

# Income Tax and VAT

Income Tax Worksheet

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Solutions



Read the following case studies and decide whether the person should / should not register for Income Tax. Provide a reason for your answer.

**1.** Christina has:

- Schedule E income of €46,890

**and**

- Schedule D Case V net income of €3,000

Is Christina required to register for Income Tax and pay her taxes through the self-assessment system? Yes / **No**

Explain the reason for your answer.

- Christina does not meet the threshold to be known as a chargeable person as her net non-PAYE income is below €5,000. She will need to declare the €3,000 through myAccount.

**2.** Alexi owns and runs AK Carpentry. He has a gross trade income of €40,000.

Is Alexi required to register for Income Tax and pay his taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Alexi will need to register for Income Tax, as he is in business and self-employed.

**3.** Ted has Schedule D Case III gross foreign rental income of €35,000. This is his only source of income.

Is Ted required to register for Income Tax and pay his taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Ted has only non-PAYE income and therefore must register for self-assessment Income Tax.

- 4.** Anna has:
- Schedule E income of €51,200

**and**

- Schedule D Case V net rental income of €7,500

Is Anna required to register for Income Tax and pay her taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Anna meets the threshold to be known as a chargeable person as her net non-PAYE income exceeds €5,000.

- 5.** Emily has a Schedule D Case V net Irish rental income of €4,500. This is Emily's only source of income.

Is Emily required to register for Income Tax and pay her taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Emily has only non-PAYE income and therefore must register for self-assessment Income Tax.

- 6.** Ahmed has gross professional income as a self-employed barrister of €30,100.

Is Ahmed required to register for Income Tax and pay his taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Ahmed will need to register for Income Tax, as he is in business and self-employed.

- 7.** Jack has a Schedule E gross employment income of €31,000.

Is Jack required to register for Income Tax and pay his taxes through the self-assessment system? Yes / **No**

Explain the reason for your answer.

- Jack is registered by his employer under the PAYE system and is not required to register for self-assessment Income Tax.

**8.** Bogdan has:

- Schedule E employment income of €54,750

**and**

- Schedule F gross dividend income of €31,000

Is Bogdan required to register for Income Tax and pay his taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Bogdan will need to register for self-assessment Income Tax as his gross non-PAYE income is above €30,000.

**9.** Fiona has:

- Schedule D Case III interest from government stocks of €3,000

**and**

- Schedule D Case V gross rental income of €29,000.

Is Fiona required to register for Income Tax and pay her taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Fiona has only non-PAYE income and therefore must register for self-assessment Income Tax.

**10.** Viktor has Schedule D Case I gross trade income as a self-employed mechanic of €25,000.

Is Viktor required to register for Income Tax and pay his taxes through the self-assessment system? **Yes** / No

Explain the reason for your answer.

- Viktor will need to register for Income Tax, as he is in business and self-employed.