

LC BUSINESS - INCOME TAX

1. **Cian** has a gross yearly income of €32,100. He has a standard rate cut of €26,200. His standard rate of tax is 20% and his higher rate is 42%. He has tax credits of €2360. His PRSI is at 7% of gross income.
 - a) Calculate his PRSI contribution?
 - b) Calculate his tax payable?
 - c) What is his net take home pay?

2. **Colm** has a gross yearly wage of €20,500. He has a standard rate cut of €15,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €1,000. His PRSI is at 6% of gross income.
 - d) Calculate his PRSI contribution?
 - e) Calculate his tax payable?
 - f) What is his net take home pay?

3. **Ciaran** has a yearly salary of €42,500. He has a standard rate cut of €26,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €1,900. His PRSI is at 7% of gross income.
 - g) Calculate his PRSI contribution?
 - h) Calculate his gross tax payable?
 - i) What is his net take home pay?

4. **Kevin** has a gross weekly income of €500. He has a standard rate cut of €340. His standard rate of tax is 12% and his higher rate is 16%. He has tax credits of €45. His PRSI is at 6% of gross income.
 - j) Calculate his PRSI contribution?
 - k) Calculate his tax payable?
 - l) What is his weekly take home pay?

5. **Caoimhe** earns a salary of €32,500. She has a standard rate cut of €18,000. Her standard rate of tax is 12% and his higher rate is 16%. She has tax credits of €1,400. Her PRSI is at 7% of gross income.
 - m) Calculate his PRSI contribution?
 - n) Calculate his tax payable?
 - o) What is his net take home pay?

6. **James** has annual income of €20,000. He has a standard rate cut of €13,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €800. His PRSI is at 7% of gross income.
 - p) Calculate his PRSI contribution?
 - q) Calculate his tax payable?
 - r) What is his net take home pay?

Q1 ANSWER

	WORKINGS		
Salary			€32,100
Standard Rate	26,200 @ 20%	€240	
Higher Rate	5,900 @ 42%	+ €248	
Gross Tax		€718	
Less Tax credits		- €2360	
Tax Payable		€358 (b)	
PRSI	32,100 @ 7%	+ €2247 (a)	
Total Deductions		€7605	- €7,605
Take home pay			€24,495 (c)

7. **Kevin** has a gross yearly income of €42,100. He has a standard rate cut of €29,200. His standard rate of tax is 20% and his higher rate is 42%. He has tax credits of €3,360. His PRSI is at 6% of the first €33,000 and at 2% of remaining income.

- s) Calculate his PRSI contribution?
- t) Calculate his tax payable?
- u) What is his net take home pay?

8. **Conor** has a gross yearly wage of €28,500. He has a standard rate cut of €18,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €2,000. His PRSI is at 8% of the first €21,000 and at 2% of remaining income.

- v) Calculate his PRSI contribution?
- w) Calculate his tax payable?
- x) What is his net take home pay?

9. **Colin** has a yearly salary of €8,250. He has a standard rate cut of €46,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €3,900. His PRSI is at 6% of the first €53,000 and at 3% of remaining income.

- Calculate his PRSI contribution?
- Calculate his gross tax payable?
- What is his net take home pay?

10. **Ken** has a gross weekly income of €800. He has a standard rate cut of €540. His standard rate of tax is 12% and his higher rate is 16%. He has tax credits of €45. His PRSI is at 6% of the first €120 and at 3% of remaining income.

- Calculate his PRSI contribution?
- Calculate his tax payable?
- What is his weekly take home pay?

11. **Fiona** earns a salary of €6,250. She has a standard rate cut of €38,000. Her standard rate of tax is 12% and his higher rate is 16%. She has tax credits of €4,400. Her PRSI is at 6% of the first €37,000 and at 3% of remaining income.

- Calculate her PRSI contribution?
- Calculate her tax payable?
- What is her net take home pay?

12. **Jonsthan** has annual income of €90,000. He has a standard rate cut of €63,000. His standard rate of tax is 21% and his higher rate is 42%. He has tax credits of €3,800. His PRSI is at 7% of gross income.

- Calculate his PRSI contribution?
- Calculate his tax payable?
- What is his net take home pay?

13. **Caroline** earns a salary of €5,250. She has a standard rate cut of €28,000. Her standard rate of tax is 13% and his higher rate is 18%. She has tax credits of €5,400. Her PRSI is at 8% of the first €36,000 and at 3% of remaining income.

- Calculate her PRSI contribution?
- Calculate her tax payable?
- What is her net take home pay?

14. **Tony** has annual income of €100,000. He has a standard rate cut of €73,000. His standard rate of tax is 20% and his higher rate is 41%. He has tax credits of €6,800. His PRSI is at 7% of gross income.

- Calculate his PRSI contribution?
- Calculate his tax payable?
- What is his net take home pay?

15. **Aislinn** earns a salary of €7,250. She has a standard rate cut of €58,000. Her standard rate of tax is 12% and his higher rate is 16%. She has tax credits of €6,400. Her PRSI is at 8% of the first €48,000 and at 2% of remaining income.

- Calculate her PRSI contribution?
- Calculate her tax payable?
- What is her net take home pay?

