

## Income from scholarships

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Section 193 TCA 1997 provides that income arising from a scholarship is exempt from income tax and accordingly is not chargeable to USC.

Where an employee, or the spouse/civil partner, family, dependents, etc. of an employee, is in receipt of income from an employer sponsored scholarship scheme, a charge to tax under Schedule E on the employee arises in respect of such income unless at least 75% of the scholarship income disbursed under the employer sponsored scholarship scheme is to persons not connected, either directly or indirectly, with the provider of the scholarship.