

Income Tax for Employees

Quiz **Solutions**





Unit 3

Income Tax for Employees

1. A fixed regular payment in return for work is known as a
 - a. Wage
 - b. Salary**
 - c. Bonus
 - d. Dividend
2. Which of the following is an example of a direct tax?
 - a. Income Tax**
 - b. Value Added Tax
 - c. Customs Duty
 - d. Stamp Duty
3. Schedule E relates to which type of income for tax purposes?
 - a. Business income
 - b. Dividend income
 - c. Employment income**
 - d. Unemployment income
4. Which of the following is an example of non-taxable income?
 - a. Rental income
 - b. Business profit
 - c. Dividend income
 - d. Lottery winnings**
5. What do the letters PPSN mean?
 - a. Public Personal Service Number
 - b. Personal Publicity Service Number
 - c. Personal Public Service Number**
 - d. Public Personnel Service Number
6. What do the letters RPN mean?
 - a. Revenue Payroll Notification**
 - b. Revenue Payment Notification
 - c. Revenue Placement Notification
 - d. Revenue Pay Notification
7. Which of the following is a non-statutory deduction?
 - a. USC
 - b. PRSI
 - c. Trade union subscription**
 - d. Income Tax



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8. What is the standard rate of Income Tax for an employee in Ireland?
- a. **20%**
 - b. 25%
 - c. 15%
 - d. 30%
9. What do the letters SRCOP mean?
- a. Standard Rating Cut-Off Point
 - b. Statement Rate Cut-Off Point
 - c. Statement Rating Cut-Off Point
 - d. **Standard Rate Cut-Off Point**
10. Tax credits
- a. Increase the amount of tax a person pays
 - b. **Decrease the amount of tax a person pays**
 - c. Have no impact on the amount of tax a person pays
 - d. Double the amount of tax a person pays
11. What is the name of the payment received by employees based on the value of products sold?
- a. Bonus
 - b. Wage
 - c. **Commission**
 - d. Dividend
12. What is the name of the payment made to an employee based on the number of hours or days worked?
- a. **Wage**
 - b. Salary
 - c. Tips
 - d. Bonus
13. What is the name of the payment received by an unemployed person?
- a. Maternity Benefit
 - b. Child Benefit
 - c. Pension
 - d. **Jobseeker's Benefit**



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14. Which of the following taxes is an indirect tax?
- a. Capital Gains Tax
 - b. Excise Duty**
 - c. Capital Acquisitions Tax
 - d. Deposit Interest Retention Tax
15. Which of the following is an example of taxable income?
- a. Jobseeker's Allowance
 - b. Pension**
 - c. Scholarship income
 - d. Prize Bond winnings