

Retirement Facts

State Pension (from January 2012)

State Pension (Contributory)/(Transition)	€230.30 per week [€11,976 p.a.]
Personal + Adult dependant (over 66)	€436.60 per week [€22,703 p.a.]
Personal + Adult dependant (under 66)	€383.80 per week [€19,958 p.a.]

Monthly cost of Annual Single Life Pension equivalent to €10,000 in today's terms

If You Start Funding at Age	Retirement Age 60			Retirement Age 65		
	Pension @ 60	Initial Monthly Premium		Pension @ 65	Initial Monthly Premium	
		Gross	Net of 41%		Gross	Net of 41%
30	€24,273	€446	€263	€28,139	€306	€181
35	€20,939	€544	€321	€24,273	€375	€221
40	€18,061	€688	€406	€20,939	€458	€271
45	€15,580	€919	€542	€18,061	€578	€341
50	€13,439	€1,366	€806	€15,580	€772	€455
55	€11,593	€2,621	€1,546	€13,439	€1,148	€677

Assuming salary inflation at 3% pa and contributions increase at 3% pa

Figures assume premiums invested in a unit-linked fund with an average annual return of 6% gross, before charges. Unit linked fund values are not guaranteed and may fall as well as rise. Pension based on annuity rates available for a male single life pension, guaranteed 5 years, increasing at 3% pa in retirement, assuming 5% interest rate.

Compulsory Purchase Annuity Rates (guide March 2012)

	Single		Joint Life	
	Level	↑@ 3% pa	Level	↑@ 3% pa
Male 60	4.56%	2.95%	4.08%	2.53%
Male 65	5.19%	3.58%	4.58%	3.04%
Female 60	4.35%	2.77%	4.03%	2.49%
Female 65	4.95%	3.37%	4.52%	2.99%

Assumed guaranteed 5 years in all cases.
Joint life rates assume annuity reduces to 2/3rd and joint life is same age, different sex.

ARF requirements*

Guaranteed income: (in payment for life) OR	1.5 x Annual State Pension (€18,000 pa)
Invest in AMRF or Annuity	10 x Annual State Pension (€119,800)

*assuming eligibility conditions satisfied

Tax relief on Personal Contributions

Age attained In tax year	Personal Pensions/PRSA's (Employee & AVC)
Under 30	15% of NRE (Earnings)
30 - 39	20% of NRE (Earnings)
40 - 49	25% of NRE (Earnings)
50 - 54	30% of NRE (Earnings)*
55 - 59	35% of NRE (Earnings)
60 and over	40% of NRE (Earnings)

Maximum net relevant earnings on which relief allowed in 2012 is **€115,000**. **This limit will also apply to contributions paid in 2012 which are to be backdated to the 2011 tax year.**

Employee contributions to pension arrangements are subject to employee PRSI and the Universal Social Charge.
Employer PRSI relief applying to certain employee contributions (under the 'net pay' system) withdrawn completely from 1/1/2012.

*30% limit applies to certain professional sports people, under age 50, in relation to their sports income.

Funding Occupational Pensions

Maximum Ordinary Annual % x remuneration, for maximum approvable retirement benefits

Current Age	NRA 60		NRA 65	
	Male	Female	Male	Female
30	67%	72%	49%	54%
35	80%	86%	58%	63%
40	100%	108%	69%	76%
45	133%	144%	86%	95%
50	200%	216%	115%	126%
55	400%	432%	173%	189%

Based on Revenue Practice guidelines (July 2008) for calculating the maximum ordinary annual contribution (employer + employee) payable in respect of a scheme member under all occupational pension schemes related to the same employment.

Assumes member has no retained benefits or other retirement benefits related to the same employment, and will have completed at least 10 years service by NRA.

ARF Funds - tax treatment on death*

Funds to	Income Tax	Inheritance Tax
Spouse's ARF	No. Subsequent withdrawals subject to PAYE	No. (Spouse exemption)
Child under 21	No	Yes. Taxable Inheritance
Child over 21	Yes. Subject to 30% income tax.	No. Exempt
Other (Incl. to spouse directly)	Yes. Treated as income of deceased in year of death. By default QFM deducts higher rate income tax at source under PAYE.	Yes. Taxable Inheritance (spouse exempt)

*The above applies to gross ARF funds i.e. set up after April 2000

Taxation of Retirement Lump Sums

Lump Sum	Income Tax
First €200,000	Exempt
Next €375,000	Standard rate income tax
Balance	Marginal rate income tax + USC

Tax-free retirement lump sums taken on or after 7 December 2005 will count towards "using up" the tax free amount so that if an individual has already taken tax free retirement lump sums of €200,000 or more since 7 December 2005, any further retirement lump sums paid to the individual on or after 1/1/2011 will be liable to income tax at either standard rate, or at marginal rate where the aggregate retirement lump sums exceed €575,000.

Pension Fund Taxation

- Pension Fund Levy of 0.6% of the market value of the fund at 30th June 2012 to be paid on all pension schemes (excluding AMRFs/ARFs) by 25th September 2012.
- Imputed distribution on ARFs is 5% of the value of the fund as at 30th November, rising to 6% in respect of ARFs with asset values in excess of €2 million as at 30th November (or, where an individual owns more than one ARF, where the aggregate value of the assets in those ARFs exceeds €2 million).
- Imputed Distribution on a similar basis will apply from 30/11/12 on all vested PRSAs.

Revenue Uplifted Scales for Occupational Pension Schemes

Years of service completed by NRA	"Uplifted Pension" *	Years of Service completed by NRA	"Uplifted lump sum" *
1	1/10th x 2/3rds	1-8	3/80ths for each year of service
2	2/10th x 2/3rds	9	30/80ths
3	3/10th x 2/3rds	10	36/80ths
4	4/10th x 2/3rds	11	42/80ths
5	5/10th x 2/3rds	12	48/80ths
6	6/10th x 2/3rds	13	54/80ths
7	7/10th x 2/3rds	14	63/80ths
8	8/10th x 2/3rds	15	72/80ths
9	9/10th x 2/3rds	16	81/80ths
10	2/3rds	17	90/80ths
		18	99/80ths
		19	108/80ths
		20	120/80ths

* As a fraction of Final Remuneration

Investment Facts

Interest Rates

Bank Deposits (sample "best" March 2012)	
Demand Deposit	3.10% (Gross) AER
Notice Account (30 Day)	3% (Gross) AER
Term (18 month fixed)	4.52% (Gross) AER

An Post	
Savings Bonds (3 years)	3.23% AER (tax free)
National Solidarity Bond (4 years)	3.56% AER (gross, some tax payable)
Savings Certs (5 yrs 6 mths)	3.53% AER (tax free)

Compound Interest Effect

After	Future Value of €1,000	
	↑ at 3% pa	↑ at 5% pa
1 yr	€1,030	€1,050
2 yrs	€1,061	€1,103
3 yrs	€1,093	€1,158
4 yrs	€1,126	€1,216
5 yrs	€1,159	€1,276
10 yrs	€1,344	€1,629
15 yrs	€1,558	€2,079
20 yrs	€1,806	€2,653

Inflation Effect

After	Real Value of €1,000 today	
	Inflation @ 3% pa	Inflation @ 5% pa
1 yr	€971	€952
2 yrs	€943	€907
3 yrs	€915	€864
4 yrs	€888	€823
5 yrs	€863	€784
10 yrs	€744	€614
15 yrs	€642	€481
20 yrs	€554	€377

Life Expectancies *

Can be used to highlight potential long term income needs for an individual (single life) or in the case of a couple the **joint life last survivor** table shows the expected average period until the death of two people (male and female) both the same age now.

Single Life		
Current Age	Males	Females
	Years	
50	38.7	40.7
55	33.7	35.5
60	28.6	30.4
65	23.8	25.3
70	19.0	20.4
75	14.7	15.8
80	10.6	11.6

Joint Life Last Survivor	
Current Ages (Male/Female)	Yrs
50	46.4
55	40.9
60	35.4
65	30.0
70	24.6
75	19.6
80	14.8

*Source: Irish Life Assurance plc.
Based on annuitant mortality experience.

Tax Facts

Income Tax 2012		
Standard Rate	20%	
Marginal Rate	41%	
Standard Rate Band		
Single/Widowed		
No dependant children	€32,800	
With dependant children	€36,800	
Married - one income	€41,800	
Married - two incomes	€41,800	
<i>*Increase is lower of €23,800 and income of lower earning spouse.</i>	+	€23,800*
Tax Credits		
Single Person	€1,650	
Married	€3,300	
Widowed (no dependant children)	€2,190	
Additional Credit for one Parent Family Widowed & Other	€1,650	
PAYE	€1,650	
Blind Allowance	€1,650	
Dependant Relative	€70	
Age Allowance - 65 & over	€245	
Home Carer's Allowance	€810	
Exemption Limits		
	Single/Widowed	Married
Aged 65 +	€18,000	€36,000

Universal Social Charge				
Income	Under age 70		Age 70 or over	
	Employed	Self employed	Employed	Self employed
First €10,036	2%	2%	2%	2%
Next €5,980	4%	4%	4%	4%
Next €83,984	7%	7%	4%	4%
Balance (> €100,000)	7%	10%	4%	7%

*Individuals who have income from self-employment that exceeds €100,000 in a tax year are subject to a 3% surcharge. A USC rate of 10% therefore applies to any income in excess of €100,000 where these individuals are under age 70.
USC does not apply where total income does not exceed €10,036 or income that is already subject to DIRT

Corporation Tax Rates 2012	
Manufacturing income	10%
Trading Income	12.5%
Non-Trading Income	25%

Tax on Investment Products from 1/1/2012

DIRT

Interest credited at least annually	30%
Interest not credited at least annually	33%

Exit Tax

Collective Investments	33%
Personal Portfolio/Wrappers	50%

Important Tax Dates

Income Tax

31/10/2012

- Return Filing date and Payment of Balance of Income Tax for 2011.
- Preliminary Income Tax due for 2012.

15/11/2012

- Deadline for Online Returns.

Capital Gains Tax

15/12/2012

- Payment of CGT on disposals made in the period 1st January 2012 to 30th November 2012.

31/1/2013

- Payment of CGT on disposals made in December 2012.

Capital Gains Tax 2012	
Rate	30%
Annual Exemption for Individuals	€1,270
Retirement Relief	€750,000 (limit)
Tax Year expenditure incurred	Disposal in year ending 31/12/2003 or later tax years
1988/89	1.553
1989/90	1.503
1990/91	1.442
1991/92	1.406
1992/93	1.356
1993/94	1.331
1994/95	1.309
1995/96	1.277
1996/97	1.251
1997/98	1.232
1998/99	1.212
1999/00	1.193
2000/01	1.144
2001	1.087
2002	1.049

Indexation only applies for periods of ownership up to 31/12/2002.

Capital Acquisitions Tax 2012*

Threshold	Relationship
€250,000	Child, or, minor child of a deceased child.
€33,500	Brother, sister, child of a brother or sister, lineal ancestor or descendant.
€16,750	Other
Tax Rate	30%

*Applies with effect from 7/12/2011. All benefits received since 5/12/1991 taken into a/c for threshold.

Annual Gift Exemption €3,000

Property & Mortgage Facts

Estimated Monthly repayment per €1,000 borrowed

Interest Rate assumed	Mortgage Term				
	10 yrs	15 yrs	20 yrs	25 yrs	30 years
4%	€10.11	€7.38	€6.04	€5.26	€4.76
5%	€10.58	€7.88	€6.57	€5.82	€5.34
6%	€11.06	€8.40	€7.12	€6.40	€5.95

Mortgage Interest Relief

Maximum allowance

	1st time buyer of principal private residence between 1/1/2004 and 31/12/2008	1st time buyer With qualifying home loan from 1/1/2009 onwards	Other
Single	€10,000	€10,000	€3,000
Married/Widowed	€20,000	€20,000	€6,000

Rate at which relief is granted

Yr	1st time buyer of principal private residence between 1/1/2004 and 31/12/2008	1st time buyer With qualifying home loan from 1/1/2009 onwards	Other
Yr 1 & 2	30%	25%	15%
Yr 3 - 5	30%	22.5%	15%
Yr 6 & 7	30%	20%	15%
Yr 8+	30%	15%	15%

For all mortgages started between 1 January 2004 and 31 December 2012, entitlement to relief expires at the end of 2017.

For mortgages started before 01/01/2004, entitlement to relief expired in 2009.

No relief will be allowed for mortgages taken out after 31 December 2012.

BIK - Preferential Loans - Specified rates 2012

Qualifying Home Loan	5.0%
Other	12.5%

Stamp Duty

Residential Property

Consideration	First €1m	Balance
Residential	1%	2%
Commercial*	2%	2%

*applies to all instruments executed on or after 7/12/2011

Capital Gains Tax

For properties bought after 6/12/2011 and up to 31/12/2013, where the property is held for more than seven years, the gains accrued in that seven year period will not attract CGT.

Protection Facts

Entitlement to Social Insurance Benefits

Benefit Entitlement	Class A Employees	Class S Self Employed & Company Directors
Jobseekers Benefit	Yes	No
Illness Benefit	Yes	No
Invalidity Pension	Yes	No
State Pension (Transition)	Yes	No
State Pension (Contributory)	Yes	Yes
Widow(er)'s contributory Pension	Yes	Yes

PRSI Rates and Benefits from January 2012

	A1	S1
Employee	*4.0% on all income <i>First €127 pw exempt</i>	4.0% on all income
Employer	10.75% <i>(incl. 0.7% Training levy)</i>	Nil

*Employees earning less than €352 pw are exempt from PRSI. From 2013 income will include deposit interest.

Weekly Benefits from January 2012

State Pension (Contributory)/(Transition)	
Personal Rate	€230.30
Personal + Adult dependant over 66	€436.60
Personal + Adult dependant under 66	€383.80
Widow/Widowers Contributory Pension (under 66)	€193.50
Invalidity Pension	
Personal Rate	€193.50
Person + Adult dependant under 66	€331.60
Illness/Jobseekers Benefit	
Personal Rate	€188.00
Person + Adult dependant	€312.80
Increases for each Dependant Child	
Old Age Retirement, Invalidity Pension	€29.80
Disability & Unemployment Benefit	€29.80
Widow/Widower's Pension	€29.80

From 1/1/2012, the first 36 days of Illness Benefit each year are no longer tax free.

Child Benefit (Children's Allowance) from January 2012

First and 2nd child:	€140 per month per child [€1,680 pa per child]
3rd child:	€148 per month per child [€2,004 pa per child]
4th and subsequent child:	€160 per month per child [€2,124 pa per child]