



i-paye



**Guide to Contracting in
Ireland (Eire)**



COUNTRY HIGHLIGHTS (2017)

Ireland – Individual

Currency	Euro (€)
Tax Year	Starts 1 January Ends 31 December
Tax Rates	Personal Tax Credit €1,650.00 Employment Tax credit €1,650.00 Starting Rate 20% on €33,800.00 40% on residual income.
Universal Social Charge	First 12,012€ at 0.5% Next 6,760€ at 2.5% Next 51,272 at 5% Balance at 8%
Social Security	Employers PRSI at 10.75% Employees PRSI at 4.00%

Tax Residency

An individual becomes Tax Resident in Ireland if:

- they are physically present in Ireland for 183 days or more in a tax year; or
- they spend a combined total of 280 days or more in the previous and current tax year.

Presence in Ireland at any time of day constitutes that day counting towards days in country.

An individual who is Tax Resident is taxable on Worldwide Income except if exempt under a double taxation treaty.

An individual who is not Tax Resident is taxable in Ireland on Income earned or generated in Ireland above €3,810.

Social Security

Social Security is payable in Ireland unless the individual is paying Social Security in the country in which their employer is based and they are habitually resident. A certificate of continuing liability to Social Security is required to exempt the individual from Irish Social Security.

Right to Work

EU and EEA Nationals have an unfettered right to work in Ireland without the need to hold a VISA or Work Permit.

Other Nationals, generally, need to have the relevant approval to work prior to their arrival in Ireland.

I-PAYE Service

I-PAYE is registered as an employer in Ireland and all individuals are engaged on contracts of employment.

All income is reported to the Irish Authorities, with deduction for expenses allowed under Irish Law. Any expenses that are reimbursed that are not allowed or are above published rates will be subject to Irish Taxation and Social Security at the appropriate rates.

I-PAYE will provide UK and other European Nationals that habitually reside in the UK or outside of Ireland. I-PAYE will not normally seek to employ Irish Nationals.

As an employee of I-PAYE then you simply would register as working in Ireland and the rest is down to us.

Frequently Asked Questions

Q. I currently work on a project in the United Kingdom through a PSC and have an assignment in Ireland, is it true that I can operate the same model in Ireland?

A. Under Irish Domestic Law a UK PSC may be considered as having a Permanent Establishment in Ireland, which means that all income derived by the business will be subject to Irish Taxation. No matter the taxation position of the company any employment income paid in respect of duties performed in Ireland will be subject to Irish Taxation and Social Security from day 1.

In addition any dividends payable to shareholders will be subject to Irish Dividend Taxation either at resident or non-resident rates.

Q. What happens if I choose to ignore the rules?

A. Ireland as with all European Countries may seek to apply the Mutual Assistance Recovery Directive (MARD) to request the UK and other Tax Authorities to collect any unpaid moneys due.

From 1 October 2017 new legislation has been enacted in the United Kingdom that means that any entity engaging in or with business that evades taxation in a Foreign Country will be subject to an unlimited fine. Failing to report income to the Irish Authorities is Tax Evasion, not avoidance, and under Irish Law would generally lead to a criminal conviction.

Q. I want to do it correctly where should I seek advice?

A. Information is available in English and other languages on the Irish Tax Authorities website, but it is important that you seek advice on your unique circumstances.

More information is available from I-PAYE on 0151 449 3500



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