

Moving to Ireland Tax, Rent & Cost of Living

In recent years, Ireland has continued to go from strength to strength. In 2016, Ireland was the fastest growing economy in the EU. In 2017 Irish unemployment has dropped to a ten year low and for the first time since 2009 the net migration had an increase of 3,100 people. There are certainly a lot of positives when moving to Ireland, however it can be quite complicated when you look a little deeper. This guide was created to help you get a better understanding of Tax, Cost of Living and Rental information to help make your move as easy as possible.

It is important to ensure that your tax is dealt with properly from the start and that your new employer deducts the right amount of tax from your pay. To ensure that this happens, you will need to do two things:

1. Give your employer your PPS Number.

This number is your unique personal identification number for public services in Ireland. Your employer will then let your tax office know that you have started work and that they are your employer. More on how to obtain a PPS number later.

2. Apply for a certificate of tax credits.

You will need to complete an application form to do this. It is called Form 12A Application for a Certificate of Tax Credits and Standard Rate Cut-Off Point. More Information on tax credits will be present throughout this document.



To ensure that your employer and the tax office have time to have everything sorted out before your first pay-day, it is advisable to do all this as soon as you accept an offer of a job. The tax office will then forward you a detailed statement of your tax credits. Your employer will also be notified of your tax credits.

Once you have received your PPS Number you should complete a Form 12A and send it to the tax office. You should also notify your employer of your PPS Number and ask your employer for any relevant information that you need to complete the Form 12A - i.e. Employer Registered Number, tax district.

Following receipt of your Form 12A, the tax office will send you a Certificate of Tax Credits. At the same time, the tax office will also issue a Certificate of Tax Credits to your employer, so that correct deductions of tax can be made from your salary. The PPS system in Ireland consists of a series of tax brackets, which determine the rate of tax you pay on your annual salary. Your own personal circumstances dictate the amount of tax credits you are entitled to.

Taxation in Ireland

EXPERIS IRELANDS' GUIDE TO TAX

The chances are you will be placed on an Emergency Tax bracket while waiting on all the paper work to get arranged between yourself, your new company and the Government. The Emergency Tax rate is 40%. Most employees pay tax through the PAYE (Pay As You Earn) system. This means that your employer deducts the tax you owe directly from your wages, and pays this tax directly to the Revenue Commissioners.

What do I have to pay tax on?

Tax is payable on earnings of all kinds that result from your employment (including for example, bonuses, overtime, non-cash pay or benefit-in-kind such as the use of company car, tips, Christmas boxes etc.). You do not pay tax on: scholarship income, interest from savings certificates, savings bonds and national instalment savings schemes with An Post, and payments to approved pension schemes.

Pay that you receive through working extra hours (overtime), bonuses etc. is included as part of your taxable pay for that week or month. You do not get any additional tax-free allowances against these additional earnings. Employees in Ireland are usually taxed in the Pay As You Earn Tax (PAYE) tax system. How much you pay usually depends on what you earn and is charged on the basis of your gross income.

Deloitte offer an [online tax calculator](#) which can make things a lot less complicated

Rates of Tax

There are two rates of tax in Ireland:

- 20% on the first €33,800 earned
- 40% on the remainder of your salary .

You will also pay PRSI and the Universal Social Charge on your income. The PRSI contribution is a percentage of the employee's earnings. This social insurance contribution goes towards providing State Social and Health Services. You will pay 4% on all of your income in PRSI. The Universal Social Charge (USC) is a tax that has replaced both the income levy and the and health levy (also known as the health contribution).

Rates for 2017 are:

- PRSI 4% - No limit on income
- Income up to €12,012 0.5%
- Between €12,012 and €17,576 2.5%
- Between €17,576 and € 70,044 5%
- Between €70,044 and €100,000 8%
- Any PAYE income over € 100,000 8%
- Self-employed income over € 100,000 11%

The amount that you can earn before you start to pay the higher rate of tax is known as your standard rate cut-off point. See [case studies](#) for an example of how to calculate income using tax rates and the standard rate cut-off point.



Personal Public Service Number

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In order to work, you require [a Personal Public Service Number \(PPS number\)](#). You can obtain a PPS number (or ask for your old number, if any, to be traced) at your local social welfare office or Intreo centre. If you are a foreign national, you will need your passport or your GNIB certificate of registration and supporting documentation such as household bills.

Before you can be allocated a PPS number, you must show that you need one for a transaction with a specified body. For example, if you are taking up employment, you need a PPS number to register with the Revenue Commissioners. However, looking for work is not a transaction with a specified body and employers should not look for your PPS number when recruiting. An employer should only seek a PPS number if you are actually taking up employment with the organisation.

You can find a list of State agencies that use PPS numbers to identify individuals on the Department of Social Protection's website. A PPS number is always 7 numbers followed by either one or two letters.

I'm moving to Ireland soon - how do I get a Personal Public Service Number?

You cannot apply for a PPS number before you arrive in Ireland. You must be living in Ireland to apply for a PPS number. Before you can be allocated a PPS number, you must show that one is required for a transaction with a specified body.

You will be asked to produce documentary evidence of identity and residence in Ireland. Different documentary evidence will be required, depending on your nationality. A [complete list of documents required as evidence of your identity is available](#).

I am not resident in Ireland but I need a PPS number - how do I get it?

In some cases people who are not resident in Ireland may need a PPS number. For example, someone who is a beneficiary under an Irish will may need to supply a PPS number before a grant of probate can issue.

The Department of Social Protection's Client Identity Services (CIS) provide a service for non-resident applicants who cannot attend at a designated PPS Registration Centre and who need a PPS number. If you want to use this service, you must show documentary evidence that you need a PPS number for a transaction with a specified body. You cannot use this exceptional application process if you are living in or intend to relocate to Ireland for any period of time. Audits of PPS applications are carried out periodically and you may be asked for additional information.

If you are living in Northern Ireland or the United Kingdom and are working in the Republic of Ireland (a frontier worker) you apply for a PPS number in the normal way [at a designated PPS Registration Centre](#).

Where to apply?

Specific queries regarding residency and taxation of income earned prior to moving to Ireland should be addressed to Revenue. Queries in connection with social insurance (PRSI) should be addressed to your local social welfare office or Intreo centre. Queries about getting a PPS number should be addressed to the Client Identity Services of the Department of Social Protection using the [secure online request form](#) or by phone at 1890 927 999 or (071) 967 2616.

Tax Credits

Tax credits reduce the amount of tax that you have to pay. Tax credits are deducted after your tax has been calculated and so a tax credit has the same value to all taxpayers. After your tax is calculated, as a percentage of your income, the tax credit is deducted from this to reduce the amount of tax that you have to pay. So a tax credit of €200, for example, will reduce your tax by that amount.

You may be entitled to various tax credits depending on your personal circumstances. You can get more information about the [different types of tax credits and reliefs](#) and the tax reliefs available for people with disabilities. If you are entitled to tax credits that are not listed on the Notice of determination of tax credits and standard rate cut-off point that you get from Revenue, you should contact Revenue to inform them.

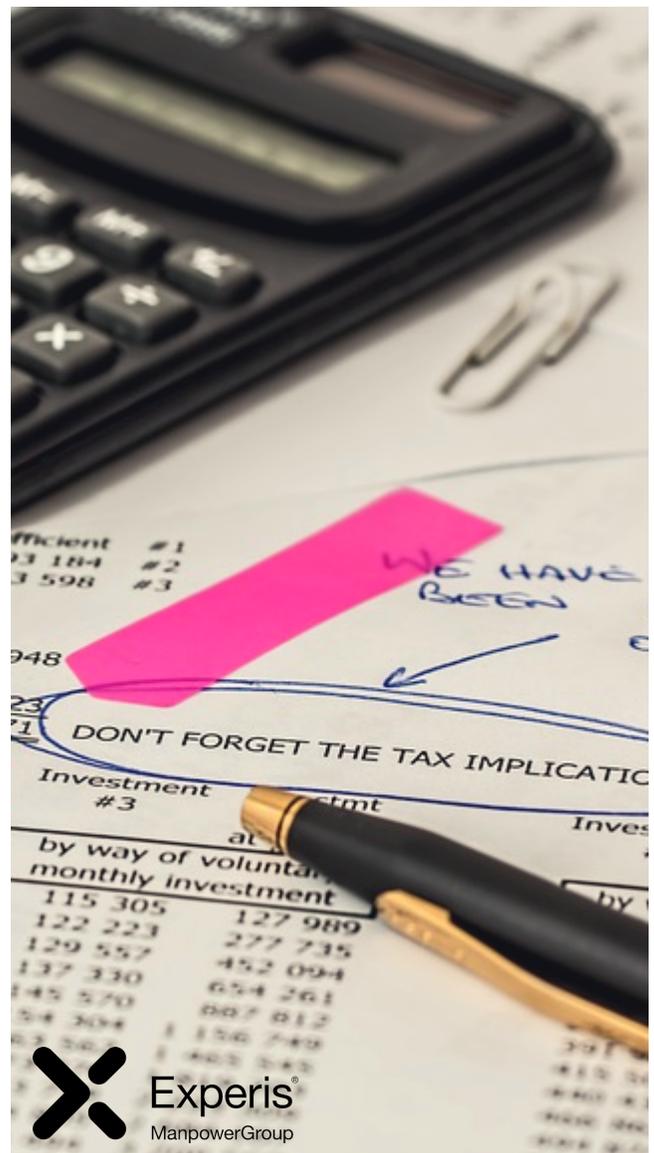
It is important to ensure that your tax is dealt with properly from the start and that your new employer deducts the right amount of tax from your pay. To ensure that this happens, you will need to do two things:

Give your employer your Personal Public Service Number (PPS number). This number is your unique personal identification number for public services. Your employer will then let your tax office know that you have started work and that they are your employers.

Register the details of your new job with [Revenue's Jobs and Pensions online service in myAccount](#).

To ensure that your employer and the tax office have time to have everything sorted out before your first payday, it is advisable to do all this as soon as you accept an offer of a job (even for part-time or holiday employment).

At the start of the tax year, the Revenue Commissioners will send you a Notice of determination of tax credits and standard rate cut-off point. This shows the rate of tax that applies to your income and the tax credits that reduce the tax payable. Revenue will also send a summary of this certificate to your employer so that your employer can deduct the correct amount of tax. If your circumstances change during the year Revenue will issue a revised certificate.



Cost of living in Ireland

Expats will find that the cost of living in Ireland is manageable, but varies depending on the town or city, with Dublin being the most expensive place to live. This was confirmed by the Mercer Cost of Living Survey for 2017, which ranked the city as the 47th most expensive city out of the 209 cities surveyed worldwide. Expats in Ireland are typically supported by well-paying jobs that enable them to enjoy a high quality of life. Accommodation will take the biggest chunk of an expat's salary, followed by groceries, healthcare and education.

Accommodation

One-bedroom apartment in city centre	1,300 EUR
Three-bedroom apartment in city centre	2,300 EUR
One-bedroom apartment outside of city centre	1,000 EUR
Three-bedroom apartment outside of city centre	1,700 EUR

Shopping

Milk (1 litre)	1 EUR
Dozen eggs	3 EUR
Rice (1kg)	1.65 EUR
Loaf of white bread	1.50 EUR
Pack of chicken breasts (1kg)	8 EUR
Coca Cola (2 litres)	2 EUR
Pack of cigarettes (Marlboro lights)	11 EUR

Utilities/Household (monthly)

Mobile call rate (per minute – mobile to mobile)	0.27 EUR
Internet (8MB – average per month)	45 EUR
Hourly rate for a domestic cleaner	15 EUR
Utilities (gas, water, electricity)	150 EUR

Transportation

Taxi (rate/km)	1.50 EUR
City centre bus fare	2.70 EUR
Petrol/Gasoline (per litre)	1.30 EUR

Eating out

Big Mac meal	8 EUR
Cappuccino	3 EUR
Bottle of beer (local)	5 EUR
Three-course meal at a mid-range restaurant	30 EUR

Cost of living in Ireland chart

Note that prices may vary depending on location and service provider. The prices listed are average prices for Dublin in January 2017.

Cost of education in Ireland

Public education in Ireland is free to all children resident in the country, including expats. Most expats choose to send their children to public schools due to the high standards of education offered at these schools. Parents may be expected to pay for school uniforms and books, as well as extra-curricular activities, but will not pay anything for tuition.

Cost of healthcare in Ireland

Although public healthcare in Ireland is free or subsidised for all residents, most expats choose to use private health facilities. Patients at private hospitals are required to pay the full cost of treatment, which can be expensive. Most employers provide private health insurance, and this is something that expats should ensure that they have in place before moving to Ireland.

Renting in Ireland

When looking for accommodation in Ireland, it's important to consider a property's proximity to work, good schools and public transport, especially in the larger cities.

It is also worth noting that in Irish cities, the further away from public transport a property is, the cheaper it is. Rent in Ireland is payable monthly and in advance. A deposit of at least one month's rent is normally required to secure accommodation.

Older houses and apartments are usually more spacious, while rental prices become cheaper the further away from the city centre one goes. Most apartments and houses in Dublin and other cities come fully furnished, including couches, tables, dressers and kitchen appliances.

The two most common types of tenancy agreements in Ireland are the fixed-term tenancy and the periodic tenancy. A fixed-term tenancy, as the name suggests, covers rental for a set period of time as specified in the lease. There is no standardised period for this contract as far as the law goes, and the landlord and tenant are free to determine the length of the lease themselves. However, neither party may end the tenancy before the end of the fixed term unless both parties agree to do so or one of the parties has breached their obligations under the lease.

A periodic tenancy is more open-ended and does not specify a period of time. This gives both landlord and tenant the right to end the tenancy at any time as long as an appropriate notice of termination has been given. Utilities are not normally included in the lease and are an additional expense on top of the price of rent.

Finding accommodation in Ireland

There are plenty of websites that advertise housing in Ireland and local newspapers are also a good source to search for rentals. Local supermarkets often have noticeboards where property rentals are advertised.

Some of the most popular websites for finding accommodation in Ireland include

Daft.ie

Rent.ie

MyHome.ie

Real estate agents are another way to find accommodation in Ireland but, unlike in many other countries, rental agencies in Ireland often bill the renter rather than the property owner. The fee is usually the equivalent of one month's rent.

Now is the time!

Ireland is now currently home to 10 of the top 10 pharmaceutical companies in Ireland and there is a presence of over 75 pharmaceutical companies established in Ireland. The Biopharmaceutical industry has made a capital investment of approximately \$8 billion in new facilities in Ireland, all in recent years.

It's not just the Life-sciences sector continuing to evolve as Ireland's ICT sector is world-renowned and continues to flourish too. Nine of the world's top 10 ICT companies are located here and the IDA supports over 200 firms. The industry employs over 37,000 people and generates €35 billion in exports annually.

