

SOCIAL WELFARE

- The **BASIC SOCIAL WELFARE RATES** from January 2016 are:

	Adult	Adult Dependent
Contributory OAP (Full Rate)	€233.30	€209.00 (aged 66 or over)
Non Contributory OAP	€222.00	€146.70 (aged 66 or over)
Contributory Widows - under 66	€193.50	—
Contributory Widows - 66 or over	€233.30	—
Invalidity Pension - under 66	€193.50	€138.10
Supplementary Welfare	€186.00	€124.80
Carer's Allowance	€204.00	— (under 66)
Carer's Allowance	€242.00	— (aged 66 or over)
All Other Payments	€188.00	€124.80
Living Alone Allowance	€9.00	
Over 80 Allowance	€10.00	

- A 75% **CHRISTMAS BONUS** will be paid in December 2015 to all persons on long-term (over 15 months) Welfare payments and back-to-work/Education payments (incl JobBridge).
- CHILD BENEFIT** is paid at a single rate of €140 per month for all children from 1 January 2016 onwards. This is an increase of €5/month on 2015.
- FAMILY INCOME SUPPLEMENT:** A couple or a single parent on low pay, who work for at least 19 hours per week combined (including job-sharers) can get a supplement for their children.
- The Dept of Social Protection pays **DOMICILIARY CARE ALLOWANCE** of €309.50 per month and an annual respite grant of €1,700 up to their 16th birthday for children with a disability who require considerable extra care.
- FREE PRE SCHOOL** is available to any child aged more than 3 years and less than 5 and a half, covering 3 hours daily. A pre-school cannot charge parents extra for the hours covered by the scheme, but can charge for extra hours or for additional activities as long as these are optional.
- FUEL SCHEME:** A Fuel allowance of €22.50 / week is payable for 26 weeks if you are on long-term Social Welfare and living alone (or only with dependents or another person on long-term social welfare).
- HOUSEHOLD BENEFITS PACKAGE:** If you are 66 or over, or permanently incapacitated, you may be eligible for the following concessions along with your pension:
 - Electricity or Natural Gas Allowance of €35 per month.
 - Free television licence.
 If you are aged 70 or over, you can qualify for these free schemes regardless of your income.
- SUPPLEMENTARY WELFARE:** A Department of Social Protection representative (formerly known as a community welfare officer) may help out with the following:
 - A weekly payment if you are sick or unemployed and have not received Social Welfare.
 - A once-off payment for unforeseen needs.

SOCIAL WELFARE contd.

- JOBSEEKER'S BENEFITS:**
 - The duration of Jobseeker's Benefit is 9 months (6 months for those with less than 260 paid contributions).
- RETURNING TO WORK:** If you are returning to work after 12 months or more unemployed, or as a lone parent, you retain your medical card cover for 3 years. You may also retain Rent Supplement for 1 year, where the Council has deemed you eligible, but the supplement is recalculated based on your new earnings level. The Back to Work Family Dividend allows you retain the Qualified Child weekly payment of €29.80 in full for 1 year, and half rate for the second year.

HEALTH

- PRIMARY MEDICAL COVER:** A Medical Card entitles you to most health services free. A GP Visit Card covers the cost of visits to the doctor for your family. The means test for these cards is based on net income. The cards will be granted if your family's remaining weekly income after these deductions does not exceed the following guidelines for 2016:

	MEDICAL CARD		GP ONLY	
	Under 66	66 and over	Under 66	66 and over
• Single living alone	€184.00	€201.50	€276.00	€302.00
• Single living with family	€164.00	€173.50	€246.00	€260.00
• Married couple (or single parent)	€266.50	€298.00	€400.00	€447.00

Additional Allowance for Dependent Children:

	MEDICAL CARD	GP ONLY
• for each of first two children under 16	€38.00	€57.00
• or third and each subsequent child under 16	€41.00	€61.50
• for each of first two children over 16	€39.00	€58.50
• for third and each subsequent child over 16	€42.50	€64.00
• for each child over 16 in full time third level education (no grant)	€78.00	€117.00

- PERSONS AGED 70+ QUALIFY FOR A MEDICAL CARD** if gross weekly income is less than €500 per week (single), or €900 (couple). If you exceed this, a GP only card will be granted.
 - Once either spouse qualifies at 70, both get cover if their combined income is not over €900 per week.
 - A surviving partner aged over 70 will be allowed to keep their medical card for three years provided their income is less than €900 per year.
 - In the means test, the first €36,000 (single), €72,000 (couple) of savings and investments are disregarded. On the balance only the income actually earned will be counted.
- FREE GP CARE** for children under 6 years old and all those over 70 was introduced in 2015.

HEALTH contd.

- A €2.50 CHARGE PER PRESCRIPTION ITEM** applies to medical card holders (max €25 per month per family). It does not apply to those on the long-term illness scheme.
- DRUG REFUND:** Any family can get a refund on the cost of prescribed drugs used in any month in excess of €144 provided the drug is on the government list.
- NURSING HOME SUPPORT:** Under the Fair Deal scheme, patients seeking a place in either a Private or a Public Nursing Home now have the same assessment of need and the same means-test for payment. The patient will be liable to pay towards the cost of care:
 - 80% of assessable income (i.e. after deduction of tax, PRSI, mortgage/rent and out-of-pocket medical expenses)
 - plus 7.5% (5% if application made prior to 25th July 2013) of the value of any assets for a maximum of three years. The first €36,000 (single), €72,000 (couple) of assets will not be counted.
- HOME CARE PACKAGE** can fund a care plan in the home, where care is assessed as necessary either on discharge from hospital, or by the Public Health Nurse, to keep a person out of institutional care. To apply contact your local Health Office.
- CARER'S ALLOWANCE:** A person who is living with (or close by with a direct communication system), and giving full-time care to a child on Domiciliary Care Allowance, or to any person aged 16 or over requiring full-time care, can apply for a means-tested weekly Carer's Allowance of €204 (€242 if carer is 66 or over) plus an annual €1,700 Respite Grant.
- A CARER'S BENEFIT** of €205 based on your Social Insurance can be claimed for short-term absences from work (up to 24 months) for caring responsibilities. It is available to all insurance classes except S and J. Limited work, earning up to €332.50 per week is permissible, while claiming this benefit. Your job is protected for the 24-month duration.

Disclaimer: Every reasonable effort has been made to ensure that the content of this information guide is accurate at time of going to print. No liability is accepted for any errors or omissions or outdated information.

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FINE GAEL 

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BUDGET UPDATE 2016

Fine Gael's priority is to keep the recovery going and continue to get people back to work. **This Budget has reduced USC, increased the State Pension, and provided for more frontline staff and more affordable childcare.** These decisions have been made in a responsible manner that will prevent a return to boom and bust. **See how Budget 2016 benefits you at finegael.ie/Budget2016.**

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TAXATION

Budget 2016 is **reducing USC rates for all workers, bringing the marginal tax rate below 50% for anyone earning less than €70,000**. These changes are designed to make work pay and keep the recovery going. Our plan is to progressively **phase out USC to sustain further jobs growth**.

STANDARD RATE CUT-OFF INCOME 2016:

Single/Widowed	€33,800
Single Person Child Carer	€37,800
Married (one income)	€42,800
Married (two incomes)	€67,600

TAX CREDITS 2016:

Single Person	€1,650	Age Tax Credit (per individual)	€245
Married Couple	€3,300	Incapacitated Child	€3,300
Widowed	€2,190	Home Carer's Tax Credit	€1,000
Single Person Child Carer	€1,650	Dependent Relative	€70
PAYE Credit (per individual)	€1,650	Self Employed	€550

- **AGE EXEMPTION:** Persons aged 65 or over are exempt from income tax if their gross incomes from all sources is under €18,000 (single), €36,000 (married).
- **TAX RELIEFS AND CREDITS:**
 - **Tax relief on pensions:** A certain portion of gross earnings under €115,00 can be put into a pension tax-free. It is up to 15% (under 30 years) rising in steps to 40% (60 years or over) and is allowable at the marginal rate of tax (40%). Under a temporary measure, a person may withdraw 30% of the accumulated value of AVCs up until March 2016, but they will be taxed at the marginal rate of tax.
 - **Tax relief on Rent Payments by tenants** to private landlords is being phased out but tenants who have been renting since before 7th Dec 2010 still qualify.
 - **Tax relief on unreimbursed Medical Expenses:** Nursing Home expenses are allowed at your marginal rate. Maternity care; a Psychological Assessment and Speech Therapy for children carry a 20% tax credit.
 - **Relief on private health insurance** is now granted at source and deducted from your premium by the insurer.
 - **College Fees** (including Tuition Fee and Student Contribution) of up to €7,000 for each student. The first €3,000 of each claim is disregarded (i.e. for parents paying only the Student Contribution of €3,000, relief only applies for the second and subsequent child in college).
 - **Home Renovation Incentive:** An **income tax credit** of 13.5% applies to home renovations up to a maximum expenditure of €30,000 undertaken before 31 December 2016 and will be refunded over the two years following the year in which the works are carried out. To qualify at least €5,000 (inclusive of VAT) must be spent. Both homeowners and landlords can avail of this credit. The tax credit is only available where Local Property Tax and Household Charge are up to date.

TAXATION contd.

- **UNIVERSAL SOCIAL CHARGE** applies to gross income, from whatever source (excluding only Social Welfare Payments). Reduced rates for 2016 are as follows:
 - Incomes of €13,000 or less are exempt. Otherwise,
 - €0 to €12,012 @ 1%
 - €12,013 to €18,668 @ 3%
 - €18,669 to €70,044 @ 7%
 - €70,044 to €100,000 @ 8%
 - PAYE income in excess of €100,000 @ 8%
 - Self-employed income in excess of €100,000 @ 11%
- **PAY RELATED SOCIAL INSURANCE (PRSI)** of 4% applies to both workers and the self-employed, with no ceiling. All workers are exempt from Social Insurance if they earn less than €352 per week. Between €352 and €424 tapered relief applies starting at €12 and falling by one sixth of your income over €352. The minimum contribution by a self-employed person is €500 per year.
- **DIRT TAX:** A single retention tax of 41% applies to interest earned on ordinary deposit accounts, investment accounts and all Credit Union accounts. Persons 65 and over, or permanently incapacitated, subject to certain income requirements, can be exempt from DIRT. From October 14th 2014, DIRT on savings used by first-time buyers to purchase a home will be refunded. This refund will run until the end of 2017 in respect of savings up to a maximum of 20% of the purchase price.
- **CAPITAL ACQUISITIONS TAX:** Gifts or inheritance bear a 33% tax on the market value of the assets received in excess of certain thresholds, which vary according to your relationship with the giver.

Relationship to Giver	Exempt Threshold 2016
A. Son/Daughter	€280,000
B. Grandchild/Brother/Sister/Niece/Nephew/Parent	€30,150
Relationship other than Group A or B	€15,075
- **LOCAL PROPERTY TAX** is applied at a rate of 0.18% up to €1m and 0.25% on any excess, and is based on the market value of a residential property on 1st May 2013. This valuation will not change before November 1 2019.

SEE HOW BUDGET 2016 BENEFITS YOU AT:
finegael.ie/Budget2016



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 CALCULATOR

HOUSING

- **DEBT PROBLEMS** If you are having difficulty keeping up with payments it is vital that you immediately inform those you owe (utilities, banks, etc.) and seek advice.
- **Money Advice & Budgeting Service (MABS)** offers free, confidential and independent service for people in debt. You can arrange an appointment at a local office, ring their helpline at 076 1072000 or email helpline@mabs.ie
- **keepingyourhome.ie** also provides information on the range of supports available to struggling homeowners and tenants.
- **Insolvency Service of Ireland** helps people who owe money and cannot afford to pay to reach debt settlements (contact: info@isi.gov.ie, 076 106 4200).
- **WATER CHARGES:** Domestic water charging applied from 1 January 2015. Bills are issued at the end of each quarter.
 - Charges are capped at €160 for single adult households and €260 of all other households until the end of 2018.
 - All households who registered with Irish Water by June 30th 2015 will receive a water conservation grant of €100 per year.
 - The net yearly cost for water is either €60 for a single adult household or €160 for all other households.
 - Households with either a water supply only or sewage only service, pay 50% of these rates.
 - For the purpose of metered bills, the charge for water will be €3.70 per 1,000 litres.
 - Through conserving water, metered households have the opportunity to pay less than the relevant capped charge.

The first leak on the external supply pipe will be fixed for free. Where a meter is newly installed and actual usage is lower than the capped charge, a rebate will be given after 6 months for the entire period of charges.
- **RENT SUPPLEMENT**

A supplement towards rent may be payable where neither you nor your spouse is working full-time (defined as 30 hours or over per week), subject to ceilings, and a means test, provided you meet the following eligibility requirements:

 - Already renting (or in homeless accommodation) for at least six months, or on the Council's housing needs list. Otherwise you must be first assessed by the Council as in housing need.
- **RENT ACCOMMODATION SCHEME**

You can qualify for RAS if you are in need of housing and have been getting Rent Supplement (in general for a period of 18 months or more). Under RAS, the Council enters into a long-term contract with a Private Landlord and you pay an income-related rent.
- **BETTER ENERGY HOMES SCHEME** (tel: 1850 927 000) provides grants to homeowners for homes built before 2006: insulation of attic (€300), cavity wall (€300), internal wall (€2,400 (detached), €1,800 (semi or

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end-of-terrace), €1,200 (apartment (any) or mid-terrace), external wall (€4,500 (detached), €3,400 (semi or end-of-terrace), €2,250 (apartment (any) or mid-terrace); heating control with boiler upgrade (€700); heating controls upgrade only (€600); solar heating (€1,200). Along with the insulation works, you can get a grant of €50 for the required Building Energy Rating (BER). Grants will typically cover 20-30% of the full cost. Energy savings of up to 50% can be achieved. For external insulation, you should first apply to your local authority for a Declaration of Exemption from the need for planning permission (cost €80).

OPTIONS FOR JOBSEEKERS

- **BACK TO WORK ENTERPRISE ALLOWANCE** can be claimed if you have been unemployed or unable to work for at least 12 months, when you start a business. It allows you retain part of your Social Welfare payments, tax free, for 2 years (100%, 75%), obtain support grants up to €2,500 and retain your secondary benefits. You can also apply for an exemption from income tax for 2 years up to a max of €40,000 per year.
- **START UP RELIEF FOR ENTREPRENEURS:** If you start up and work full-time in your own company, you can claim back the income tax you paid in the previous six years to invest equity into the company (subscribed as shares). New companies get relief from Corporation Tax for the first three years of up to €5,000 per employee (max €40,000 Tax Credit).
- **JOBBRIDGE** offers an internship of 6-9 months to persons who have been signing on as available to work and getting a payment or credits for at least 3 months. Participants will receive €52.50/week on top of their welfare.
- **SPRINGBOARD** offers free part-time certificate, degree or post-graduate courses in Institutes of Education to those signing on at the time of starting, and allows retention of welfare payments. See www.springboardcourses.ie.
- **BACK TO EDUCATION ALLOWANCE** (from Department of Social Protection) or a VTOS Allowance (VEC) may be available if you were on social welfare/made redundant and are now undertaking a full-time course leading to a recognised qualification at Second, Third or Postgraduate level.
- **MEANS TESTED THIRD LEVEL GRANTS** are available for full-time undergraduate courses from SUSI (Student Universal Support Ireland, see www.susi.ie). You may be entitled to a full grant and/or exemption from the Student Contribution if your parents' gross income is below certain thresholds. (See also College Tax Reliefs under **TAXATION**.)