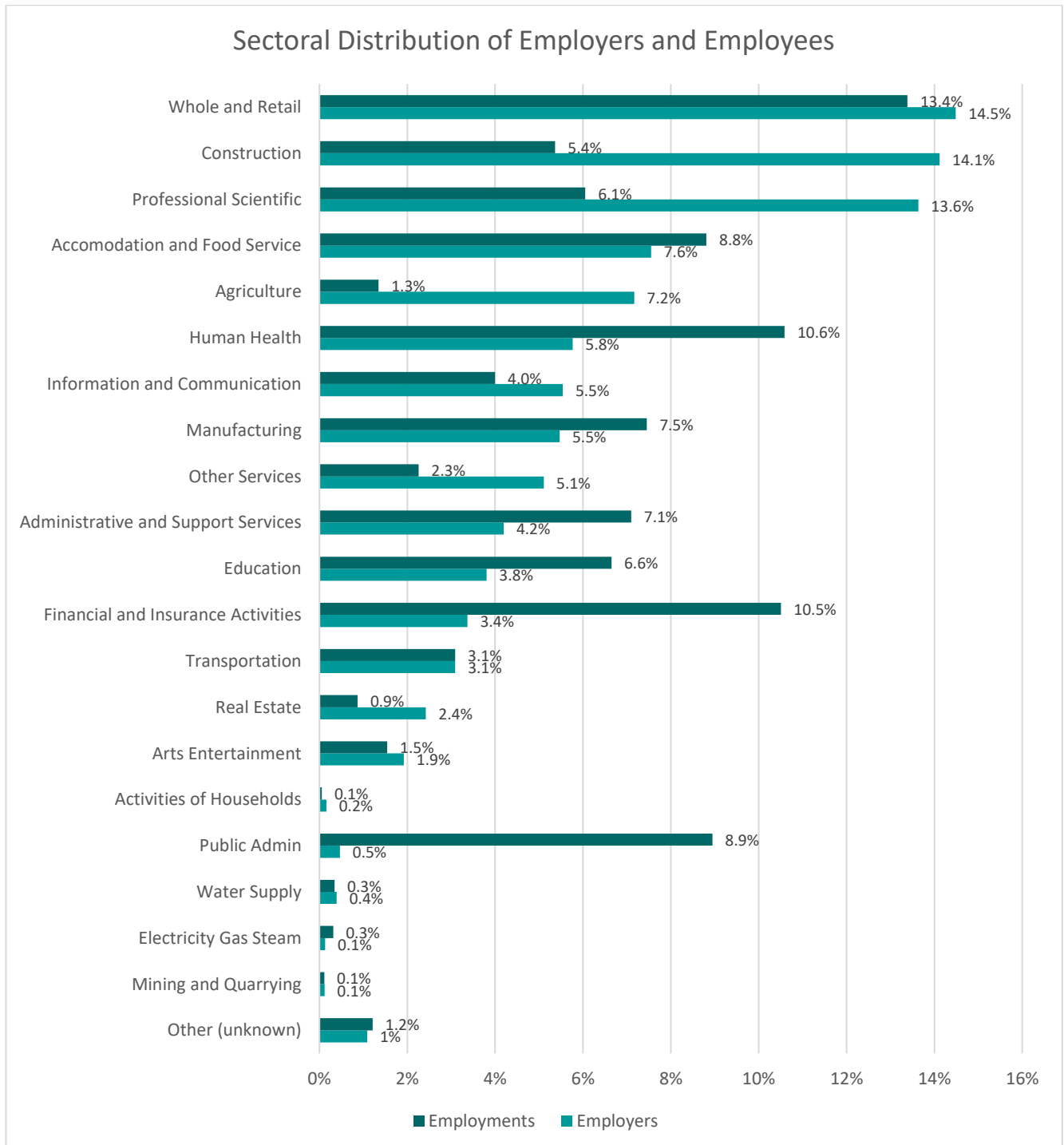
Source: Revenue analysis.

3 Sectoral Analysis

3.1 Overview of sectors

Figure 11 sets out the share of number of employers and employments by sector. The sector is based on the NACE code of the employer.

Figure 11: Sectoral Distribution of Employments and Employers

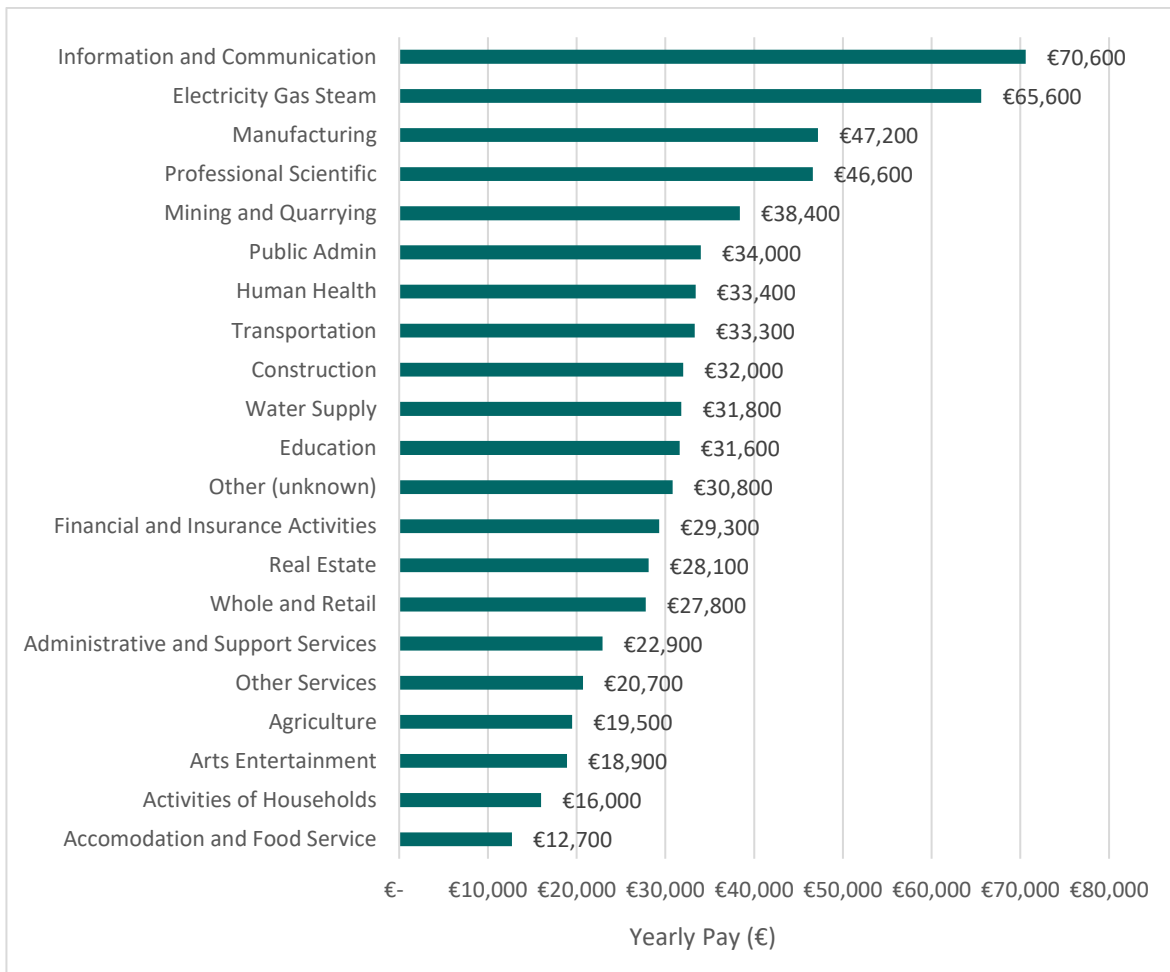


Source: Revenue analysis.

Figure 12 presents mean annual gross pay by sector for 2024. The mean annual gross pay per employment across all sectors in 2024 was €32,100⁶. By sector, the highest average pay is in *Information and Communication*.

Accommodation and Food Service and Activities of Household are the sectors with the lowest average yearly gross pay, likely reflecting a higher share of part-time work in these sectors.

Figure 12: Average Yearly Gross Pay by Sector



Source: Revenue analysis.

⁴ The average income is a mean average based on all employees who appeared at least once on a payslip in 2024, and therefore includes a range of scenarios including those working part-time, full-time, permanent, temporarily, seasonal workers etc. This is different to the mean average based on individuals, as an individual can hold multiple employments.

4 Payment of Benefits and Reimbursement of Expenses

Reporting under the 'Enhanced Reporting Requirement ('ERR') is required for Travel & Subsistence, Remote Working Daily Allowance and items that meet the conditions of the Small Benefit exemption, where employees have been paid without the deduction of tax. Reporting the details of these expenses or benefits commenced on 1 January 2024.

In 2024, a total of 1.872 billion was reported in benefits between the three categories of Remote Working Daily Allowance, Travel and Subsistence and Small Benefit exemption. Reporting of the remote working daily allowance related to 27,600 employees. Reporting of both Travel and Subsistence and Small Benefit exemption was greater corresponding to 672,400 and 775,800 employees respectively.

Table 7: Reportable Benefits by Employer, Employee and Benefit Amount

Reportable Benefits	Employer count	Employee count	Benefit Amount
Remote working daily allowance	5,900	27,600	€11.9m
Travel and Subsistence	43,700	672,400	€1,489.9m
Small benefit exemption	48,700	775,800	€370.5m
Total*	71,600	1,242,500	€1,872.3m

Reportable benefits under Travel and Subsistence can be sectioned into 8 benefit types. As shown in Table 8, the benefit that made up the greatest proportion of Travel and Subsistence was Travel Unvouched with a total benefit amount of €492.2m followed by Subsistence Unvouched with €484.9m and Travel Vouched with €250.9m.

Table 8: Travel and Subsistence Reportable Benefits

Reportable Benefits	Employer count	Employee count	Benefit Amount
Advance Payment	100	300	€0.3m
Eating On-Site	2,200	26,400	€15.7m
Emergency Travel	400	1,100	€0.5m
Site Based Employees	3,500	31,700	€101.8m
Subsistence Unvouched	20,900	272,200	€484.9m
Subsistence Vouched	16,700	184,400	€143.7m
Travel Unvouched	27,800	324,500	€492.2m
Travel Vouched	23,400	305,200	€250.9m
Total*	43,700	672,400	€1,489.9m

Figure 13 outlines the gender breakdown of the recipients of these benefits and payments in relation to the value of payments received. The breakdown for all recipients of any Benefit/Payment is 73% male and 27% female. The difference is lesser for Small Benefits Exemption and Remote Working Daily Allowance. As outlined in Figure 14, the gender breakdown is 57% and 43% for male and female employees respectively when we focus on the number of employees in receipt of these Benefits/Payments.

Figure 13: Gender Breakdown of the Total Amount of Benefits/Payments

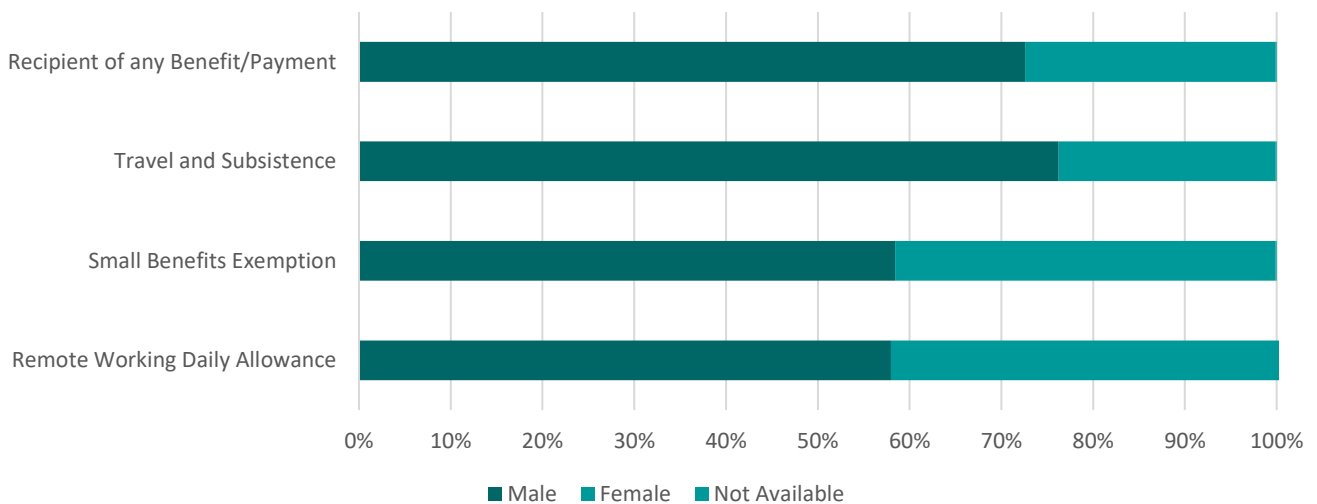


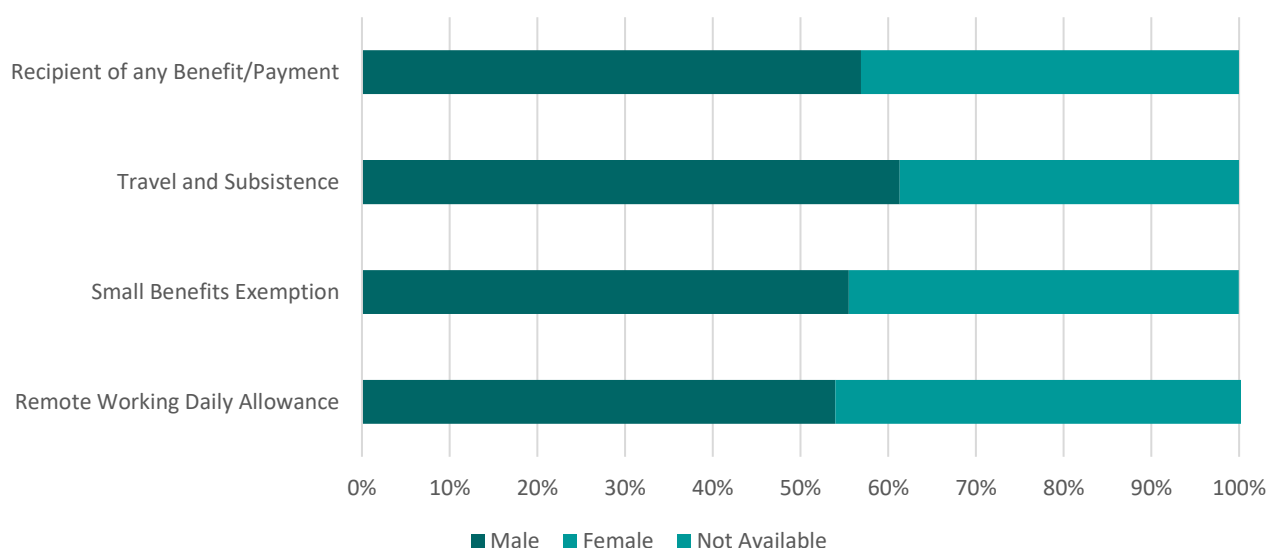
Figure 14: Gender Breakdown of Employees in receipt of Benefits/Payments

Table 9 outlines the age breakdown for both the amount of benefit and the number of employees for Remote Working Daily Allowance, Small Benefits Exemptions and Travel and Subsistence as well as the totals across each of the benefits. The age group 41-50 have both the highest number of employees and the highest amount in benefits reported.

Table 9: Age Breakdown of Employees and Amount of Benefit for Remote Working Daily Allowance, Small Benefits Exemption and Travel and Subsistence

Age Range	Remote Working Daily Allowance		Small Benefits Exemption		Travel and Subsistence		Recipient of any Benefit/Payment	
	Amount of Benefit €	Number of Employees	Amount of Benefit €	Number of Employees	Amount of Benefit €	Number of Employees	Amount of Benefit €	Number of Employees
16-25	0.4	1,400	39.3	122,000	78.8	72,400	118.50	173,300
26-30	1.1	3,100	36.5	86,600	103.3	67,800	140.9	132,100
31-40	3.7	8,700	87.8	185,100	314.5	163,500	406	297,500
41-50	3.9	8,400	103.4	196,100	469.2	186,800	576.4	323,800
51-60	2.1	4,600	72.7	132,000	376.1	130,900	450.9	224,200
61-65	0.5	900	19.5	35,100	98.2	33,400	118.3	59,200
65+	0.2	400	10.2	17,000	47.9	16,600	58.3	30,000
Not Available	0	0	1.2	1,800	1.9	900	3.1	2,500
Totals	11.9	27,600	370.5	775,800	1,489.9	672,400	1,872.3	1,242,500

The share of employees and the share of total benefit amount broken down by gross pay band are shown in Table 10. Those earning a gross pay between 30,001-40,000 make up the largest group. This is consistent across Remote Working Daily Allowance, Small Benefits Exemptions and Travel and Subsistence.

Table 10: Gross Pay Breakdown of Employees and Amount of Benefit for Remote Working Daily Allowance, Small Benefits Exemption and Travel and Subsistence

Gross Pay Bands	Number of Employees in receipt of any Benefit/ Payment	All Benefit Amount € million	Remote Working Daily Allowance		Small Benefits Exemption		Travel & Subsistence	
			Number of Employees	Benefit Amount € million	Number of Employees	Benefit Amount € million	Number of Employees	Benefit Amount € million
0-10,000	76,800	31	600	0.1	51,800	12.3	28,500	18.6
10,001-20,000	119,200	82	1,400	0.4	87,500	26.5	41,900	55.1
20,001-30,000	163,100	178.1	2,000	0.7	119,500	44.3	62,200	133.1
30,001-40,000	209,500	285.5	3,500	1.5	150,200	69.0	92,500	215.0
40,001-50,000	166,600	267.9	3,600	1.6	105,100	57.2	92,700	209.1
50,001-60,000	119,100	210.3	3,000	1.4	67,100	38.9	75,400	170.0
60,001-70,000	86,000	162	2,400	1.1	46,600	27.7	57,200	133.2
70,001-80,000	66,800	132	2,200	1.0	35,000	21.3	45,800	109.8
80,001-90,000	51,800	101.9	1,800	0.8	26,100	16.2	36,700	84.8
90,001-100,000	38,900	82.2	1,400	0.6	19,200	12.3	28,400	69.3
100,001-125,000	56,600	128.1	2,500	1.2	28,300	18.6	41,600	108.3
125,001-150,000	26,900	64.8	1,300	0.6	14,000	9.3	20,000	54.9
150,001-200,000	24,400	61.3	1,100	0.5	12,400	8.3	18,700	52.4
200,001-250,000	10,300	28	400	0.2	4,800	3.2	8,100	24.6
250,001 +	16,200	52.3	500	0.2	6,900	4.7	13,000	47.4
Not Available	10,500	5	0	0.0	1,000	0.6	9,600	4.4
Total	1,242,500	1,872.30	27,600	11.9	775,800	370.5	672,400	1,489.9

Figure 15 presents the number of employees by County on the left-hand side, and the average benefit amount by County on the right-hand side, of the Remote Working Daily Allowance. Similarly, Figure 16 presents the number of employees by County on the left-hand side, and the average benefit amount by County on the right-hand side, of the Small Benefits Exemption. Here we see that Wicklow, followed by Meath and then Waterford have the largest average benefit amount of Small Benefits Exemptions. Figure 17 shows the same information in relation to Travel and Subsistence by County in 2024. The counties with the highest average of Travel and Subsistence are Cavan, Monaghan and Wexford. Dublin has the lowest average for this benefit.

Figure 15: Number of Recipients and Average Remote Working Allowance by County

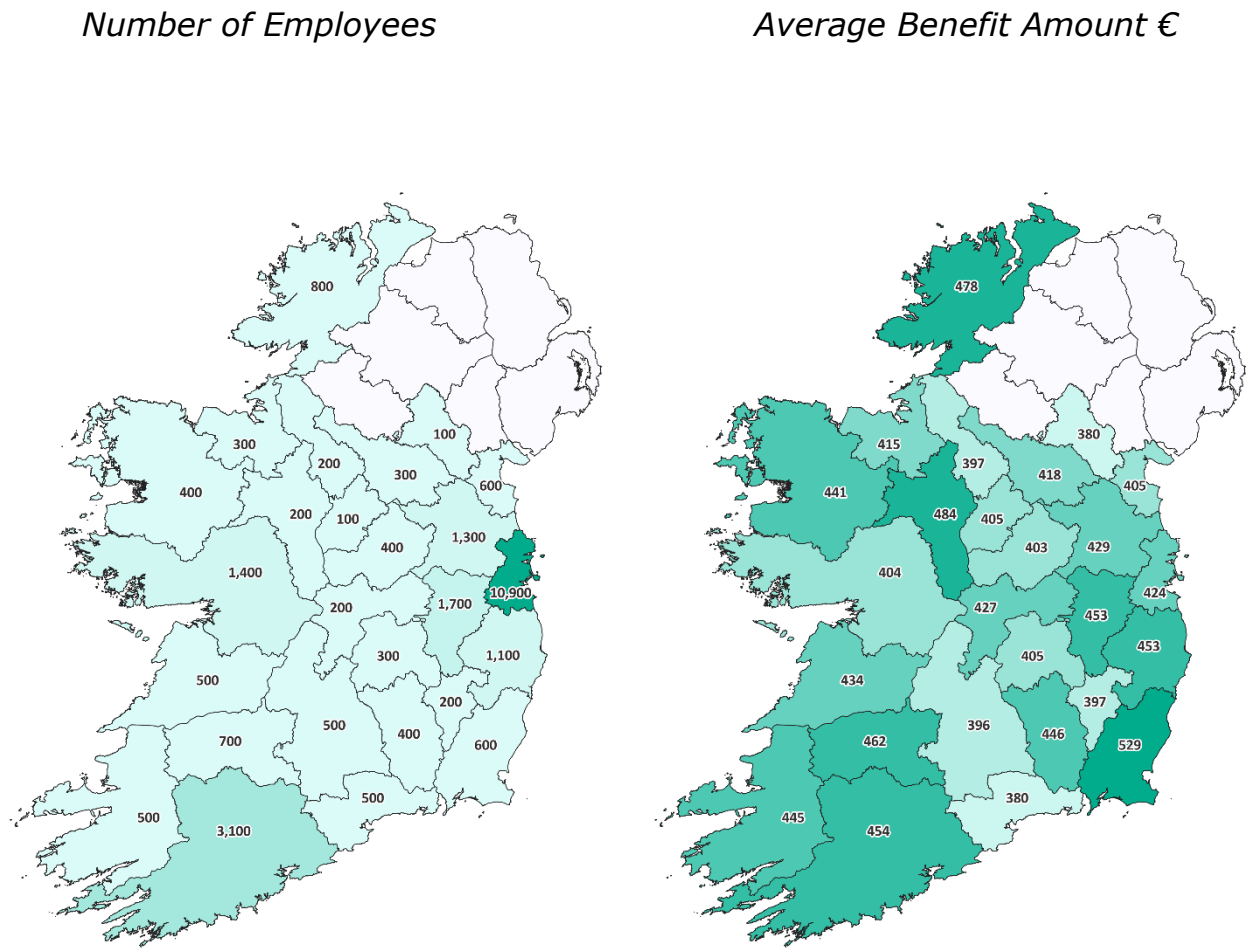


Figure 16: Number of Recipients and Average Small Benefits Exemption Amount by County

Number of Employees

Average Benefit Amount €

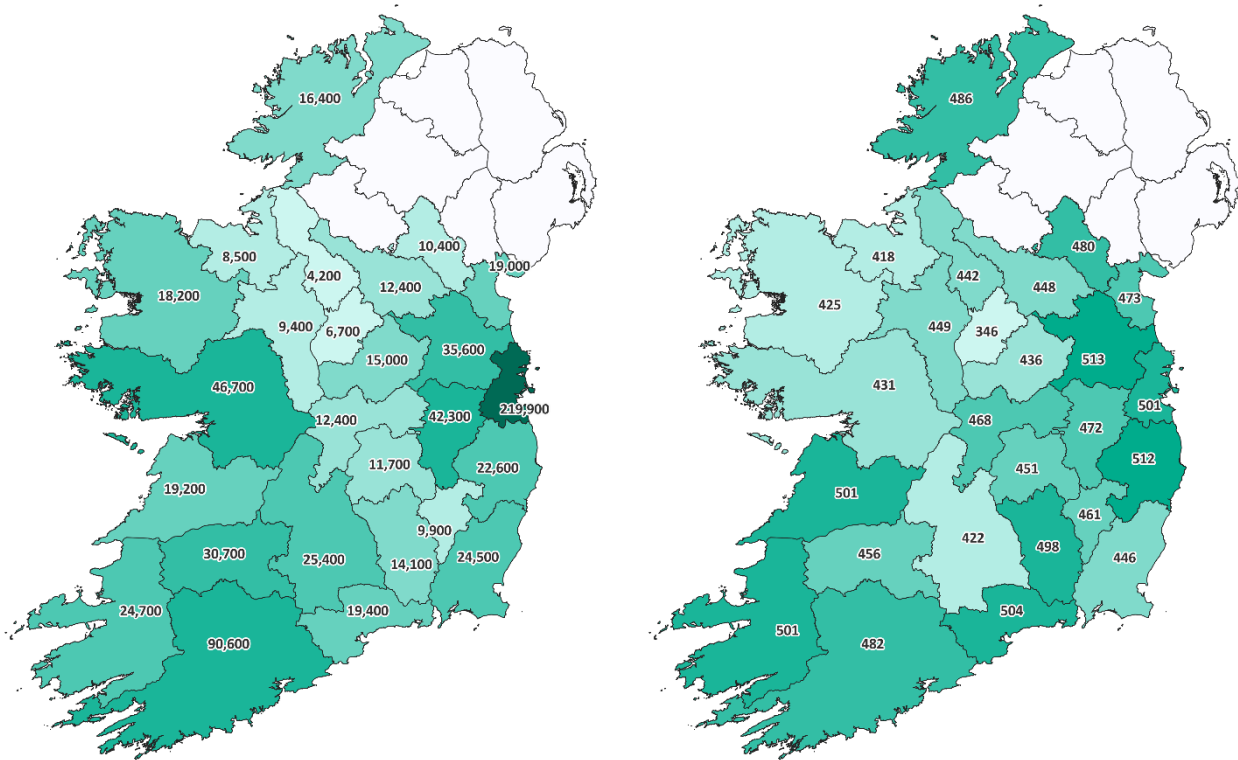


Figure 17: Number of Recipients and Average Travel and Subsistence Amount by County

Number of Employees

Average Benefit Amount €

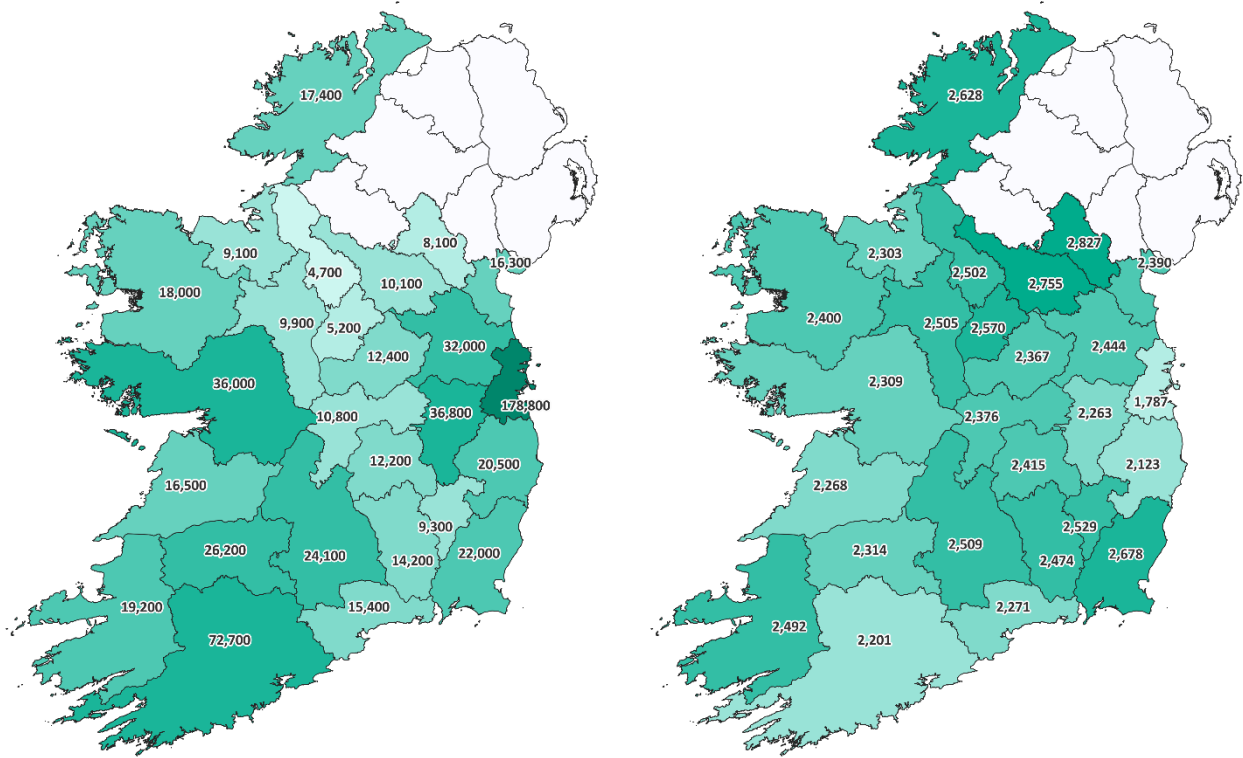
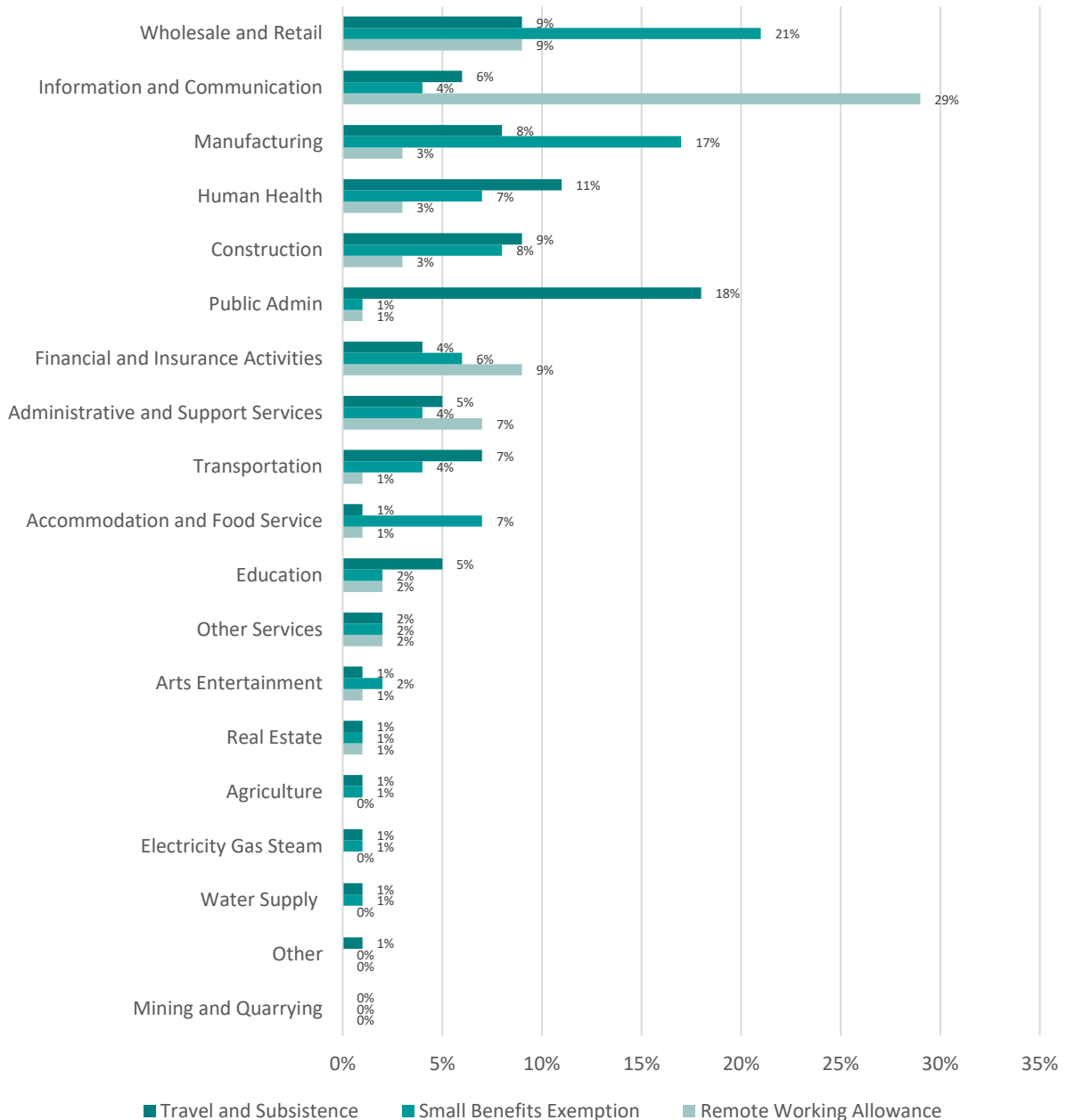


Figure 18 sets out the percentage share of employees reported for Travel Subsistence, Small Benefits Exemption and Remote Working Daily Allowance. The highest percentage of Travel and Subsistence is used by employees in the the Public Administration and Defence sector. The highest percentage of employees reported for Small Benefits Exemption are employees in the Wholesale and Retail Trade sector and the highest percentage of Remote Working Daily allowance is used by employees in the Information and Communications sector.

Figure 18: Share of Employments for which Travel/Subsistence, Small Benefits Exemption and Remote Working Daily Allowance was paid, by Sector



Similarly Figure 19 sets out the percentage share of the Total Benefit Amount reported. The Profession, Scientific and Technology sector has the highest proportion of the total claim amounts across Travel and Subsistence, Small Benefits Exemption and the Remote Working Daily Allowance.

Figure 19: Share of Total Benefit Amount for which Travel and Subsistence, Small Benefits Exemption and the Remote Working Daily Allowance was paid, by Sector

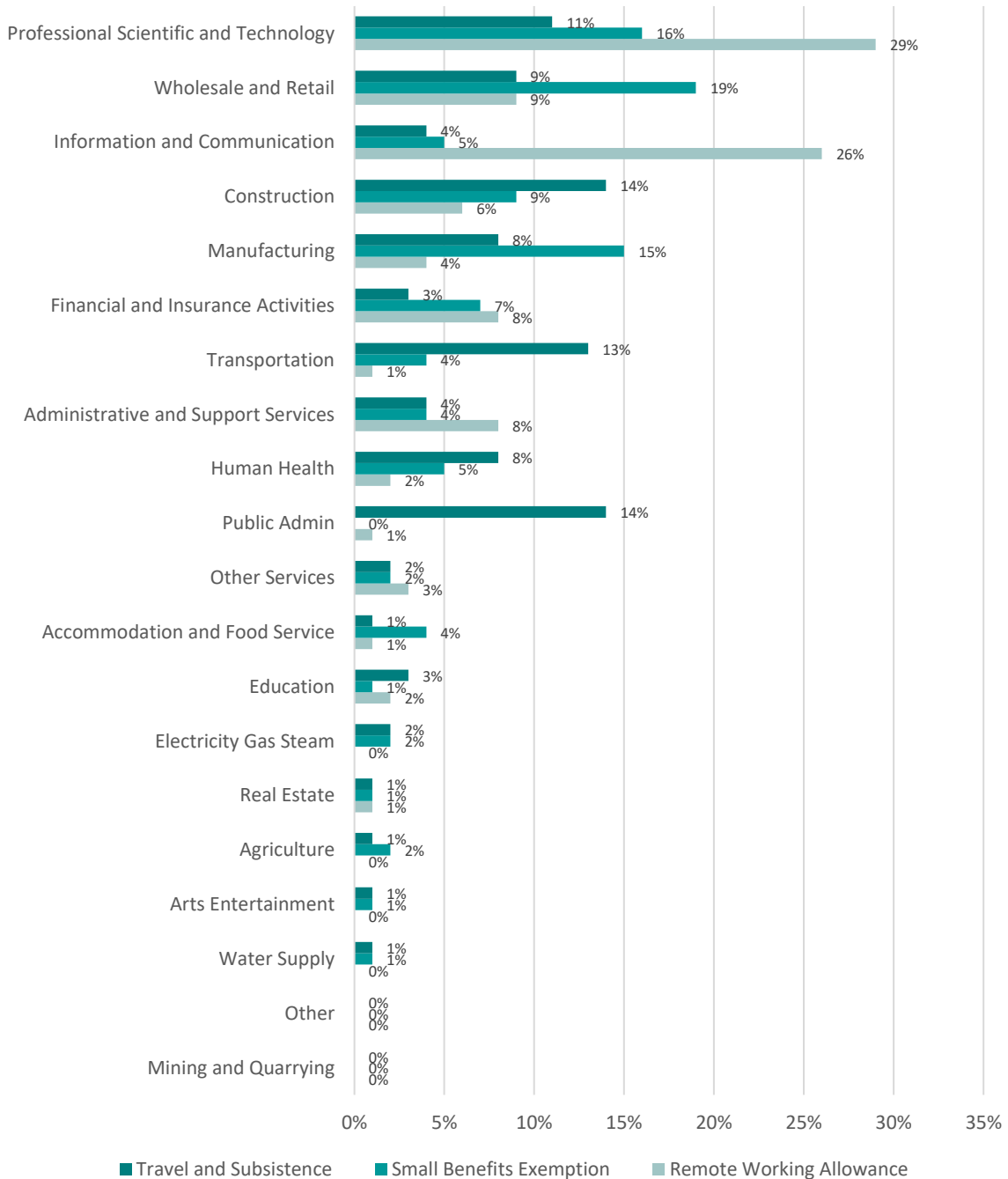


Table 11 outlines the number of employers reporting benefits/payments made under ERR by each sector. Also shown is the total number of employers active across 2024, by sector, as well as the share of each sector making these payments.

Table 11: Employer Breakdown by Sector

Sector	Remote Working Daily Allowance Number of Employers	Small Benefits Exemption Number of Employers	Travel and Subsistence Number of Employers	All Employers operating any ERR type	All Employers Active in 2024	Share of All Employers who are reporting Benefits/Payments
Agriculture	50	2,600	850	3,050	13,950	22%
Mining and Quarrying	0	50	50	100	250	40%
Manufacturing	250	3,150	3,450	4,800	10,650	45%
Electricity Gas Stream	0	50	100	100	250	40%
Water Supply	0	200	300	400	750	53%
Construction	300	6,500	6,950	10,500	27,500	38%
Wholesale and Retail Trade	450	7,350	5,850	10,150	28,250	36%
Transportation and Storage	100	1,450	2,500	3,050	6,050	50%
Accommodation and Food Service	50	2,550	1,200	3,100	14,700	21%
Information and Communication	1,250	2,950	3,100	4,950	10,800	46%
Financial and Insurance Activities	200	1,550	1,800	2,450	6,550	37%
Real Estate Activities	50	1,000	800	1,400	4,700	30%
Profession Scientific and Technology	2,450	9,600	8,800	13,600	26,600	51%
Administrative and Support Services	250	2,100	2,450	3,400	8,200	41%
Public Administration and Defence	0	200	350	450	900	50%
Education	100	1,350	1,100	1,950	7,400	26%
Human Health	200	3,250	2,150	4,500	11,250	40%
Arts Entertainment	50	850	700	1,200	3,750	32%
Other Services Activities	100	1,650	1,150	2,300	9,950	23%
Activities of Household	0	0	0	0	300	0%
Other Services Activities	0	150	100	200	2,100	10%
All	5,900	48,700	43,700	71,600	194,950	37%

5 Employment Churn

5.1 Overview of 2024

In 2024, 4.4 million employments were recorded in the Irish economy, representing an increase of approximately 60,000 employments from the previous year (or a 1.34 per cent increase). 3.3 million (75 per cent) of these were continuing employments from 2023, and 1.2 million (25 per cent) were new additions to payroll records. 1.1 million employments ceased from 2023.

Income tax liabilities (which includes PAYE and USC) amounted to €30.8 billion in 2024. €28.5 billion of the total income tax liability came from continuing employments and €2.3 billion was attributed to new employments which was marginally lower than the €2.4 billion lost from employments that had ceased.

The average income tax liability per continuing employment was €8,575 in 2024, the average tax liability per new employment is €2,025, and the average tax liability for a ceased employment is €2,247. This highlights that continuing employments tend to have a much higher tax liability than newly created or ceased employments.

Table 12: Employment Churn

	2024
Total number of unique employments ('000s)	4,447
Of which: Continuing from previous year ('000s)	3,321
Of which: New ('000s)	1,126
Number of ceased [i.e. discontinued] employments in previous year ('000s)	1,066
Net additional employments [New - Ceased] ('000s)	60
Proportion of continuing employments in 2023 (%)	75%
Proportion of new employments in 2023 (%)	25%
Proportion of ceased employments in 2022 (%)	24%
Total income tax liabilities (€bn)	30.8
Of which: continuing employments (€bn)	28.5
new employments (€bn)	2.3
Income tax liabilities for ceased employments (€bn)	(0.1)
Net income tax effect from employment churn (€bn)	8,575
Average income tax per continuing employment (€)	2,050
Average tax per new employment (€)	2,247
Average tax per ceased employment (€)	(197)
Difference in average tax (€)	4,447

Source: Revenue analysis.

Note: The tax liabilities in this Table refer to the liabilities recorded on payroll data, which can differ from the net receipts reviewed in Section 1, for example due to repayments. At all times Income Tax refers to Income Tax and USC.

5.2 Employment Churn by Sector

Similarly to 2023, the NACE sectors with the highest shares of continuing employments were *Financial and Insurance* (with continuing employments making up 87 per cent of unique employments in this sector) and *Public Administration and Defence* (85 per cent). In contrast, the NACE sectors with the lowest proportions of continuing employments were *Administrative and Support Services* (58 per cent) and *Accommodation and Food Services* (59 per cent)

The sector with the largest net gain from employment churn was the *Professional, Scientific and Technical* sector (20,998), closely followed by the *Health and Social Work* sector. The *Accommodation and Food Services* sectors saw the largest loss (12,100), followed by the *Wholesale and Retail* sector.

Table 13: Employment Churn by NACE Sector

Sector	Number of unique employments in 2024	%	Continued from 2023	New employments	Ceased employments	Net gain or loss from employment churn
Agriculture, Forestry and Fishing	65,302	1%	48,994	16,308	15,696	612
Mining and Quarrying	5,040	0%	4,159	881	993	(112)
Manufacturing	331,351	7%	261,680	69,671	64,313	5,358
Construction	238,626	5%	166,781	71,845	62,110	9,735
Wholesale and Retail	595,797	13%	436,499	159,298	168,011	(8,713)
Transportation and Storage	137,337	3%	107,728	29,609	25,805	3,804
Accommodation and Food Services	391,912	9%	232,569	159,343	171,443	(12,100)
Information and Communication	176,911	4%	134,724	42,187	44,704	(2,517)
Financial and Insurance	467,239	11%	404,740	62,499	58,151	4,348
Real Estate	38,665	1%	26,489	12,176	11,667	509
Professional, Scientific and Technical	269,159	6%	191,000	78,159	57,161	20,998
Administrative and Support Services	315,565	7%	184,178	131,387	133,026	(1,639)
Public Administration and Defence	397,869	9%	338,462	59,407	54,067	5,340
Education	295,507	7%	224,235	71,272	63,097	8,175
Health and Social Work	470,771	11%	372,129	98,642	77,983	20,659
All Other Activities	249,900	6%	186,872	63,028	57,838	5,190
Total	4,446,951	100%	3,321,239	1,125,712	1,066,065	59,647

The sector with the highest total income tax liability from continuing employments was the *Information and Communication* sector, with the *Financial and Insurance*, *Manufacturing*, *Wholesale and Retail*, and *Professional Scientific and Technical* also ranking highly. The *Mining and Quarrying* sector had the lowest total income tax liabilities with *Real Estate*, *Accommodation and Food Services*, and *Agriculture, Forestry and Fishing* also having small tax liabilities.

While employment churn is associated with an overall negative net impact of €88 million on income tax liabilities, the net impact varies across sectors. The *Health and Social Work* sector saw the tax liability of new employments exceed the tax forgone from employment cessations by €97 million. Conversely, the net income tax effect from employment churn in the *Information and Communication* sector liabilities of €103 million.

Table 14: Income Tax by Employment Status and NACE Sector

Sector	Total income tax paid by continuing employments (€m)	Total income tax paid by new employments (€m)	Total income tax paid by ceased employments (€m)	Net income tax effect from employment churn (€m)	Average income tax per continuing employment (€)	Average income tax per new employment (€)	Average income tax per ceased employment (€)	Difference in average income tax per new and ceased employment (€)
Agriculture, Forestry and Fishing	240	15	14	1	4,891	920	864	56
Mining and Quarrying	38	2	3	(1)	9,186	2,416	3,113	(697)
Manufacturing	3,255	223	222	1	12,440	3,201	3,450	(249)
Construction	1,315	145	129	16	7,885	2,017	2,079	(62)
Wholesale and Retail	3,032	194	238	(43)	6,947	1,218	1,414	(196)
Transportation and Storage	776	50	47	3	7,202	1,697	1,815	(118)
Accommodation and Food Services	442	68	72	(4)	1,900	425	418	7
Information and Communication	3,528	251	354	(103)	26,188	5,945	7,910	(1,965)
Financial and Insurance	3,355	387	418	(31)	8,288	6,191	7,184	(993)
Real Estate	214	19	22	(3)	8,064	1,591	1,881	(290)
Professional, Scientific and Technical	2,995	285	286	0	15,682	3,651	5,001	(1,350)
Administrative and Support Services	1,321	173	199	(26)	7,174	1,316	1,498	(182)
Public Administration and Defence	2,404	114	97	17	7,102	1,925	1,798	127
Education	1,792	55	69	(14)	7,993	775	1,096	(321)
Health and Social Work	2,772	258	161	97	7,450	2,617	2,062	554
All Other Activities	999	67	66	1	5,345	1,065	1,141	(76)
Total	28,479	2,307	2,395	(88)	8,575	2,050	2,247	(197)

Source: Revenue analysis.

6 Employment Income Distribution

6.1 Introduction

This section analyses recent developments in the distribution of income before taxes and transfers between 2019 and 2024.⁷ This five-year window represents a period during which the Irish economy navigated significant economic challenges.

Real gross employment income thresholds in 2019 and 2024 are shown below. Income is adjusted by the Consumer Price Index to capture the purchasing power of income across time. The median gross real income in 2024 was €19,747 compared to €18,353 in 2019, representing a 7.6 per cent increase over the five years. For those on lower incomes, at the 10th and 25th percentile of the distribution, real gross incomes were €1,298 and €5,200 respectively in 2024 representing an approximate increase of 9 per cent when compared to €1,194 and €4,766 in 2019.⁸ Gross income at the 75th percentile in 2024 was €43,078 compared to real gross income of €41,789 in 2019, representing a 5-year growth rate of 3.1 per cent.

Table 15: Real Gross Income Distribution Thresholds

Year	Bottom						
	Decile	25th Percentile	Median	75th Percentile	Top Decile	Top 1%	Top 0.1%
2019	1,194	4,766	18,353	41,789	69,997	175,606	435,505
2022	1,298	5,200	19,747	43,078	72,771	193,586	509,942

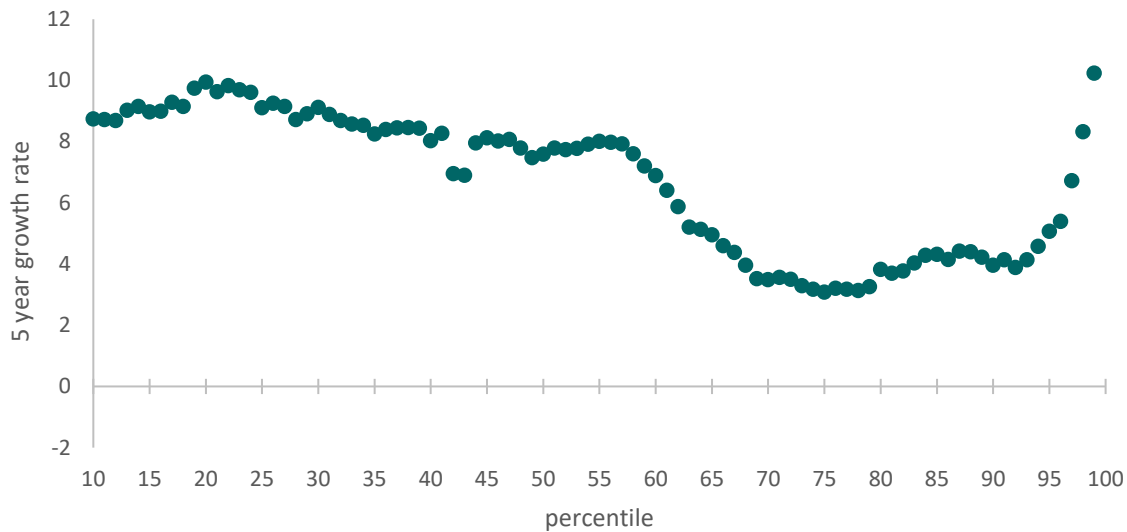
Source: Revenue analysis.

Notes: Annual employment incomes deflated by the CSO Consumer Price Index.

Looking at the five-year real income growth rates by income percentile over the period, it is positive for all segments of the income distribution presented. However, lower to middle income percentiles experienced stronger growth compared to the upper middle to higher income percentiles. Growth in top 3 percentiles was also relatively strong.

⁵ The analysis is based solely on employment income and does not include self-assessed income sources (e.g. income from a trade or profession, rental income, dividend income), state pension or DSP income. Employment income does not include income from occupational pensions, which are also recorded on payroll systems. See Section 7 for further analysis of pension income.

⁶ It is important to note that the annual income data from employments which can reflect various work patterns, including full time, part-time and seasonal work. However, work patterns are likely to be quite similar in the years analysed.

Figure 20: Real gross pay growth, 2019 to 2024

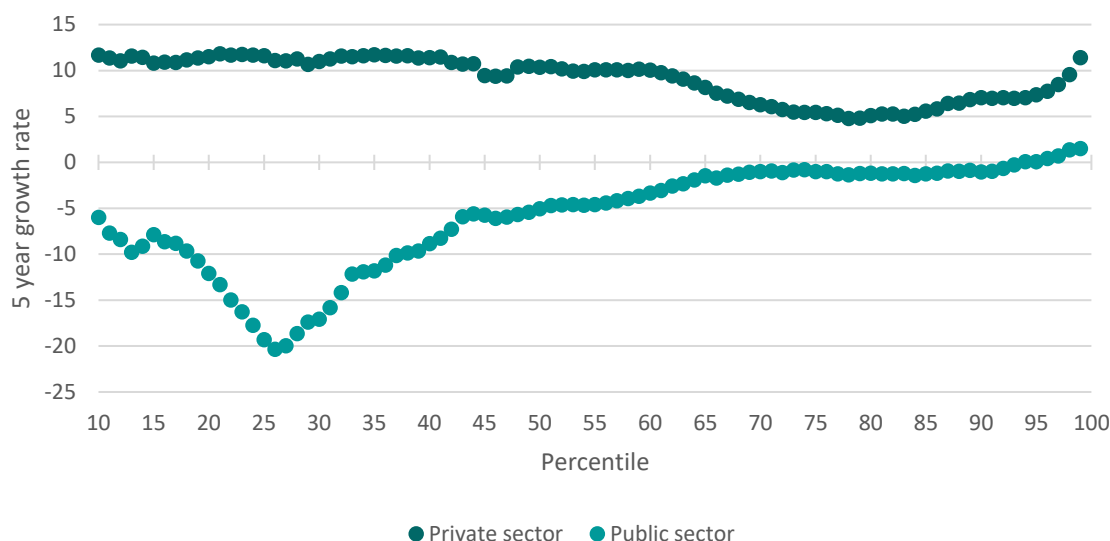
Source: Revenue Analysis

Notes: Employment income deflated by the CSO Consumer Price Index before calculation of growth rates. Only incomes equal to or greater than the 10th percentile are included.

6.2 Public and Private Sector Employments

Growth in real gross incomes by percentile for private and public sector employments are presented below. Real income has grown in each income decile over the period for private sector employments. The rate of increase in real income is most pronounced at the lower and middle income percentiles, slowing slightly for the upper middle and high income percentiles, before exceeding 10 per cent again for the 99th percentile.

By comparison, real income growth for public sector employments over the period is negative at each point below the 94th percentile. The difference in real incomes is most pronounced between the 25th and 30th percentiles where the thresholds in 2024 are between 17 to 20 per cent lower than in 2019. It is important to note the possible role that differences in patterns of part-time or seasonal work could play in the changes in the income distribution of employments in the public and private sector. (Real-time payroll data from Revenue's PAYE system does not collect data on hours worked)

Figure 21: Real Gross Pay Growth, Public and Private sectors 2019 to 2024

Source: Revenue analysis.

6.3 Income and Tax Shares by Decile

The shares of total gross income, total income tax and total USC contributions broken down by decile for 2019 and 2024 are presented below. Gross income shares remain similarly distributed in 2024 compared to 2019. 40 per cent of gross income was earned by employments in the top decile with 19 per cent represented by employments in the 9th decile. Moreover, the Gini coefficient, which is a commonly used method of income equality, indicates that the level of employment income inequality has remain stable over the period.

While the distribution of income before taxes and transfers is unequal in Ireland, the incidence of Income tax and USC contributions is highly progressive. The income of employments in the top decile account for 59 per cent of income tax and 60 per cent of USC contributions in 2024.

Table 16: Share of Gross Income, Income Tax, and USC Contributions by decile

	Gross income		Income Tax		USC	
	2019	2024	2019	2024	2019	2024
Bottom Decile	0.2	0.2	0.2	0.2	0.2	0.1
Decile 2	0.7	0.7	0.4	0.4	0.4	0.4
Decile 3	1.6	1.6	0.7	0.7	0.7	0.7
Decile 4	3.0	3.0	1.1	1.2	1.1	1.2
Decile 5	4.9	4.9	1.9	2.0	1.9	2.1
Decile 6	7.5	7.6	3.4	3.6	3.6	3.8
Decile 7	10.5	10.3	5.8	5.8	6.5	6.1
Decile 8	13.9	13.5	9.5	9.4	10.6	9.5
Decile 9	19.0	18.6	18.0	17.8	17.6	15.8
Top Decile	38.9	39.6	59.0	59.0	57.3	60.2
Gini Coefficient	56.3 %	56.5 %				
Total Employments ('000)	3,908	4,447				

Source: Revenue analysis.

7 Pensions

7.1 Overview

Since the introduction of real-time payroll reporting in 2019, information relating to pension contributions is captured at an individual payslip level, enabling profiling of taxpayers (employees) making these contributions.

Table 17 provides a summary of the statistics in this section. The average pension contribution increases with gross pay. The bottom fifth of employees make virtually no pension contributions while the top 10 per cent of employees account for just over half of all pension contributions.

Table 17: Income Breakdown of Personal/Occupational Pension Contributions

Gross Pay Bands	% All Employees	% Pension Contributors	Average Pension Contribution € – All Employees	Average Pension Contribution € – Pension Contributors	Total Pension Contributions € million ⁹	Total Pension Contributions %
0-10,000	20%	2%	7	172	5	0%
10,001-20,000	14%	4%	50	522	24	1%
20,001-30,000	14%	7%	158	960	74	2%
30,001-40,000	14%	13%	429	1,439	211	5%
40,001-50,000	11%	15%	983	2,036	361	8%
50,001-60,000	7%	13%	1,721	2,753	422	9%
60,001-70,000	5%	11%	2,585	3,636	440	10%
70,001-80,000	4%	9%	3,532	4,620	459	10%
80,001-90,000	3%	6%	4,206	5,404	391	9%
90,001-100,000	2%	5%	4,784	6,123	316	7%
100,001-125,000	3%	6%	5,700	7,298	539	12%
125,001-150,000	1%	3%	7,025	9,184	312	7%
150,001-200,000	1%	3%	8,848	11,520	358	8%
200,001-250,000	1%	1%	10,452	13,911	180	8%
250,001 +	1%	2%	12,944	18,006	352	8%
Total	3.4 million	1.1 million	€1,306	€3,884	4.4 billion	4.4 billion

Source: Revenue analysis.

Note: income refers to gross pay as recorded on payroll and does not necessarily include all income sources of the individual. Therefore, the table is not a comprehensive income distribution as it excludes exclusively self-assessed individuals as well as income taxed through the self-assessment system.

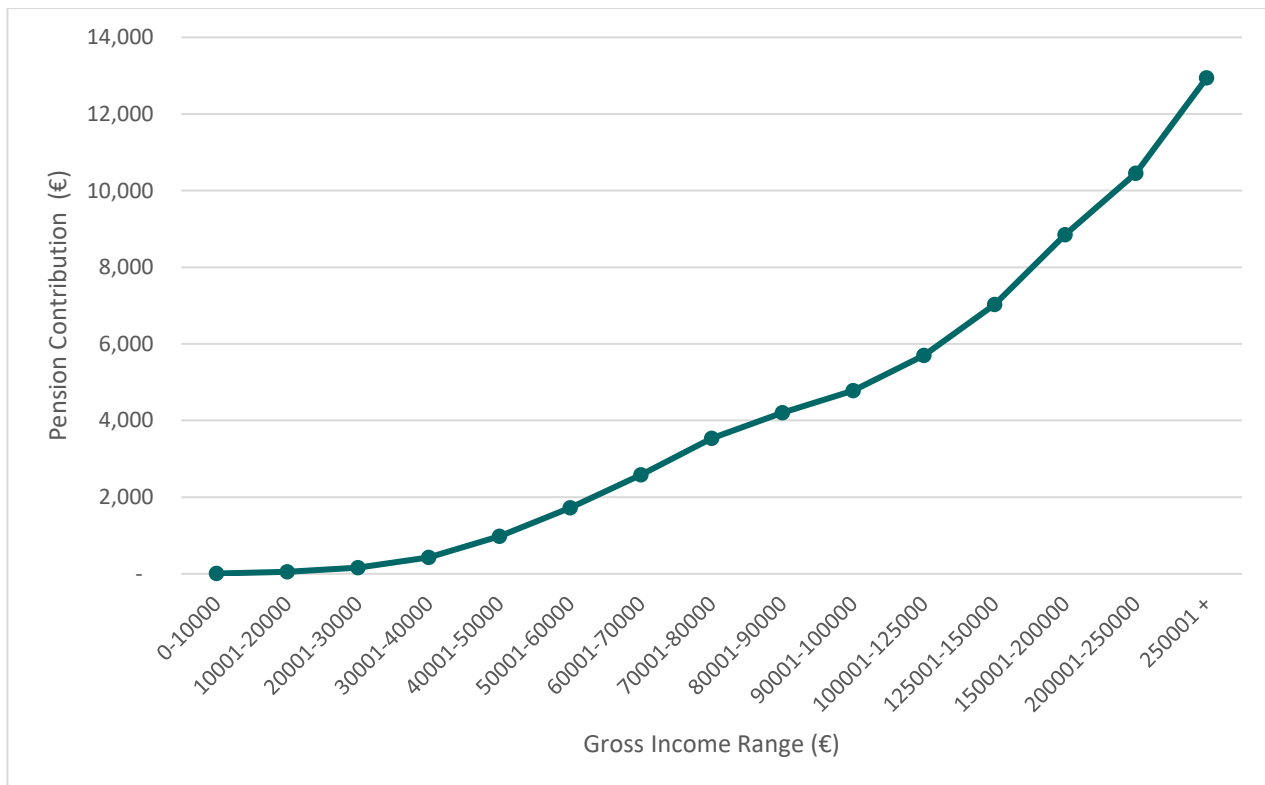
⁷ The total pension contributions is a net amount as it includes a small number of clawbacks.

7.2 Pension Contributors

Pension contributions by employees and employers (through employments) total €4.4 billion and €3.6 billion respectively in 2023. These include contributions to Occupational Pensions/Retirement Benefit Schemes (RBS), Additional Voluntary Contributions (AVC), Personal Retirement Savings Accounts (PRSA) and Retirement Annuity Contracts (RAC). 1.1 million employees made pension contributions at some point in 2024. This represented around 33 per cent of all employees in the year.

Figure 22 plots the average pension contribution amount by income range, for all employees in 2024. This is based on cumulative pension contributions and cumulative income for the year. Those on greater incomes pay, on average, a greater amount of pension contributions.

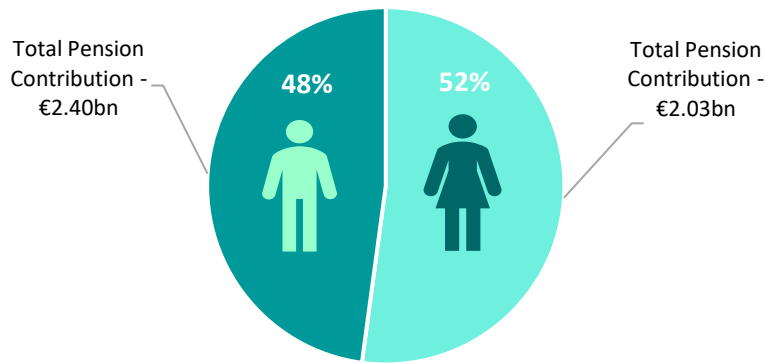
Figure 22: Average Pension Contribution – All Employees



Source: Revenue analysis.

As Figure 23 shows, females made up 52 percent of all pension contributors. Although females made up a higher share of the total, males had a higher total pension contribution at €2.40 billion compared to the €2.03 billion of females. The male and female shares in 2024 are identical to the pattern in 2019 (the first year when data are available).

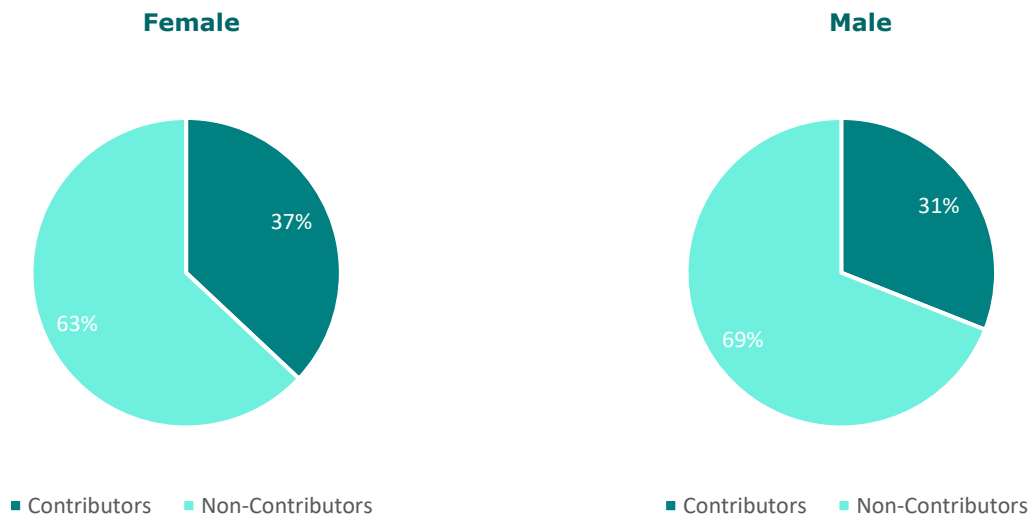
Figure 23: Pension Contributors – Breakdown by Sex



Source: Revenue analysis.

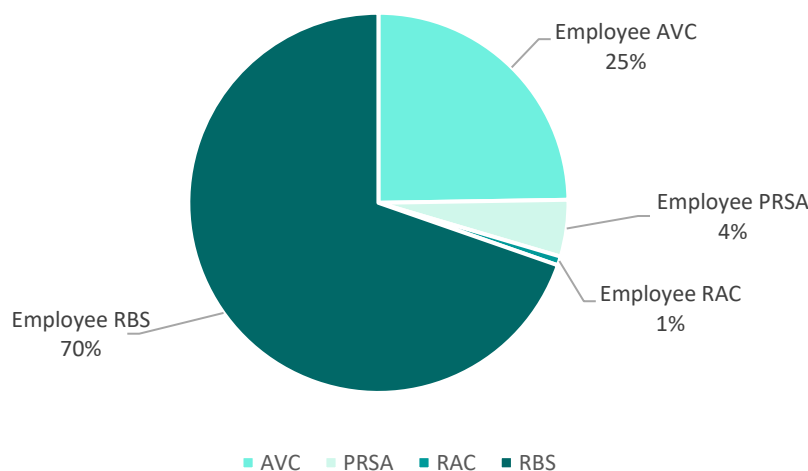
Figure 24 shows the share of pension contributors by sex. As can be seen, 37 per cent of all female employees contribute to a pension compared to 31 per cent of all male employees. In 2019 the figures were 32 per cent and 27 per cent for females and males respectively. In 2023 the figures were 36 per cent and 30 per cent for females and males respectively, implying the sex-specific share has increased at a broadly similar rate over time.

Figure 24: Share of Pension Contributors vs. Non-Contributors Breakdown by Sex



Source: Revenue analysis.

As shown in Figure 25 of those taxpayers who make pension contributions, the vast majority of the contributions (70 per cent by value of total pension contributions) are paid to an RBS (Occupational Pension), with a further 25 per cent made by way of additional voluntary contributions.

Figure 25: Employee Pension Contribution Types

Source: Revenue analysis.

The number of individuals, total gross pay, and total employee pension contributions of those who made a pension contribution at some point in 2024 are shown in Table 18. Compared to 2023, the number of individuals making a pension contribution increased by over 60,000, or 6 per cent. The total amount of pension contributions increased by over €460 million, or 12 per cent, while the total gross pay of pension contributors increased by over €8 billion, or 11 per cent.

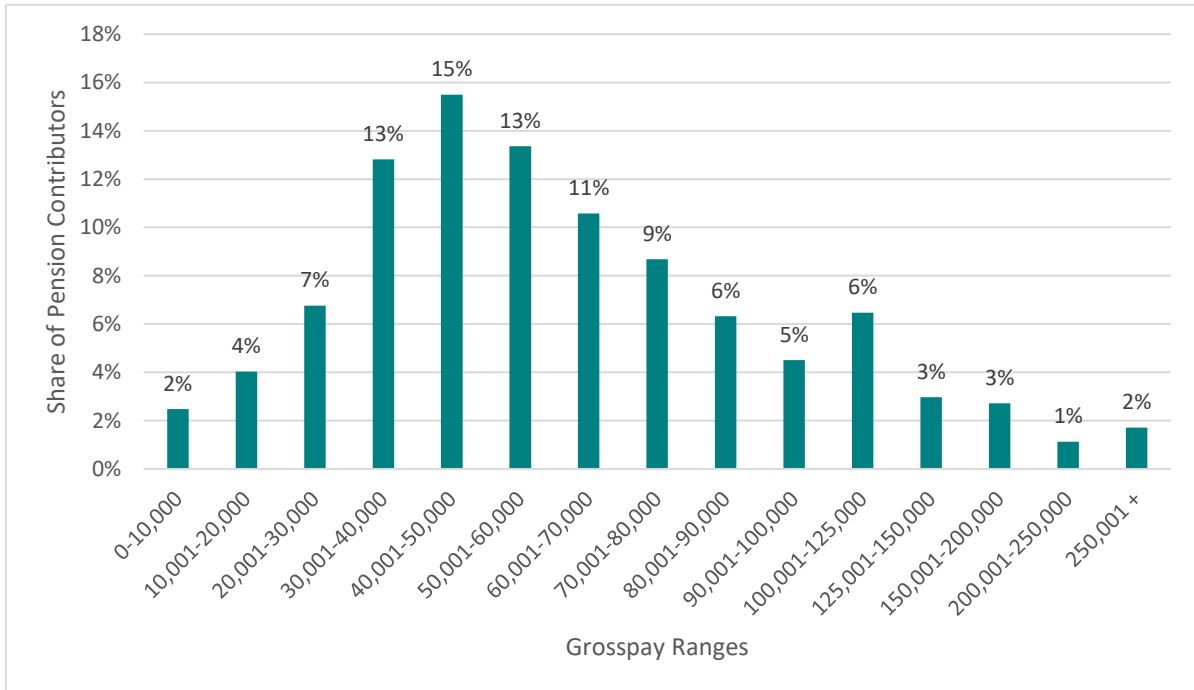
Table 18: Breakdown of Pension Contributors

Range of Gross Pay €	Number of Individuals	Gross Pay €m	Pension Contributions €m
0-5,000	13,100	30	1
5,001-10,000	15,100	115	4
10,001-15,000	19,700	249	8
15,000-20,000	26,400	463	16
20,001-25,000	32,400	732	27
25,001-30,000	44,800	1,243	47
30,001-35,000	67,100	2,182	85
35,001-40,000	79,400	2,982	126
40,001-45,000	85,600	3,642	160
45,001-50,000	91,600	4,345	200
50,001-60,000	152,800	8,374	421
60,001-70,000	120,900	7,843	440
70,001-80,000	99,300	7,428	459
80,001-90,000	72,300	6,126	391
90,001-100,000	51,500	4,883	316
100,001-125,000	73,900	8,182	539
125,001-150,000	34,000	4,618	312
150,001-200,000	31,100	5,317	358
200,001-250,000	12,900	2,869	180
250,001 – 300,000	7,700	2,108	125
>300,000	11,800	5,970	227
Total	1,142,300	79,641	4,437

Source: Revenue analysis.

Figure 26 shows the breakdown of pension contributions by gross pay ranges. Employees earning in the €30,000 to €60,000 range make up 41% of all pension contributors.

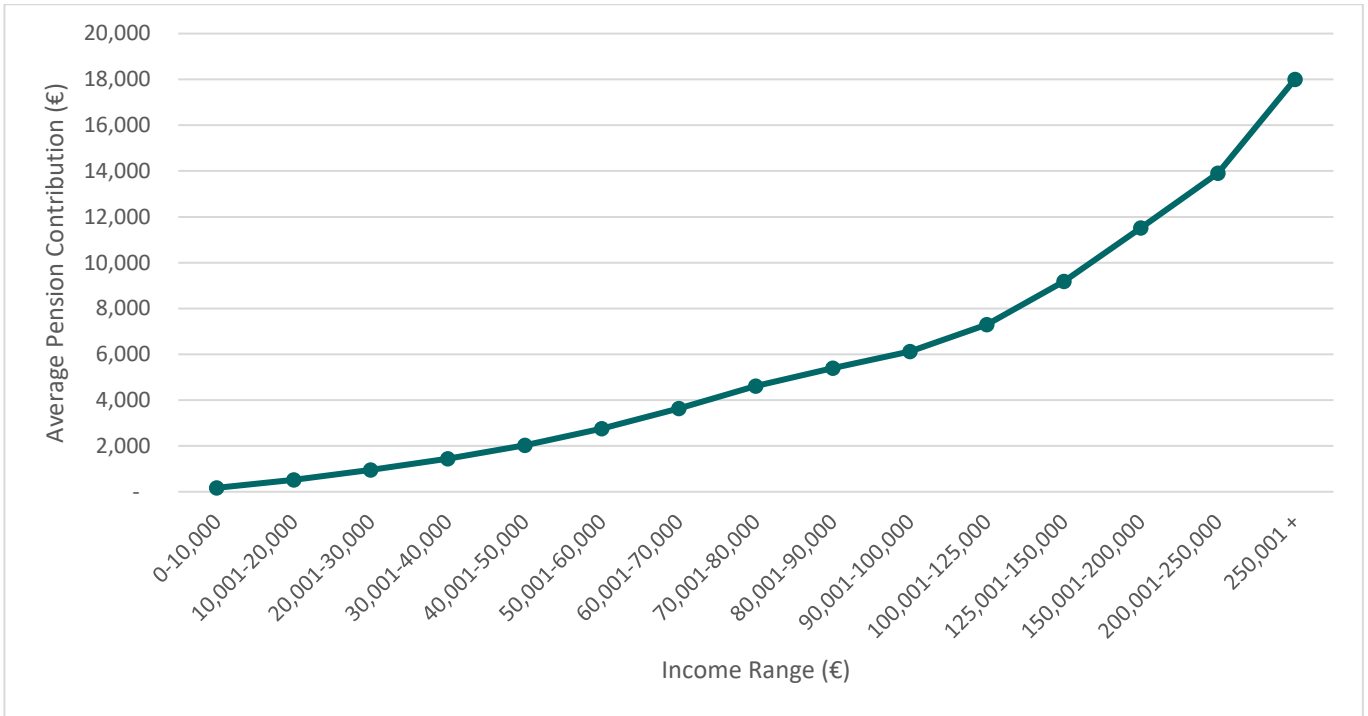
Figure 26: Distribution of Pension Contributors by Gross Pay



Source: Revenue analysis.

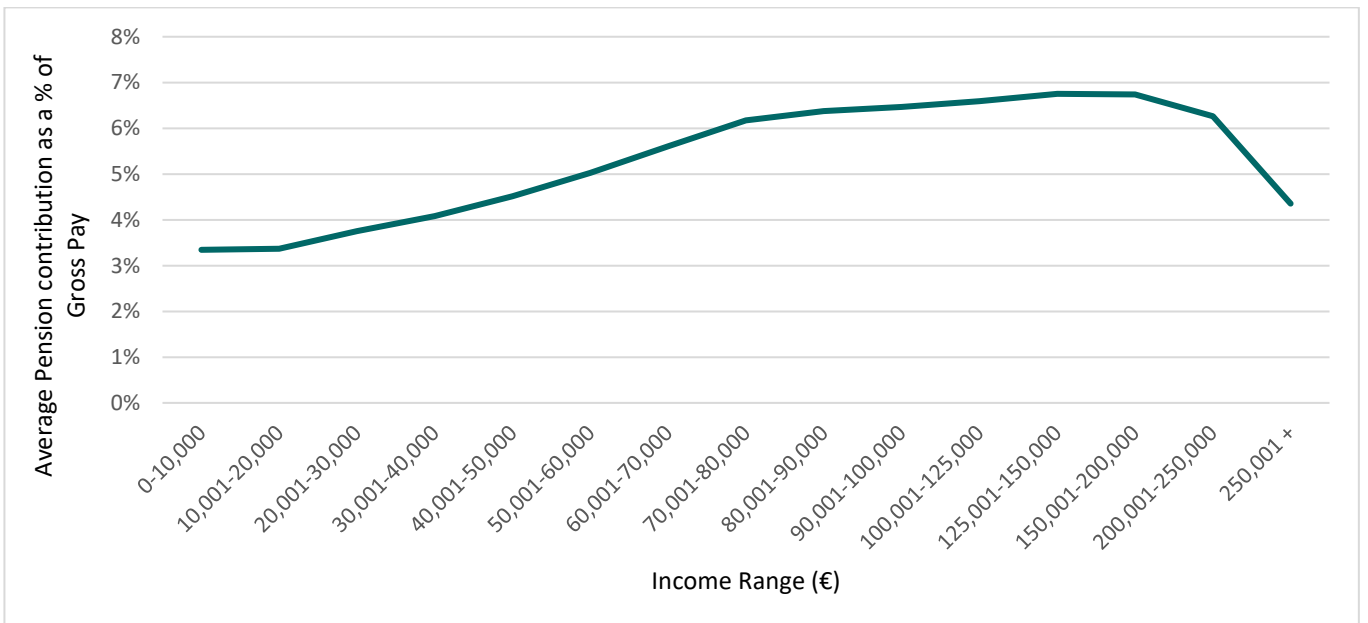
Figure 27 shows the average pension contribution by income range for those employees who are making a pension contribution. Those with higher incomes make greater contributions to their pension. Figure 28 shows that the average share of income set aside as pension contribution across the income ranges varies between 3 per cent – at the lower income bands and almost 7 per cent at the higher income bands before falling to 4% from the over €250k band.

Figure 27: Average Pension Contribution – Pension Contributors



Source: Revenue analysis.

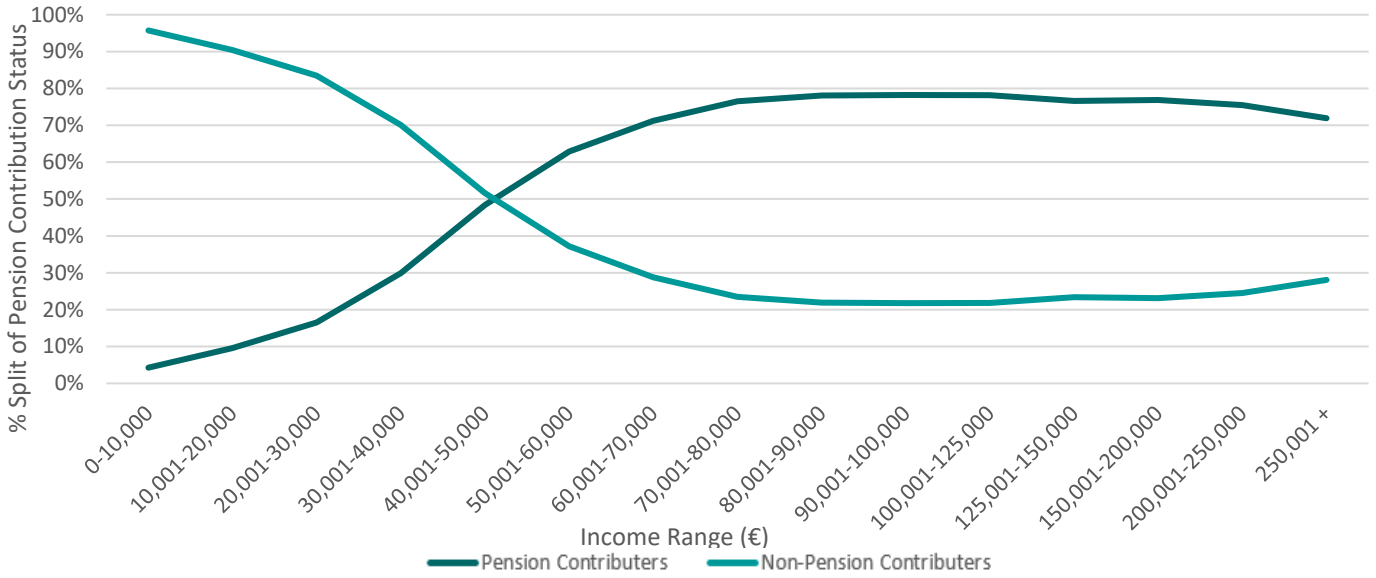
Figure 28: Average Pension Contribution as a share of Gross pay - Pension Contributors



Source: Revenue analysis.

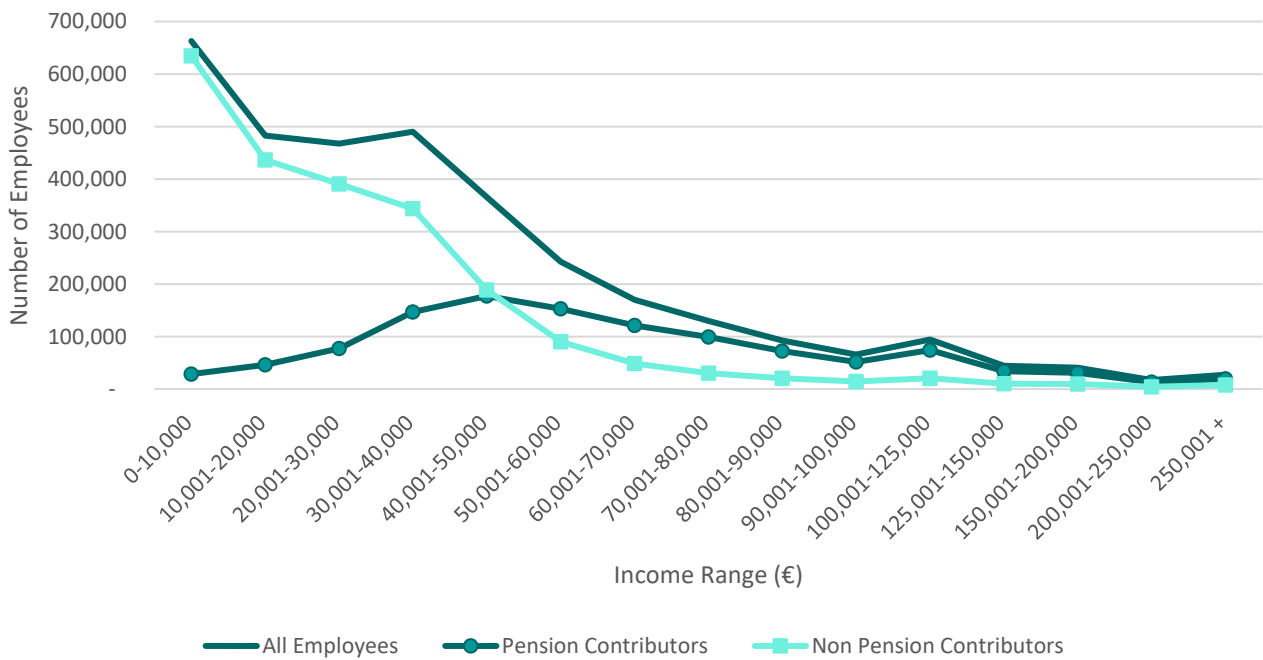
Error! Reference source not found. Figures 29 and 30 show, broken down by income range, the split of employees into pension contributors or non-pension contributors. Most employees on lower incomes do not make contributions to their pension. The gross income point above which most employees are making pension contributions is in the €40,000 to €50,000 range.

Figure 29: Split of Pension Contributor Status by Income Range



Source: Revenue analysis.

Figure 30: Number of Employees by Income Range and Pension Contributor Status

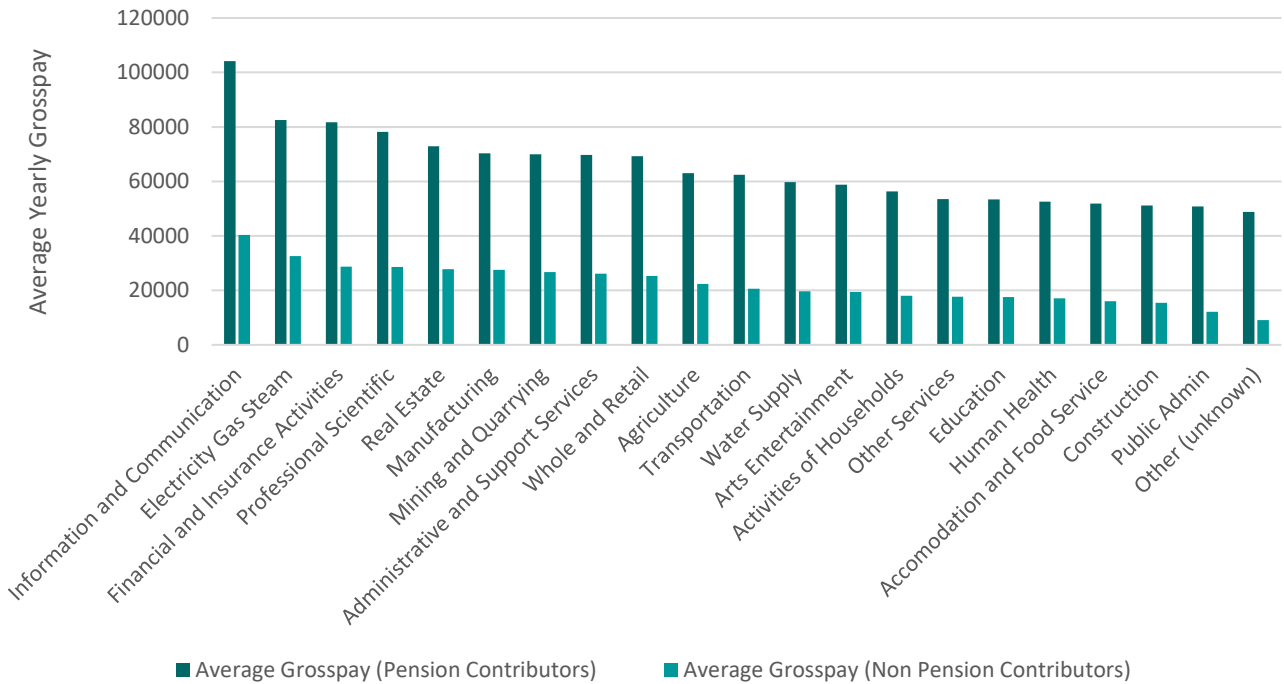


Source: Revenue analysis.

Figure 31 presents the distribution of pension contributors and non-pension contributors broken down by NACE sector and average annual gross pay. This is performed at the employment level

rather than the employee level, and sector is based on the NACE code of the employer. As can be seen, throughout all sectors the average gross pay of pension contributors is significantly higher than that of non-pension contributors, with the largest differences seen in the *Information and Communication*, *Financial and Insurance* and *Electricity and Gas* sectors.

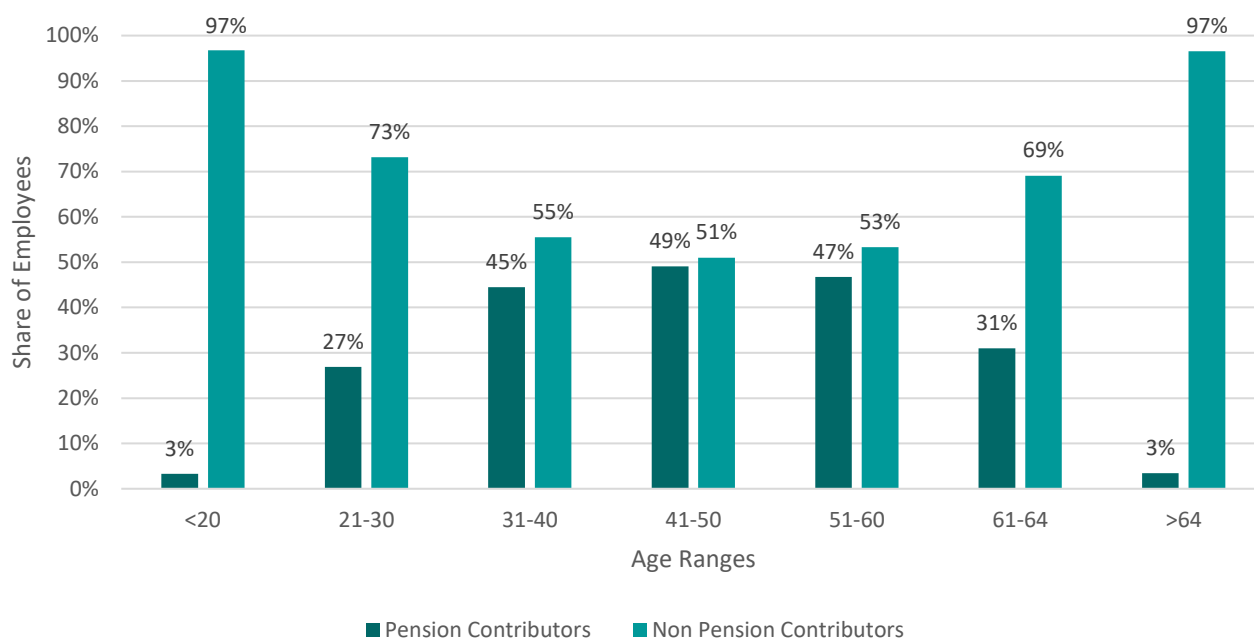
Figure 31: Distribution by Sector, Average Gross Pay, Contributors vs. Non-Contributors



Source: Revenue analysis.

7.3 Employees with no Pension Contributions

Looking at those individuals who do not have a pension contribution deduction in 2024, Figure 32 shows that those without a contribution are, in general, younger in age than all individuals in PAYE employment as a whole. It also shows a higher number of non-contributors in the older age brackets, but these can be accounted for by pension recipients, who would in general not be expected to be making pension contributions at that point.

Figure 32: Share of Employees by Age Range and Pension Contribution Status

Source: Revenue analysis.

Table 19 sets out the average gross pay, broken down by age, of those employees who do not make a pension contribution. In all age ranges the average gross pay is less than the average gross pay for all employees in 2023 which was €42,100¹⁰.

Table 19: Average Gross Pay by Age of Non-Contributors

Age Range	Average Gross Pay €
<20	8,200
21-30	22,300
31-40	33,400
41-50	38,400
51-60	39,200
61-64	33,000
>64	22,900

Source: Revenue analysis.

7.4 Pension Recipients

Those in receipt of a private pension income are included in their pension provider's payroll, and as such are included in the PAYE data submitted to Revenue. The income source, such as a pension income or employment income, is not indicated on the payslip, and thus it is not possible to identify precisely those in receipt of pension income. In order to quantify the incomes and

⁸ The average income is a mean average based on all individuals who appeared at least once on a payslip in 2024, and therefore includes a range of scenarios including those working part-time, full-time, permanent, temporarily, seasonal workers etc.

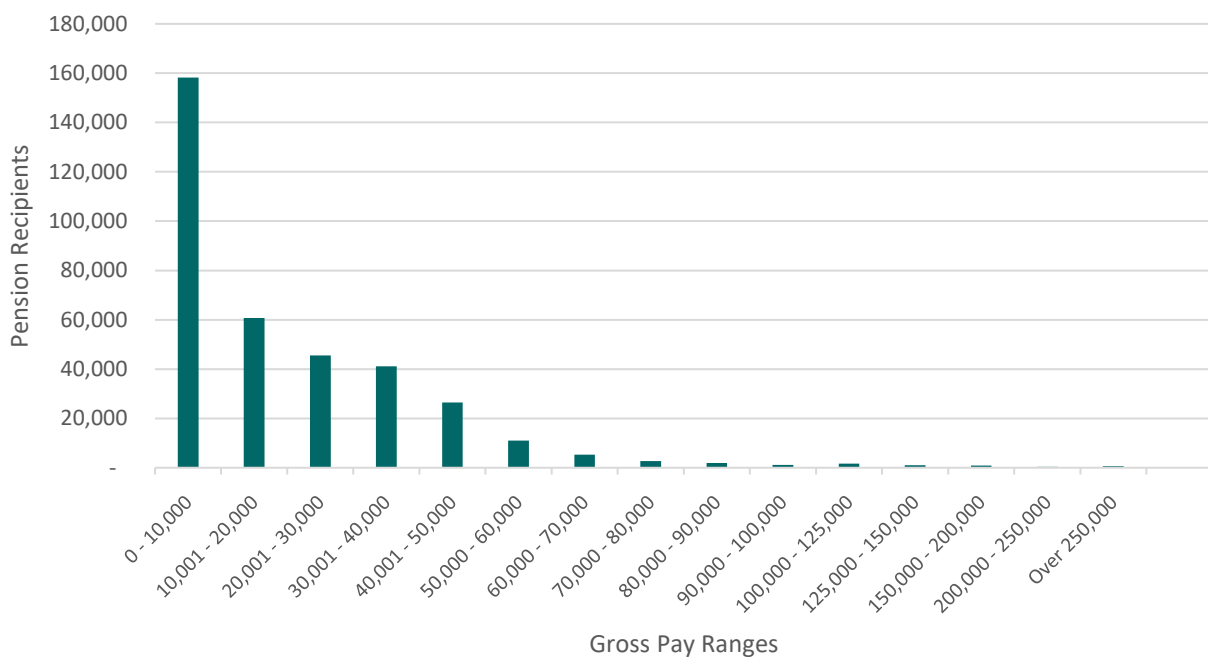
deductions of those in receipt of pension incomes, it is necessary to make some approximations in order to try to identify this cohort of taxpayers as closely as practically possible.

As an individual can have multiple employers in a year, employees can have more than one PRSI class in a year (operated by the employer). This analysis focuses on employees who had a Class M classification throughout the year and who were aged 60 or over at the beginning of 2024.¹¹

There were approximately 358,500 such employees in 2024, who were aged 60 at the beginning of the 2024 or over (about 11 per cent of all PAYE taxpayers).

The average income of this cohort is €1,750 per month or €21,000 per annum, 61 per cent of this cohort have an annual income of €20,000 or less, with 85 per cent on incomes of €40,000 or less. It is important to note that these figures exclude income from taxable pensions from the Department of Social Protection; such incomes are taxed by way of reducing the tax credits and bands available to this cohort.

Figure 33: Distribution of Pension Recipients by Gross Pay



Source: Revenue analysis.

⁹ Class M is assigned by the Department of Social Protection to people with no PRSI contribution liability such as employees under age 16 or people of pensionable age, currently 66 years, or over (including those previously liable for Class S). It also explicitly covers people in receipt of occupational pensions (on the Occupational Pension income only) or people within Class K with no contribution liability.

Megan Skinnader, Gavin Murphy, Jack O'Brien and Ciarán Heelan are members of the Irish Government Economic & Evaluation Service ("IGEES").



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