

Tax Rates and Credits 2020

Personal income tax rates (unchanged)		
	At 20%, first	At 40%
Single person	€35,300	Balance
Married couple/civil partnership (one income)	€44,300	Balance
Married couple/civil partnership (two incomes)*	€70,600	Balance
One parent/widowed parent/surviving civil partner	€39,300	Balance
* €44,300 with an increase of €26,300 maximum		
Personal tax credits (changed)		
Single person	€1,650	
Married couple/civil partnership	€3,300	
Single person child carer credit	€1,650	
Additional credit for certain widowed persons /surviving civil partner	€1,650	
Employee credit	€1,650	
Earned income credit (increased)*	€1,500	
Home carer credit (increased)	€1,600	
* Applies to self employed income and certain PAYE employments not subject to the PAYE credit		
Help to Buy Scheme (extended)		
Income tax rebate, capped at €20,000, for first time buyers of a principal private residence. The relief is 5% of the house value (capped at €400,000). No relief for houses valued greater than €500,000. Claimants must take out a mortgage of at least 70% of the purchase price. The scheme only applies to new builds, self builds or a converted building not previously used as a dwelling and not to second hand properties. The scheme will be extended until 31 December 2021.		
Home loan interest relief granted at source on principal private residence* (unchanged)		
Married/widowed** - First time buyers loan taken out from 2009 to 2012		
After year 7 (where applicable up to and including 2017)*	Lower of €900 or 15% of interest paid	
2020	25% of relief available in 2017	
Married/widowed** - Other mortgages, loans taken out from 2004 to 2012		
2017*	Lower of €900 or 15% of interest paid	
2020	25% of relief available in 2017	
Married/widowed** - First time buyers loan taken out from 2004 to 2008		
After year 7 and up to and including 2017*	Lower of €1,800 or 30% of interest paid	
2020	25% of relief available in 2017	
Single persons		
Thresholds set at 50% of those outlined above for married/widowed persons		
* Loans taken out on or after 1 January 2013 do not qualify for Mortgage Interest Relief. The relief available in 2017 was extended in Budget 2018 on a tapered basis to 2020		
** Applies to civil partnerships/surviving civil partner also		
Local Property Tax (varying rates) (unchanged)		
Market Value less than €1,000,000*	0.18%	
Market Value greater than €1,000,000:	0.18%	
- First €1,000,000	0.25%	
- Balance	0.25%	
* Market Value less than €100,000 - calculated on 0.18% of €50,000. Market Value €100,000 - €1,000,000 assessed at mid-point of €50,000 band (i.e. property valued between €150,001 and €200,000, assessed on 0.18% of €175,000).		
- Applies to residential (not commercial) properties. Exemptions for houses in certain unfinished estates and newly constructed but unsold property.		
- Certain payment deferral options may be available for low income households		
- From 2015 onwards, local authorities can vary the basic LPT rates on residential properties in their administrative areas. These rates can be increased or decreased by up to 15%		
- LPT liability for 2020 will continue to be based on the value of the property as at 1 May 2013. Revaluation for LPT has been deferred to 1 November 2020.		
Value Added Tax (unchanged)		
Standard rate/lower rate	23%/13.5%	
Newspapers, electronically supplied publications and sporting facilities	9%	
Flat rate for unregistered farmers	5.4%	
Cash receipts basis threshold	€2m	
Dividend Withholding Tax (changed)		
Rate	25%*	
* With effect from 1 January 2020 (previously 20%)		
** A modified DWT regime will be introduced from 1 January 2021 under which it is proposed to use real-time data collected under the modernised PAYE system to apply a personalised rate of DWT to each individual taxpayer		

PRSI contribution (changed), Universal Social Charge (changed)		
	%	Income
Employer	11.05%* (increased)	No limit
	8.8%* (increased)	If income is €386 p/w or less
Employee** (class A1)		
PRSI	4%	No limit**
Universal Social Charge	0.5% (unchanged)	€0 to €12,012***
	2.0% (unchanged)	€12,013 to €19,874 [^]
	4.5% (unchanged)	€19,875 to €70,044****
	8% (unchanged)	> €70,044
* 0.1% increase in National Training Levy from 1 January 2020 included in Employer PRSI for Class A and Class H employments		
** Employees earning €352 or less p/w are exempt from PRSI. In any week in which an employee is subject to full-rate PRSI, all earnings are subject to PRSI. Unearned income for employees in excess of €3,174 p.a. is subject to PRSI. Sliding scale PRSI credit of max. €12 per week where weekly income between €352 and €424		
*** Individuals with total income up to €13,000 are not subject to the Universal Social Charge		
**** Reduced rate (2.0%) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed €60,000		
[^] From February 2020, the threshold changed from €19,874 to €20,484 in line with the minimum wage increase (The amendment will be legislated for retrospectively as part of Finance Bill 2020 process)		
Self-employed PRSI contribution, Universal Social Charge (unchanged)		
	%	Income
PRSI	4%	No limit*
Universal Social Charge	0.5% (unchanged)	€0 to €12,012**
	2.0% (unchanged)	€12,013 to €19,874
	4.5% (unchanged)	€19,875 to €70,044***
	8% (unchanged)	€70,045 to €100,000
	11% (unchanged)	> €100,000
* Minimum annual PRSI contribution is €500		
** Individuals with total income up to €13,000 are not subject to the Universal Social Charge		
*** Reduced rate (2.0%) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed €60,000		
Tax relief for pensions (unchanged)		
- Tax relief for pensions remains at the marginal income tax rate		
- The Defined Benefit pension valuation factor is an age related factor that will vary with the individual's age at the point at which the pension rights are drawn down		
- Except where a Personal Fund Threshold applies, the Standard Fund Threshold is €2m		
Capital gains tax (unchanged)		
Rate		33%
Entrepreneur relief (reduced rate)*		10%
Annual exemption		€1,270
* Relief remains capped at lifetime limit of €1m chargeable gains		
Capital acquisitions tax (changed)		
Rate		33%
Thresholds		
Group A (increased)*		€335,000
Group B		€32,500
Group C		€16,250
*Increased Group A threshold applies to gifts or inheritances received on or after 9 October 2019		
Corporation Tax rates (unchanged)		
Standard rate		12.5%
Knowledge Development Box rate		6.25%
Land (not fully developed) and non-trading income rate		25%
Exit tax*		12.5%
* Applies to unrealised gains arising where a company migrates or transfers assets offshore, such that they leave the scope of Irish taxation		
Stamp duty - commercial and other property (rate increased)		
7.5%* on commercial (non residential) properties** and other forms of property not otherwise exempt from duty.		
* Rate of 7.5% applicable on and from 9 October 2019. Transitional arrangements will apply whereby the 6% rate will apply to instruments executed before 1 January 2020 where a binding contract existed prior to 9 October 2019.		
** There is a refund scheme available to reduce the rate of stamp duty to 2% on certain residential development property transfers. It is intended that the 2% rate will continue to apply to eligible property under the refund scheme.		
Stamp duty - residential property (unchanged)		
1% on properties valued up to €1,000,000		
2% on balance of consideration in excess of €1,000,000		
Deposit Interest Retention Tax (changed)		
DIRT (rate reduced)		33%*
* 41% rate remains for exit taxes on financial products		