

USC and PRSI for Employees

Student Activity Worksheet

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Solutions



USC

1. What do the letters USC mean? **Universal Social Charge**
2. In what year was USC introduced? **2011**
3. Who is responsible for calculating USC on behalf of an employee? **Employer**
4. Identify whether the following statements are true or false.

| Statement | True / False |
|---|--------------|
| 1. If your income is below €13,000 you pay USC | False |
| 2. All income above €70,044 is subject to USC at a rate of 8% | True |
| 3. All social welfare payments are subject to USC | False |
| 4. Bonus payments are subject to USC | True |

TCC and PRSI

1. What do the letters TCC mean? **Tax Credit Certificate**
2. List **two** pieces of information found on a TCC.
Tax credits and rate band, USC rates and rate band, Employment identifier
3. In what month does the Revenue Commissioners issue a TCC? **December**
4. Fill in the blanks in the following sentences.

The letters PRSI mean Pay **Related** Social **Insurance**. It consists of contributions from both the employer and **employee**. PRSI contributions are collected by the Revenue Commissioners and are the main source of funding for the **Social** Insurance Fund, that is managed by the **Department** of Social Protection. Some benefits of PRSI contributions include: **Maternity** Benefit, State **Pensions** and Job**seeker's** Benefit.

USC, TCC and PRSI

Circle the correct answer in the following statements.

1. The PRSI / **PAYE** system is used to collect both USC and PRSI.
2. USC is a **statutory** / non-statutory deduction from an employee's pay.
3. An employee **receives**/ doesn't receive an amended TCC if their circumstances change during the year.
4. Employer PRSI contributions are smaller / **larger** than contributions made by employees.
5. There are **11** / 13 different PRSI classes in the Irish system.