

Ready Reckoner - Post Budget 2019

Prepared by Statistics & Economic Research Branch, Revenue Commissioners

October 2018

Ready Reckoners are provided for the following taxes:

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Please note that the costings provided in this Ready Reckoner are estimates and should be treated as such. Unless otherwise indicated, Ready Reckoner costings assume no behavioural change from an increase or decrease in taxation. In the case of large relative changes to tax rates or allowances, the cost or yield may not be directly in line with estimates shown.

Every reasonable effort has been made to ensure that the information provided is as accurate and clear as possible.

Revenue's Statistics webpage: <http://www.revenue.ie/en/corporate/information-about-revenue/statistics/index.aspx>
Email: statistics@revenue.ie

Income Tax & Universal Social Charge

These following costs / yields are based on 2019 estimates from the Revenue tax forecasting model using latest actual data for the year 2016, adjusted as necessary for income, self-employment and employment trends in the interim.

The Income Tax & Universal Social Charge (USC) Ready Reckoner covers the following:

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Revenue Ready Reckoner

Income Earners by Income Tax and USC Rates in 2019

		Number of Taxpayer Units**	% of Taxpayer Units
Income Tax*	Higher rate (40%)	576,500	21%
	Standard rate (20%)	1,205,300	44%
	Exempt	941,700	35%
USC*	8% rate	243,300	9%
	4.5% rate	1,166,600	43%
	2% rate	538,200	20%
	Exempt	775,500	28%
Paying neither Income Tax or USC		775,500	28%
Total income earners		2,723,500	

*Shows the breakdown by the highest rate of Income Tax and USC paid by taxpayer unit.

**Married persons or civil partners who have elected or who have been deemed to have elected for joint assessment are counted as one tax unit.

The figures in this table are subject to rounding to the nearest hundred.

The Income Tax/USC figures do not take into account the Earned Income Credit and Home Carer's Credit

Revenue Ready Reckoner

Income Earners by Gross Income Range in 2019

€		Number of	€ Million	€ Million
Range of Gross Income		Taxpayer	Income	Tax/USC
		Units*		
0	10,000	466,700	2,133	0.9
10,000	13,000	135,294	1,556	1.0
13,000	15,000	94,768	1,327	9.6
15,000	18,000	137,057	2,270	31
18,000	20,000	96,651	1,837	54
20,000	25,000	225,497	5,064	253
25,000	27,000	80,540	2,086	132
27,000	30,000	114,589	3,282	244
30,000	35,000	199,458	6,476	574
35,000	40,000	177,011	6,597	702
40,000	50,000	263,638	11,821	1,646
50,000	60,000	191,708	10,495	1,791
60,000	70,000	128,805	8,332	1,589
70,000	75,000	50,900	3,686	745
75,000	80,000	46,571	3,605	767
80,000	90,000	71,934	6,101	1,396
90,000	100,000	52,360	4,968	1,227
100,000	150,000	118,114	14,127	4,055
150,000	200,000	34,682	5,915	2,021
200,000	275,000	18,512	4,282	1,619
Over	275,000	18,748	10,050	4,333
Total		2,723,500	116,010	23,190

*Married persons or civil partners who have elected or who have been deemed to have elected for joint assessment are counted as one tax unit.

The Income Tax/USC figures do not take into account the Earned Income Credit and Home Carer's Credit.

Revenue Ready Reckoner

Increases and Decreases to Income Tax and USC Rates

		€ Million	
		First Year	Full Year
Cost of 1% point decrease in Income Tax rates	20% rate	-575	-669
	40% rate	-280	-340
Yield from 1% point increase in Income Tax rates	20% rate	578	673
	40% rate	279	339
Yield from introduction of 3rd rate of Income Tax of 41%	Earnings over 80,000	114	144
	Earnings over 100,000	88	113
	Earnings over 120,000	72	93
Yield from introduction of 3rd rate of Income Tax of 43%	Earnings over 80,000	341	433
	Earnings over 100,000	263	339
	Earnings over 120,000	215	280
Cost of decrease in USC rates	Decrease 0.5% rate to 0%	-117	-136
	Decrease 2% rate to 1%*	-164	-192
	Decrease 4.5% to 3.5%	-342	-399
	Decrease 8% rate to 7%**	-135	-171
Yield from increase in USC rates	Increase 0.5% rate to 1.5%	233	272
	Increase 2% rate to 3%*	164	192
	Increase 4.5% rate to 5.5%	342	399
	Increase 8% rate to 9%**	135	171

*Includes the reduced rate USC for Medical Card holders.

**Includes those paying the 3% surcharge on non-PAYE income exceeding €100,000 in a year.

Revenue Ready Reckoner

Cost of Increasing Income Tax Credits

		€ Million	
		First Year	Full Year
Increase Single Persons Credit by €100	From €1,650 to €1,750	80	92
Increase Married or in a Civil Partnership Credit by €200	From €3,300 to €3,500	129	151
Increase Widowed Person or surviving Civil Partner (without qualifying child) Credit by €100	From €2,190 to €2,290	5.9	7
Increase Single Person Child Carer Tax Credit by €100	From €1,650 to €1,750	3.2	3.7
Increase PAYE Credit by €50	From €1,650 to €1,700	90	103
Increase Earned Income Credit by €50	From €1,350 to €1,400	6.8	12
Increase Earned Income Credit by €150	From €1,350 to €1,500	20.0	36
Increase Earned Income Credit by €500	From €1,350 to €1,850	68	121
Increase Home Carer's Credit by €50	From €1,500 to €1,550	3.5	4
Increase Dependent Relative Credit by €20	From €70 to €90	0.6	0.7
Increase Incapacitated Child Credit by €100	From €3,300 to €3,400	1.9	2.2
Increase Blind Persons Credit (incl. Guide Dog)		0.5	0.6
By €500 for single person	From €1,650 to €2,150		
By €1,000 for both spouses/civil partners blind	From €3,300 to €4,300		
Increase Widowed Parent or surviving Civil Partner Bereavement Credit by €100		0.2	0.3
Increase Age Credit		14	16
By €50 for single/widow/surviving Civil Partner	From €245 to €295		
By €100 for married/civil partners	From €490 to €590		

Revenue Ready Reckoner

Cost of Widening of Income Tax Standard Rate Bands

Single & Widowed or surviving Civil Partner - Current Band €35,300			
Band	Revised	€ Million	€ Million
€100	€35,400	7.5	8.7
€500	€35,800	37	43
€1,000	€36,300	73	84
€1,500	€36,800	108	125

Married or in a Civil Partnership, one Spouse or Civil Partner with Income - Current Band €43,550			
Band	Revised	€ Million	€ Million
€100	€44,400	2.6	3.1
€500	€44,800	13	15
€1,000	€45,300	26	31
€1,500	€45,800	38	46

Married or in a Civil Partnership, both Spouses or Civil Partners with Income - Current Bands €44,300 for Major Earner and €26,300 for Minor Earner				
Band Increase	Revised Band Major Earner	Revised Band Minor Earner	€ Million First Year Cost	€ Million Full Year Cost
€100	€44,400	€26,400	7.9	9.2
€500	€44,800	€26,800	39	46
€1,000	€45,300	€27,300	78	91
€1,500	€45,800	€27,800	116	135

Total Cost of Band Widening		
Band Increase	€ Million First Year Cost	€ Million Full Year Cost
€100	18	21
€500	89	104
€1,000	177	206
€1,500	262	305

Assumes the maximum allowable transferability of €9,000 across the board.

These costs do not take into account the Earned Income Credit and Home Carer's Credit.

Figures are subject to rounding.

Revenue Ready Reckoner

Cost of Increasing USC Rate Bands

		€ Million	
		First Year	Full Year
Income under €13,000 is exempt	Increase by €100 to €13,100	0.4	0.5
	Increase by €500 to €13,500	2.2	2.6
	Increase by €1,000 to €14,000	4.5	5.3
	Increase by €1,500 to €14,500	7	8
First €12,012 is charged at 0.5%*	Increase by €100 to €12,112	3.6	4.2
	Increase by €500 to €12,512	15	18
	Increase by €1,000 to €13,012	29	34
	Increase by €1,500 to €13,512	44	52
From €12,013 to €19,372 is charged at 2%*	Increase by €100 to €12,113 and €19,974	6.7	7.8
	Increase by €500 to €12,513 and €20,374	32	38
	Increase by €1,000 to €13,013 and €20,874	64	74
	Increase by €1,500 to €13,513 and €21,374	96	111
From €19,373 to €70,044 is charged at 4.5%*	Increase by €100 to €19,974 and €70,144	4.8	5.6
	Increase by €500 to €20,374 and €70,544	22	26
	Increase by €1,000 to €20,874 and €71,044	43	50
	Increase by €1,500 to €21,374 and €71,544	64	75
Above €70,045 is charged at 8%*	Increase by €500 to €70,545	4.2	5.0
	Increase by €1,000 to €71,045	8.1	9.6
	Increase by €2,000 to €72,045	16	19
	Increase by €5,000 to €75,045	38	45

*The €13,000 exemption threshold remains unchanged for the USC rate band increases.

Revenue Ready Reckoner

Cost of Increasing Income Tax Exemption Limits

		€ Million	
		First Year	Full Year
Aged 65 and over	By €100 for single/widow/surviving civil partner and by €200 for married/civil partnership	3.3	3.9
	By €300 for single/widow/surviving civil partner and by €600 for married/civil partnership	10	12.0
Child addition	Increase limit by €100 per child (all children)	0.1	0.1
	Increase limit by €300 per child (all children)	0.3	0.4

Revenue Ready Reckoner

Cost of Indexation

		€ Million	
		First Year	Full Year
Indexation at 1%	Personal Tax Credits (including Home Carer's Credit) with rate bands	105	123
	Exemption limits, Personal Tax Credits with rate bands	111	130
	PAYE Credit, Exemption limits, Personal Tax Credits with rate bands	141	165
	Earned Income Credit	0.7	1.2
	USC rate bands and exemption limits	18	21

Revenue Ready Reckoner

Changes to Income Tax Relief on Pensions

Cost of decreasing/increasing the ceiling for occupational pension schemes, RACs and PRSAs and / or reducing the marginal effective rate applicable to these reliefs.

€ Million

	Rate					
	40%	39%	34%	33%	30%	20%
€200,000	-13	3	84	100	149	312
€150,000	-8	8	88	105	153	314
€120,000	-2	15	94	110	158	318
€115,000	0*	16	96	111	159	319
€110,000	8	24	103	118	165	323
€105,000	17	32	110	126	172	327
€100,000	26	41	118	133	179	332
Ceiling €95,000	36	51	126	142	186	337
€90,000	47	62	136	150	195	342
€85,000	59	74	145	160	203	348
€80,000	72	86	156	170	213	355
€75,000	85	99	168	182	223	361
€70,000	100	114	181	194	235	369
€65,000	116	129	195	208	247	377
€60,000	134	147	210	222	260	384

*Current rate and ceiling.

Deposit Interest Retention Tax (DIRT)

		€ Million Full Year
Reduction in the standard rate of DIRT	From 35% to 33%	-5.0
	From 35% to 31%	-10.0
	From 35% to 29%	-15
Increase in the standard rate of DIRT	From 35% to 37%	5.0
	From 35% to 39%	10.0
	From 35% to 41%	15

Life Assurance Exit Tax (LAET)

		€ Million Full Year
Reduction in the standard rate of LAET	From 41% to 40%	-4.0
	From 41% to 35%	-26.0
	From 41% to 33%	-34
Increase in the standard rate of LAET	From 41% to 42%	4.0
	From 41% to 47%	26.0
	From 41% to 49%	34

Revenue Ready Reckoner

Capital Gains Tax (CGT)

		€ Million Full Year
Reduction in the CGT rate	From 33% to 32%	-36
	From 33% to 31%	-71
	From 33% to 28%	-178
Increase in the CGT rate	From 33% to 34%	36
	From 33% to 35%	71
	From 33% to 38%	178

Capital Acquisitions Tax (CAT)

The CAT Ready Reckoner covers the following:

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Effects of Changes in CAT Rates, Thresholds or Reliefs

		€ Million Full Year
Reduction in the CAT rate	From 33% to 32%	-15
	From 33% to 30%	-45
	From 33% to 28%	-76
	From 33% to 23%	-151
Increase in the CAT rate	From 33% to 34%	15
	From 33% to 36%	45
	From 33% to 38%	76
	From 33% to 43%	151
Reduce Agricultural Relief	From 90% to 80%	8
	From 90% to 70%	18
	From 90% to 60%	31
	From 90% to 50%	46
Reduce Business Relief	From 90% to 80%	8
	From 90% to 70%	18
	From 90% to 60%	29
	From 90% to 50%	40

*Thresholds are currently €320,000 for Category A, €32,500 for Category B and €16,250 for Category C.

Revenue Ready Reckoner

Effect of Simultaneous Change in CAT Rate and Thresholds

The estimated cost of any given increase in thresholds and simultaneous decrease in rate does not result in an equivalent estimated yield for an equal decrease in thresholds and simultaneous increase in rate. This is due to the interaction of the rate with differing thresholds in each of the three categories. All figures shown are for the full year.

		Category A Threshold (children)							
		290,000	304,000	310,000	317,000	320,000	323,000	330,000	352,000
23%		-35.8	-44.9	-48.8	-53	-55.3	-57.2	-61.3	-72.2
28%		-4	-15	-19.8	-25	-27.6	-29.9	-34.9	-48.3
30%		8.8	-3.0	-8.0	-14.0	-16.6	-19.0	-24.4	-38.7
32%		21.5	9.0	3.5	-2.8	-5.5	-8.2	-13.9	-29.1
33%		27.9	14.9	9.3	2.8	0.0	-2.7	-8.6	-24.4
34%		34.3	20.8	15.0	8.4	5.5	2.7	-3.3	-19.6
36%		47.0	32.8	26.7	19.6	16.6	13.6	7.2	-10.0
38%		59.7	44.8	38.3	30.8	27.6	24.5	17.7	-0.4
43%		91.6	74.7	69.2	58.9	55.3	51.7	44.1	23.5

*Current rate and threshold

		Category B Threshold (family relationship)							
		29,300	30,900	31,500	32,200	30,500	32,800	33,500	35,800
23%		-67.3	-71	-68.3	-74	-74.7	-79.9	-81.2	-86
28%		-28.4	-32.9	-36.4	-36.5	-37.3	-43.6	-45.4	-51
30%		-12.8	-17.6	-19.4	-21.5	-22.4	-29.0	-31.0	-37.0
32%		3.0	-2.3	-4.3	-6.5	-7.5	-14.3	-16.7	-23.0
33%		10.6	5.3	3.3	1.0	0.0	-7.3	-9.5	-16.0
34%		18.3	12.9	10.9	8.1	7.5	0.0	-2.3	-9.3
36%		33.9	28.2	26.0	23.5	22.4	14.4	12.0	4.7
38%		49.5	43.4	41.2	38.5	37.3	28.9	26.4	18.7
43%		88.5	81.6	79.0	76.0	74.7	73.4	70.5	61.2

*Current rate and threshold

		Category C Threshold (other relationships not covered in A or B)							
		14,600	15,500	15,700	16,100	16,250	16,400	16,700	17,900
23%		-19.8	-20.6	-20.8	-21	-21.2	-21.4	-21.6	-22.7
28%		-8.9	-9.9	-10	-10.5	-10.6	-10.8	-11	-12.3
30%		-4.5	-5.5	-5.7	-6.2	-6.4	-6.5	-6.9	-8.2
32%		-0.1	-1.2	-1.5	-1.9	-2.1	-2.3	-2.7	-4.0
33%		2.0	1.0	0.7	0.2	0.0	-0.2	-0.6	-2.0
34%		4.3	3.0	2.8	2.3	2.1	1.9	1.5	0.0
36%		8.6	7.4	7.1	6.6	6.4	6.2	5.8	4.2
38%		13.0	11.7	11.4	10.8	10.6	10.4	10.0	8.3
43%		24.0	22.5	22.1	21.5	21.2	21.0	20.5	18.6

*Current rate and threshold

Revenue Ready Reckoner

Stamp Duty

	€ Million Full Year	
Residential Property***	Increase Stamp Duty to 1.5% on consideration below €1,000,000	90
	Decrease Stamp Duty to 0.5% on consideration below €1,000,000	-90
	Increase Stamp Duty to 2.5% on excess above €1,000,000	5
	Increase Stamp Duty to 3% on excess above €1,000,000	10
	Increase Stamp Duty to 4% on excess above €1,000,000	19
	Increase Stamp Duty to 5% on excess above €1,000,000	29
	Decrease Stamp Duty to 1.5% on excess above €1,000,000	-5
	Decrease Stamp Duty to 1.0% on excess above €1,000,000	-10
	Decrease Stamp Duty to 0.5% on excess above €1,000,000	-14
	Abolish Stamp Duty on excess above €1,000,000	-19
	Increase Stamp Duty to 2% on excess above €500,000	38
	Increase Stamp Duty to 2% on excess above €600,000	26
	Increase Stamp Duty to 2% on excess above €700,000	17
	Increase Stamp Duty to 2% on excess above €800,000	10
	Increase Stamp Duty to 2% on excess above €900,000	5
Non-Residential Property	Increase Stamp Duty by 0.5% to 6.5%	45
	Decrease Stamp Duty by 0.5% to 5.5%	-45
	Increase Stamp Duty to 7% on excess above €500,000	63
	Increase Stamp Duty to 7% on excess above €600,000	60
	Increase Stamp Duty to 7% on excess above €700,000	58
	Increase Stamp Duty to 7% on excess above €800,000	56
Shares*	Increase the rate to 1.1%	47
	Decrease the rate to 0.9%	-47
Cheques & Financial Cards	Increase Stamp Duty on business cheques by 50%	9
	Increase Stamp Duty on personal cheques by 50%	5
	Abolishing duty on credit cards	60
	10% increase in the Stamp Duty on credit cards	6
	10% decrease in the Stamp Duty on credit cards	-6
	Abolishing duty on cash cards**	14
	10% increase in the Stamp Duty on cash cards**	1
10% decrease in the Stamp Duty on cash cards**	-1	

*Current rate of Stamp Duty on shares is 1%. **Includes ATM cards, debit cards and combined ATM/debit cards. ***Stamp Duty on residential property is currently 1% on consideration below €1 million and 2% on any excess.

Excise

The Excise Ready Reckoner covers the following:

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Revenue Ready Reckoner

Excise - Oils

		€ Million
		Full Year
Unleaded petrol (per litre)	Increase by 1 cent	10
	Increase by 3 cent	30
	Increase by 5 cent	49
	Increase by 10 cent	97
Auto diesel (per litre)	Increase by 1 cent	27
	Increase by 3 cent	81
	Increase by 5 cent	135
	Increase by 10 cent	268

The increase amounts and the resulting full year estimates are inclusive of VAT.

Equalising the Excise rates applied on diesel to those applied on petrol would raise €358 million (including both additional Excise & VAT) per annum.

Carbon Tax

		€ Million
		Full Year
	Increase by €5 a Tonne	107
	Increase by €10 a Tonne	213
	Increase by €15 a Tonne	320
	Increase by €20 a Tonne	426

The increase amounts and the resulting full year estimates are inclusive of VAT.

Revenue Ready Reckoner

Excise - Alcohol

		€ Million Full Year
Beer (per pint)	Increase by 1 cent	7
	Increase by 3 cent	20
	Increase by 5 cent	34
	Increase by 10 cent	67
Spirits (per half glass)	Increase by 1 cent	4
	Increase by 3 cent	12
	Increase by 5 cent	20
	Increase by 10 cent	39
Cider & perry (per pint)	Increase by 1 cent	1
	Increase by 3 cent	3
	Increase by 5 cent	5
	Increase by 10 cent	10
Wine (per 75 cl)	Increase by 5 cent	3
	Increase by 10 cent	6
	Increase by 25 cent	16
	Increase by 50 cent	30

The increase amounts and the resulting full year estimates are inclusive of VAT.

Revenue Ready Reckoner

Excise - Tobacco

		€ Million
		Full Year
Cigarettes (per pack of 20)	Increase by 5 cent	In the range from -4 to +6
	Increase by 10 cent	In the range from -8 to +12
	Increase by 25 cent	In the range from -21 to +29
	Increase by 50 cent	In the range from -44 to +57

The yield estimates include a pro-rata increase for other tobacco products

Estimated receipts of tobacco products tax use an elasticity measure to partially reflect the responsiveness (or change in behaviour) of smokers following duty and price changes. Increases in duties are forecast to lead to increases in receipts, albeit recognising that some smokers will consume less and consequently some of the increases in receipts from higher prices are negated. Further cigarette price rises, particularly at the higher end, may not increase Excise receipts and this is indicated through the use of the range of estimates above. To reflect the potential variations in consumption change in smokers, the range above is based on varying the elasticities used in the forecast calculation. The elasticities used are derived from research conducted by Revenue. Variations in receipts from tobacco in recent years suggest that the use of the range is appropriate but also that the higher end of the range is likely the most suitable to use when undertaking costings.

Revenue Ready Reckoner

Excise - Betting Duty

		€ Million Full Year
Betting Duty Rate	Increase by 0.5 %	25
	Increase by 1 %	50
	Increase by 1.5 %	75
	Increase by 2 %	100
	Increase by 2.5 %	125
	Increase by 3 %	150

Revenue Ready Reckoner

Value Added Tax (VAT)

Activity by VAT Rate

	% of Activity	% of Tax Receipts
Standard rate of 23% applies to	50	69
Reduced rate of 13.5% applies to	37	31
Reduced rate of 9% applies to	1	1
Zero rate applies to	11	

Increases and Decreases to VAT Rates

		€ Million Full Year
9% Reduced Rate	1% Increase / Decrease	+/- 9
13.5% Reduced Rate	1% Increase / Decrease	+/- 335
23% Standard Rate	1% Increase / Decrease	+/- 455
Zero Rate Increased	0% to 5%	513
	0% to 9%	923
	0% to 13.5%	1,384
	0% to 23%	2,358
Restructuring the VAT system on a target revenue-neutral basis		
Zero, 9%, 13.5% & 23% rates merged to a 16.177% rate		0
9%, 13.5% & 23% rates merged to a 18.246% rate		0

Revenue Ready Reckoner

Local Property Tax (LPT)

	€ Million Full Year
All Local Authorities vary the central rate by -15% Local Adjustment Factor*	-49
All Local Authorities vary the central rate by +15% Local Adjustment Factor*	99
Additional charge of €100 on every property	180
Additional charge of €100 on second or more properties**	53
Additional charge of €100 on every Non Principal Private Residence***	26
Additional charge of €100 on second or more Non Principal Private Residence***	18
Cost if exclude Principal Private Residences from Local Property Tax***	-410
Cost if exclude Non Principal Private Residences from Local Property Tax***	-55

All estimates represent change against expected LPT yield of €465m in 2019 and exclude current LPT exempt and deferred properties.

*Compared to Local Adjustment Factors in place for 2019.

** "Second or more properties" includes properties owned by Local Authorities and approved housing bodies as well as commercial landlords.

*** Principal Primary Residence / Non Principal Primary Residence based on properties indicated as such by owners in LPT returns, non principal primary residences are mostly composed of rental properties and holiday homes.