

ANNEX A

Details of Income Levy, Health Levy & PRSI Changes in Supplementary Budget 2009 and Their Effects On Different Categories of Income Earners

Contents

- (i) Details of Main Changes**
- (ii) Examples Showing the Annualised Effects of Budget Changes on Different Categories of Married and Single Income Earners**

Examples 1 to 8 attached show for various categories of income earners, the income levy, health levy and PRSI payable under the existing and proposed structure. The examples compare the difference, on an annualised basis, between the existing and proposed system. Examples showing the net impact to married two earner couples are calculated using the assumption that the higher income-earning spouse earns 65% of the couple's total income and that the lower earning spouse earns 35% of the couple's income. Variations can arise due to rounding.

- (iii) Average Tax Rates**
Tables showing average tax rates for the years 1997 - 2009 for various household types are included.
- (iv) Illustrative Cases**
A number of illustrative cases are included to show the impact of the income levy, health levy and PRSI changes.

(i) DETAILS OF MAIN CHANGES
(Including Income Levy, Health levy & PRSI changes)

	Existing	Proposed
Income Levy	€	€
Exemption Threshold (under 65)	18,304	15,028
Middle Rate Threshold	100,100	75,036
Higher Rate Threshold	250,120	174,980
Lower Rate	1%	2%
Middle Rate	2%	4%
Higher Rate	3%	6%

	Existing	Proposed
Health levy	%	%
Lower Rate (entry threshold €26,000 per annum/ €500 per week)	2.0%	4.0%
Higher Rate	2.5%	5.0%
Higher Rate Threshold	€100,100	€75,036

	Existing	Proposed
PRSI	€	€
PRSI Ceiling	52,000	75,036

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 1

Married couple, one income, no children taxed under PAYE

Full rate PRSI contributor

Gross Annual Income	PRSI		Health Levy		Income levy		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
15,500	0	0	0	0	0	310	-310	-2.0%
20,000	536	536	0	0	200	400	-200	-1.0%
25,000	736	736	0	0	250	500	-250	-1.0%
30,000	936	936	600	1,200	300	600	-900	-3.3%
40,000	1,336	1,336	800	1,600	400	800	-1,200	-3.4%
50,000	1,736	1,736	1,000	2,000	500	1,000	-1,500	-3.6%
75,000	1,894	2,736	1,500	3,000	750	1,500	-3,092	-5.6%
100,000	1,940	2,802	2,000	4,250	1,000	2,499	-4,611	-6.7%
200,000	2,009	2,900	4,500	9,250	2,999	7,000	-9,642	-7.8%
300,000	2,031	2,934	7,000	14,250	5,498	13,000	-15,655	-8.8%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 2

Married couple, one income, two children (under the age of 5) taxed under PAYE

Full rate PRSI contributors

Gross Annual Income	PRSI		Health levy		Income levy		ECS Reduction	Loss Per Year	Loss as % of Net Income	Total loss per year where FIS applies	Loss including FIS as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed					
€	€	€	€	€	€	€	€	€	%	€	%
15,500	0	0	0	0	0	310	-1,000	-1,310	-6.1%	-1,154	-3.8%
20,000	536	536	0	0	200	400	-1,000	-1,200	-4.8%	-1,044	-3.3%
25,000	736	736	0	0	250	500	-1,000	-1,250	-4.2%	-1,094	-3.2%
30,000	936	936	600	1,200	300	600	-1,000	-1,900	-5.6%	-1,380	-3.9%
40,000	1,336	1,336	800	1,600	400	800	-1,000	-2,200	-5.3%	-2,200	-5.3%
50,000	1,736	1,736	1,000	2,000	500	1,000	-1,000	-2,500	-5.2%	-2,500	-5.2%
75,000	1,894	2,736	1,500	3,000	750	1,500	-1,000	-4,092	-6.6%	-4,092	-6.6%
100,000	1,940	2,802	2,000	4,250	1,000	2,499	-1,000	-5,611	-7.4%	-5,611	-7.4%
200,000	2,009	2,900	4,500	9,250	2,999	7,000	-1,000	-10,642	-8.2%	-10,642	-8.2%
300,000	2,031	2,934	7,000	14,250	5,498	13,000	-1,000	-16,655	-9.0%	-16,655	-9.0%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 3

Married couple, two incomes, no children taxed under PAYE

Full rate PRSI contributors

Gross Annual Income	PRSI		Health Levy		Income levy		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
20,000	0	0	0	0	0	0	0	0.0%
25,000	0	0	0	0	0	325	-325	-1.3%
30,000	516	516	0	0	195	390	-195	-0.7%
40,000	776	776	0	0	260	520	-260	-0.7%
50,000	1,036	1,036	650	1,300	325	1,000	-1,325	-2.9%
75,000	2,472	2,472	1,500	3,000	750	1,500	-2,250	-3.6%
100,000	3,002	3,472	2,000	4,000	1,000	2,000	-3,469	-4.6%
200,000	3,855	5,383	4,150	8,550	2,299	5,099	-8,729	-6.7%
300,000	3,957	5,707	6,499	13,499	3,998	9,399	-14,151	-7.6%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 4

Single person taxed under PAYE

Full rate PRSI contributor

Gross Annual Income	PRSI		Health Levy		Income		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
15,500	0	0	0	0	0	310	-310	-2.0%
20,000	536	536	0	0	200	400	-200	-1.1%
25,000	736	736	0	0	250	500	-250	-1.1%
30,000	936	936	600	1,200	300	600	-900	-3.5%
40,000	1,336	1,336	800	1,600	400	800	-1,200	-3.7%
50,000	1,736	1,736	1,000	2,000	500	1,000	-1,500	-4.0%
75,000	1,894	2,736	1,500	3,000	750	1,500	-3,092	-6.0%
100,000	1,940	2,802	2,000	4,250	1,000	2,499	-4,611	-7.1%
200,000	2,009	2,900	4,500	9,250	2,999	7,000	-9,642	-8.0%
300,000	2,031	2,934	7,000	14,250	5,498	13,000	-15,655	-9.0%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 5

Married couple, one income, no children

Taxed under Schedule D

Gross Annual Income	PRSI		Health Levy		Income Levy		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
15,500	465	465	0	0	0	310	-310	-2.1%
20,000	600	600	0	0	200	400	-200	-1.1%
25,000	750	750	0	0	250	500	-250	-1.1%
30,000	900	900	600	1,200	300	600	-900	-3.5%
40,000	1,200	1,200	800	1,600	400	800	-1,200	-3.6%
50,000	1,500	1,500	1,000	2,000	500	1,000	-1,500	-3.8%
75,000	2,250	2,250	1,500	3,000	750	1,500	-2,250	-4.2%
100,000	3,000	3,000	2,000	4,250	1,000	2,499	-3,749	-5.7%
200,000	6,000	6,000	4,500	9,250	2,999	7,000	-8,751	-7.4%
300,000	9,000	9,000	7,000	14,250	5,498	13,000	-14,752	-8.7%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 6

Married couple, one income, two children (under the age of 5)

Taxed under Schedule D

Gross Annual Income	PRSI		Health Levy		Income levy		ECS Reduction	Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed			
€	€	€	€	€	€	€	€	€	%
15,500	465	465	0	0	0	310	-1,000	-1,310	-6.2%
20,000	600	600	0	0	200	400	-1,000	-1,200	-4.8%
25,000	750	750	0	0	250	500	-1,000	-1,250	-4.2%
30,000	900	900	600	1,200	300	600	-1,000	-1,900	-5.8%
40,000	1,200	1,200	800	1,600	400	800	-1,000	-2,200	-5.5%
50,000	1,500	1,500	1,000	2,000	500	1,000	-1,000	-2,500	-5.4%
75,000	2,250	2,250	1,500	3,000	750	1,500	-1,000	-3,250	-5.4%
100,000	3,000	3,000	2,000	4,250	1,000	2,499	-1,000	-4,749	-6.5%
200,000	6,000	6,000	4,500	9,250	2,999	7,000	-1,000	-9,751	-7.8%
300,000	9,000	9,000	7,000	14,250	5,498	13,000	-1,000	-15,752	-9.0%

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 7

Married couple, two incomes, no children

Taxed under Schedule D

Gross Weekly Income	PRSI Liability		Health Levy Liability		Income Levy Liability		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
15,500	555	555	0	0	0	0	0	0.0
20,000	643	643	0	0	0	0	0	0.0
25,000	750	750	0	0	0	325	-325	-1.4
30,000	900	900	0	0	195	390	-195	-0.7
40,000	1,200	1,200	0	0	260	520	-260	-0.8
50,000	1,500	1,500	650	1,300	325	1,000	-1,325	-3.2
75,000	2,250	2,250	1,500	3,000	750	1,500	-2,250	-3.8
100,000	3,000	3,000	2,000	4,000	1,000	2,000	-3,000	-4.2
200,000	6,000	6,000	4,150	8,550	2,299	5,099	-7,200	-5.8
300,000	9,000	9,000	6,499	13,499	3,998	9,399	-12,401	-7.0

(ii) Examples Showing the Annual Effects of the Budget Changes on Different Categories of Single and Married Income Earners

Example 8

Single person taxed under Schedule D

Gross Annual Income	PRSI		Health Levy		Income Levy		Loss Per Year	Loss as % of Net Income
	Existing	Proposed	Existing	Proposed	Existing	Proposed		
€	€	€	€	€	€	€	€	%
15,500	465	465	0	0	0	310	-310	-2.3%
20,000	600	600	0	0	200	400	-200	-1.2%
25,000	750	750	0	0	250	500	-250	-1.2%
30,000	900	900	600	1,200	300	600	-900	-3.7%
40,000	1,200	1,200	800	1,600	400	800	-1,200	-3.9%
50,000	1,500	1,500	1,000	2,000	500	1,000	-1,500	-4.2%
75,000	2,250	2,250	1,500	3,000	750	1,500	-2,250	-4.6%
100,000	3,000	3,000	2,000	4,250	1,000	2,499	-3,749	-6.0%
200,000	6,000	6,000	4,500	9,250	2,999	7,000	-8,751	-7.7%
300,000	9,000	9,000	7,000	14,250	5,498	13,000	-14,752	-8.9%

(iii) AVERAGE TAX RATES ON ANNUAL EARNINGS IN % TERMS*

FULL RATE PRSI	SINGLE													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	23.0%	20.8%	18.0%	13.9%	9.5%	7.7%	6.8%	5.2%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	28.5%	25.8%	23.5%	19.1%	15.2%	13.8%	13.1%	11.9%	8.4%	7.1%	5.1%	4.4%	5.4%	6.4%
25,000	33.7%	31.2%	29.3%	24.0%	17.3%	16.2%	15.7%	14.7%	13.5%	12.5%	10.9%	8.3%	9.3%	10.3%
30,000	37.1%	34.8%	33.2%	28.4%	22.2%	19.3%	18.9%	18.1%	16.0%	14.7%	13.4%	12.9%	13.9%	16.9%
40,000	40.6%	38.4%	37.3%	33.3%	28.3%	26.4%	26.1%	25.5%	24.0%	21.9%	19.7%	18.6%	19.1%	22.1%
60,000	43.9%	41.8%	41.0%	37.7%	33.6%	32.4%	32.3%	32.0%	31.1%	29.8%	28.1%	27.5%	28.2%	31.7%
100,000	46.5%	44.4%	43.9%	41.1%	37.9%	37.1%	37.0%	36.9%	36.3%	35.6%	34.2%	33.8%	34.6%	39.2%
120,000	47.1%	45.1%	44.6%	41.9%	38.9%	38.3%	38.2%	38.1%	37.6%	37.0%	35.7%	35.4%	36.5%	41.1%

FULL RATE PRSI	MARRIED ONE INCOME 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	15.0%	14.0%	9.4%	2.5%	2.2%	2.2%	2.2%	2.2%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	20.7%	18.5%	14.7%	8.3%	4.7%	4.7%	4.7%	4.7%	2.7%	2.7%	2.7%	2.7%	3.7%	4.7%
25,000	23.1%	20.9%	17.9%	12.3%	8.7%	7.1%	6.5%	5.5%	4.9%	4.9%	4.9%	2.9%	3.9%	4.9%
30,000	24.6%	22.6%	20.0%	15.0%	11.6%	10.2%	9.8%	9.0%	7.8%	6.7%	5.1%	5.1%	6.1%	9.1%
40,000	29.2%	26.8%	24.3%	20.2%	16.6%	15.7%	15.5%	14.9%	13.2%	11.5%	10.2%	9.4%	10.4%	13.4%
60,000	36.3%	34.1%	32.3%	29.0%	25.9%	25.3%	25.1%	24.8%	23.9%	22.5%	20.8%	19.8%	20.5%	24.0%
100,000	42.0%	39.8%	38.7%	35.9%	33.2%	32.8%	32.8%	32.6%	32.0%	31.2%	29.7%	29.2%	30.0%	34.6%
120,000	43.3%	41.2%	40.2%	37.6%	35.0%	34.7%	34.6%	34.5%	34.0%	33.3%	32.0%	31.6%	32.6%	37.2%

FULL RATE PRSI	MARRIED 2 INCOMES** 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	11.1%	8.5%	3.4%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	15.9%	13.5%	9.7%	6.1%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25,000	20.3%	18.0%	14.7%	11.0%	6.3%	4.1%	3.0%	1.5%	1.5%	1.5%	0.0%	0.0%	0.0%	1.3%
30,000	22.2%	20.0%	17.3%	14.6%	10.3%	8.5%	7.6%	6.0%	2.7%	1.7%	1.7%	1.7%	2.4%	3.0%
40,000	28.5%	25.8%	22.8%	17.5%	13.7%	12.3%	11.6%	10.4%	9.0%	7.6%	5.6%	3.6%	4.3%	4.9%
60,000	36.6%	34.2%	32.8%	28.0%	22.0%	19.3%	18.9%	18.1%	16.0%	14.0%	12.7%	12.2%	13.2%	15.5%
100,000	42.6%	40.4%	39.5%	35.9%	31.4%	29.9%	29.6%	29.2%	28.8%	26.5%	24.6%	23.8%	24.4%	27.9%
120,000	43.9%	41.8%	41.0%	37.7%	33.6%	32.4%	32.2%	31.9%	31.0%	29.7%	27.9%	27.2%	27.9%	31.7%

* Average Tax Rates: Total of Income Tax, Levies and PRSI as a proportion of gross income. This measure includes only the standard employee and personal income tax credits. It does not include the impact of any other allowances or reliefs.

** The Married two-incomes figures assume that the joint income is divided 65% and 35% between spouses.

(s) = Supplementary Budget 2009

MODIFIED RATE PRSI	SINGLE													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	20.9%	19.1%	16.3%	12.2%	8.1%	6.3%	5.4%	3.8%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	26.0%	23.6%	21.4%	16.9%	13.3%	11.9%	11.2%	10.0%	6.6%	5.2%	3.2%	2.5%	3.5%	4.5%
25,000	31.0%	28.7%	26.9%	21.5%	15.2%	14.1%	13.6%	12.6%	11.5%	10.4%	8.8%	6.2%	7.2%	8.2%
30,000	34.4%	32.1%	30.5%	25.7%	19.9%	17.1%	16.6%	15.8%	13.8%	12.5%	11.1%	10.7%	11.7%	14.7%
40,000	38.3%	36.2%	35.0%	30.9%	26.1%	24.0%	23.7%	23.0%	21.6%	19.5%	17.2%	16.1%	16.6%	19.6%
60,000	42.3%	40.2%	39.3%	35.9%	32.0%	30.7%	30.5%	30.1%	29.1%	27.8%	25.9%	25.3%	25.9%	29.0%
100,000	45.5%	43.4%	42.8%	40.0%	36.8%	36.0%	35.9%	35.7%	35.1%	34.3%	32.8%	32.4%	33.2%	37.1%
120,000	46.3%	44.2%	43.7%	41.0%	38.0%	37.3%	37.2%	37.0%	36.6%	35.9%	34.6%	34.2%	35.2%	39.3%

MODIFIED RATE PRSI	MARRIED ONE INCOME 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	12.9%	12.3%	7.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	18.2%	16.3%	12.5%	6.1%	2.8%	2.8%	2.8%	2.8%	0.8%	0.8%	0.8%	0.8%	1.8%	2.8%
25,000	20.4%	18.5%	15.4%	9.9%	6.6%	5.0%	4.4%	3.5%	2.9%	2.9%	2.9%	0.9%	1.9%	2.9%
30,000	21.8%	19.9%	17.3%	12.4%	9.3%	8.0%	7.5%	6.7%	5.5%	4.5%	2.9%	2.9%	3.9%	6.9%
40,000	27.0%	24.6%	22.0%	17.8%	14.4%	13.3%	13.0%	12.4%	10.8%	9.1%	7.7%	6.9%	7.9%	10.9%
60,000	34.8%	32.5%	30.7%	27.2%	24.3%	23.6%	23.3%	23.0%	21.9%	20.5%	18.6%	17.6%	18.2%	21.3%
100,000	41.0%	38.8%	37.6%	34.7%	32.2%	31.8%	31.6%	31.4%	30.7%	29.9%	28.4%	27.7%	28.5%	32.5%
120,000	42.5%	40.4%	39.3%	36.6%	34.1%	33.8%	33.7%	33.5%	32.9%	32.2%	30.9%	30.4%	31.4%	35.4%

MODIFIED RATE PRSI	MARRIED 2 INCOMES** 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	10.5%	8.7%	3.6%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20,000	14.6%	12.7%	8.9%	6.1%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25,000	18.5%	16.6%	13.4%	9.8%	5.3%	3.1%	2.0%	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	1.3%
30,000	20.1%	18.3%	15.6%	13.2%	9.2%	7.3%	6.4%	4.8%	1.5%	0.5%	0.5%	0.5%	1.2%	1.8%
40,000	26.0%	23.6%	20.7%	15.9%	12.3%	11.0%	10.3%	9.1%	7.6%	6.3%	4.3%	2.3%	2.9%	3.6%
60,000	34.2%	32.0%	30.4%	25.6%	19.8%	17.1%	16.6%	15.8%	13.8%	11.8%	10.4%	10.0%	11.0%	13.3%
100,000	40.7%	38.6%	37.6%	33.9%	29.6%	28.0%	27.7%	27.2%	26.1%	24.4%	22.4%	21.6%	22.2%	25.3%
120,000	42.3%	40.2%	39.3%	36.0%	32.0%	30.7%	30.5%	30.1%	29.1%	27.7%	25.9%	25.2%	25.8%	29.1%

* Average Tax Rates: Total of Income Tax, Levies and PRSI as a proportion of gross income. This measure includes only the standard employee and personal income tax credits. It does not include the impact of any other allowances or reliefs.

** The Married two-incomes figures assume that the joint income is divided 65% and 35% between spouses.

(s) = Supplementary Budget 2009

SELF-EMPLOYED	SINGLE													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	26.4%	24.4%	22.0%	17.8%	13.7%	12.9%	12.9%	12.9%	12.5%	12.1%	11.3%	10.8%	10.8%	10.8%
20,000	32.3%	34.5%	26.7%	22.1%	18.0%	17.4%	17.4%	17.4%	15.1%	14.9%	14.2%	13.9%	14.9%	15.9%
25,000	36.9%	34.5%	32.0%	26.5%	19.4%	18.9%	18.9%	18.9%	18.7%	18.5%	18.0%	15.7%	16.7%	17.7%
30,000	39.8%	37.6%	35.5%	30.6%	23.7%	21.4%	21.4%	21.4%	20.2%	19.6%	19.1%	18.9%	19.9%	22.9%
40,000	42.4%	40.3%	38.9%	34.9%	29.5%	27.8%	27.8%	27.8%	26.9%	25.3%	23.8%	22.8%	23.3%	26.3%
60,000	45.0%	43.0%	41.9%	38.6%	35.4%	34.2%	34.2%	34.2%	33.6%	32.6%	31.2%	30.6%	31.2%	34.2%
100,000	47.1%	45.1%	44.4%	41.6%	40.0%	39.3%	39.3%	39.3%	39.0%	38.3%	37.1%	36.7%	37.5%	41.3%
120,000	47.7%	45.6%	45.0%	42.3%	41.2%	40.6%	40.6%	40.6%	40.3%	39.8%	38.7%	38.4%	39.4%	43.2%

SELF-EMPLOYED	MARRIED ONE INCOME 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	16.7%	16.0%	13.5%	4.6%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
20,000	23.4%	21.3%	17.9%	11.4%	7.2%	6.0%	6.0%	6.0%	3.4%	3.0%	3.0%	3.0%	4.0%	5.0%
25,000	25.3%	23.3%	20.5%	14.9%	10.8%	9.8%	9.8%	9.8%	9.3%	8.9%	7.8%	4.8%	5.8%	6.8%
30,000	26.6%	24.6%	22.3%	17.2%	13.2%	12.3%	12.3%	12.3%	11.9%	11.6%	10.7%	9.8%	10.8%	13.8%
40,000	31.1%	28.8%	25.9%	21.8%	17.9%	17.1%	17.1%	17.1%	16.1%	14.9%	14.3%	13.6%	14.6%	17.6%
60,000	37.5%	35.3%	33.3%	29.9%	27.6%	27.1%	27.1%	27.1%	26.4%	25.3%	23.8%	22.9%	23.5%	26.5%
100,000	42.6%	40.5%	39.2%	36.3%	35.3%	35.1%	35.1%	35.1%	34.6%	34.0%	32.7%	32.1%	32.9%	36.7%
120,000	43.9%	41.8%	40.1%	37.9%	37.3%	37.0%	37.0%	37.0%	36.7%	36.1%	35.0%	34.5%	35.5%	39.4%

SELF-EMPLOYED	MARRIED 2 INCOMES** 2 CHILDREN													
	€	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
15,000	14.0%	13.3%	11.1%	8.6%	5.0%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%
20,000	20.8%	18.7%	15.5%	13.2%	9.3%	8.0%	8.0%	8.0%	7.4%	6.9%	5.6%	4.9%	4.9%	4.9%
25,000	24.3%	22.3%	19.5%	16.0%	11.8%	10.8%	10.8%	10.8%	10.4%	10.0%	8.9%	8.4%	8.4%	9.7%
30,000	25.6%	23.6%	21.3%	19.1%	15.0%	14.2%	14.2%	14.2%	12.5%	12.1%	11.3%	10.8%	11.5%	12.1%
40,000	32.3%	29.8%	26.0%	21.4%	17.3%	16.7%	16.7%	16.7%	16.4%	16.2%	15.5%	13.9%	14.5%	15.2%
60,000	39.1%	36.9%	34.9%	30.1%	23.7%	21.4%	21.4%	21.4%	20.2%	18.9%	18.4%	18.2%	19.2%	21.5%
100,000	44.0%	41.9%	40.7%	37.1%	33.0%	31.6%	31.6%	31.6%	30.9%	29.7%	28.2%	27.5%	28.1%	31.1%
120,000	45.0%	43.0%	41.9%	38.6%	35.4%	34.2%	34.2%	34.2%	33.6%	32.5%	31.2%	30.6%	31.2%	34.3%

* Average Tax Rates: Total of Income Tax, Levies and PRSI as a proportion of gross income. This measure includes only the standard employee and personal income tax credits. It does not include the impact of any other allowances or reliefs.

** The Married two-incomes figures assume that the joint income is divided 65% and 35% between spouses.

(s) = Supplementary Budget 2009

(IV) ILLUSTRATIVE CASES

These cases deal with income tax, PRSI, health levy and the income levy. Mortgage interest relief, is also included. *Additional discretionary tax reliefs such as relief on rent paid or charges such as benefits in kind are not taken into account.* Some of the figures in the following examples are rounded to the nearest Euro. All tables show data on an annual basis

Gary

Gary is single, employed as a waiter, and is earning the minimum wage of €8.65 per hour (€357 per week, €17,542 per annum). He will now pay €350 per annum in income levy. This will equate to a loss of approximately €234 in 2009.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	17,542	17,542
Income Tax	0	0
PRSI	0	0
Health Levy	0	0
Income Levy	0	350
Total Liability	0	350
Net Cash Income	17,542	17,192
Deductions as a % of Gross Income	0.0%	2.0%
Total Loss (annual basis)		€350
Loss as a % of Gross income		2.0%

Mary & John

Mary & John are married with one child aged 7 and are in receipt of the medical card. John works in a factory and earns €15,600 per annum. As he is in receipt of the medical card he will remain exempt from the income levy and will not see any reduction in his take home pay.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	15,600	15,600
Net Cash Income	15,600	15,600
Deductions as a % of Gross Income	0.0%	0.0%

Lorna & Paul

Lorna and Paul are a married couple. Lorna works in the home and Paul is employed in a call centre earning €31,200 per annum. They will pay an additional €36 per annum in income levy and health levy. This will equate to a loss of approximately €624 in 2009.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	31,200	31,200
Income Tax	750	750
PRSI	984	984
Health Levy	624	1,248
Income Levy	312	624
Total Liability	2,670	3,606
Net Cash Income	28,530	27,594
Deductions as a % of Gross Income	8.6%	11.6%
Total Loss (annual basis)		€36
Loss as a % of Gross Income		3.0%

Niamh & Frank

Niamh & Frank are a married couple. Niamh works in a bank and earns €6,400 per annum and Frank is a Sales Manager earning €7,600 per annum. They will pay an additional €3,683 per annum in levies and PRSI. This will equate to a loss of approximately €2,455 in 2009.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	104,000	104,000
Income Tax	20,032	20,032
PRSI	3,069	3,632
Health Levy	2,080	4,160
Income Levy	1,040	2,080
Total Liability	26,221	29,904
Net Cash Income	77,779	74,096
Deductions as a % of Gross Income	25.2%	28.8%
Total Loss (annual basis)		€3,683
Loss as a % of Gross Income		3.5%

Lorraine and Colm

Lorraine and Colm are married with two children. Siobhan is 4 years old and Alan is 2 years old. Lorraine works in the home and Colm is self-employed earning €60,000 per annum. They will pay an additional €1,800 per annum in Income Levy and Health Levy. In addition, they will lose 50% of their Early Childcare supplement for the rest of 2009. This will equate to a loss of €1,866 in 2009.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	60,000	60,000
Income Tax	10,506	10,506
PRSI	1,800	1,800
Health Levy	1,200	2,400
Income Levy	600	1,200
Total Liability	14,106	15,906
Net Cash Income	45,894	44,094
Deductions as a % of Gross Income	23.5%	26.5%
Loss from Early Childcare Supplement		€1,000
Total Loss (annual basis)		€2,800
Loss as a % of Gross Income		4.7%

Daniel

Daniel is single, a company director and earns €156,000 per annum. He will pay an extra €7,154 per annum in increased levies and PRSI. In addition, as he is in year 8 of his mortgage he will no longer be eligible for mortgage interest relief, and will lose €300 over the remainder of the year. Taken together, he will see his income reduced by €4,970 in 2009.

	Pre-Supplementary Budget	Post-Supplementary Budget
	€	€
Gross Income	156,000	156,000
Income Tax	52,656	52,656
PRSI	1,989	2,873
Health Levy	3,400	7,050
Income Levy	2,119	4,739
Total Liability	60,164	67,318
Net Cash Income	95,836	88,682
Deductions as a % of Gross Income	38.6%	43.2%
Mortgage Interest Relief	€450	€0
Total Loss (annual basis)		€7,154
Loss as a % of Gross Income		4.6%