

# Income Tax for Employees

Rate bands, Tax credits,  
Tax basis & USC Handout



## Income Tax Rate Bands

Single, or widowed or surviving civil partner, without qualifying children	€42,000 @ 20% The balance @ 40%
Single, or widowed or surviving civil partner, qualifying for Single Person Child Carer Credit	€46,000 @ 20% The balance @ 40%
Married or in a civil partnership (one spouse or civil partner with income)	€51,000 @ 20% The balance @ 40%
Married or in a civil partnership (both spouses or civil partners with income)	€51,000 @ 20% (with a maximum increase of €33,000) The balance @ 40%

## Tax Credits

Personal Credit- Single Person	€1,875
Personal Credit- Married Person or Civil Partner	€3,750
Employee PAYE Credit	€1,875

A list of additional tax credits is available on the Revenue website ([www.revenue.ie](http://www.revenue.ie))

## Tax Basis

Emergency Basis	<ul style="list-style-type: none"><li>Your job is not registered with Revenue</li></ul> <b>or</b> <ul style="list-style-type: none"><li>You haven't given your employer your PPSN.</li></ul>
Week 1 Basis	<ul style="list-style-type: none"><li>Each payslip is calculated separately.</li><li>Unused credits or rate bands from a previous payslip are not carried forward.</li></ul>
Cumulative Basis	<ul style="list-style-type: none"><li>Your credits and rate bands are accumulated from 1 January to the current date.</li><li>This is the preferred basis</li></ul>

## Universal Social Charge (USC) – Standard Rates and Thresholds

Rate Band	Yearly	Monthly	Weekly
Income chargeable at 0.5%	First €12,012	First €1,001	First €231
Income chargeable at 2%	Next €13,748	Next €1,145.67	Next €264.39
Income chargeable at 4%	Next €44,284	Next €3,690.34	Next €851.62

All income above these amounts is chargeable at 8%

## Universal Social Charge (USC) – Reduced Rates

Rate Band	Yearly	Monthly	Weekly
Income chargeable at 0.5%	First €12,012	First €1,001	First €231

All income above these amounts is chargeable at 2%