

THE FINANCIAL PROFESSIONAL FACTSHEET



Retirement Facts

State Pension

| | |
|--|---------------------------------|
| State Pension (Contributory) | €238.30 per week [€12,392 p.a.] |
| Personal + Adult dependant (66 and over) | €451.80 per week [€23,494 p.a.] |
| Personal + Adult dependant (under 66) | €397.10 per week [€20,649 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 40% | | Gross | Net of 40% |
| 30 | €20,976 | €723 | €434 | €23,732 | €519 | €312 |
| 35 | €18,539 | €887 | €532 | €20,976 | €619 | €371 |
| 40 | €16,386 | €1,132 | €679 | €18,539 | €759 | €455 |
| 45 | €14,483 | €1,540 | €924 | €16,386 | €969 | €581 |
| 50 | €12,801 | €2,357 | €1,414 | €14,483 | €1,318 | €791 |
| 55 | €11,314 | €4,806 | €2,884 | €12,801 | €2,017 | €1,210 |

Assuming salary inflation at 2.5% pa and contributions increase at 2.5% pa

Figures assume premiums invested in a PRSA with an annual fund management charge of 1% pa and a premium contribution charge of 5%. Investment fund growth is assumed to be 5% pa pre retirement, which is not guaranteed as funds may fall as well as rise. Pension based on annuity rates available for an individual single life pension, guaranteed 5 years, increasing at 1.5% pa in retirement, assuming 2% pa interest rate.

Compulsory Purchase Gender Neutral* Annuity Rates (guide June 2017)

| | Single | | Joint Life | |
|--------|--------|------------|------------|------------|
| | Level | ↑@ 1.5% pa | Level | ↑@ 1.5% pa |
| Age 60 | 3.43% | 2.68% | 3.06% | 2.35% |
| Age 65 | 4.01% | 3.26% | 3.54% | 2.83% |

Standard annuities and guaranteed 5 years assumed in all cases.
Joint life rates assume annuity reduces to 2/3rd and joint life is same age.
Source: Irish Life.
*not applicable to Defined Benefit pension scheme funds
€100,000 lump sum, 2% commission

Funding Occupational Pensions

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

| Current Age | NRA 60 | | NRA 65 | |
|-------------|--------|------|--------|------|
| | Female | Male | Female | Male |
| 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.

Assuming 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 Requirements*

| | |
|--|---------|
| Guaranteed income: (in payment for life) | €12,700 |
| Or Invest in AMRF or Annuity | €63,500 |

*assuming eligibility conditions satisfied

ARF Funds - Tax Treatment on Death*

| Funds to | Income Tax | Inheritance Tax |
|--|--|--|
| Spouse's / Civil Partner's ARF | No. Subsequent withdrawals subject to PAYE | No. (Spouse / Civil Partner exemption) |
| Child under 21 | No | Yes. Taxable Inheritance. |
| Child over 21 | Yes. Subject to 30% income tax. | No. Exempt |
| Other (Incl. to spouse/civil partner 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/civil partner exempt) |

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

Pension Fund Taxation

- Imputed distribution on ARFs is 4%, if attained age 61 or over in the tax year, increasing to 5%, if attained age 71 or over in the tax year; it is calculated on the value of the fund as at 30th November.
 - The imputed distribution rises to 6% (if attained age 61 or over in the tax year) 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 applies to the non ring-fenced amount in all vested PRSAs and from age 75 also for all non vested PRSAs.
- AMRF holders can opt to take one withdrawal in a year up to a maximum of 4% of the value of the AMRF at the time of withdrawal (regardless of the level of accumulated gains or losses); any withdrawal is subject to PAYE and USC.
- The rate of tax on a chargeable excess is 40%, the higher rate of income tax. This is reduced by a tax credit for any standard rate income tax deducted from pension lump sums taken since 1st January 2011.

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 | 1/10 th x 2/3rds | 1-8 | 3/80ths for each year of service |
| 2 | 2/10 th x 2/3rds | 9 | 30/80ths |
| 3 | 3/10 th x 2/3rds | 10 | 36/80ths |
| 4 | 4/10 th x 2/3rds | 11 | 42/80ths |
| 5 | 5/10 th x 2/3rds | 12 | 48/80ths |
| 6 | 6/10 th x 2/3rds | 13 | 54/80ths |
| 7 | 7/10 th x 2/3rds | 14 | 63/80ths |
| 8 | 8/10 th x 2/3rds | 15 | 72/80ths |
| 9 | 9/10 th x 2/3rds | 16 | 81/80ths |
| 10 | 2/3rds | 17 | 90/80ths |
| | | 18 | 99/80ths |
| | | 19 | 108/80ths |
| * As a fraction of final remuneration | | 20 | 120/80ths |

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 2017 is **€115,000**. This limit will also apply to contributions paid in 2017 which are to be backdated to the 2016 tax year.
Employee contributions to pension arrangements are subject to employee PRSI and the Universal Social Charge.
**30% limit applies to certain professional sportspeople, under age 50, in relation to their sports income.*

| Lump Sum | Income Tax |
|----------------|--------------------------------|
| First €200,000 | Exempt |
| Next €300,000 | Standard rate income tax |
| Balance | Marginal rate income tax + USC |

Tax-free retirement lump sums taken on or after 7th 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 7th December 2005, any further retirement lump sums paid to the individual will be liable to income tax at either standard rate, or at marginal rate where the aggregate retirement lump sums exceed €500,000.

| Fund Thresholds |
|--|
| - Standard Fund Threshold is €2m from 1/1/2014. |
| - For Defined Benefit entitlements an age related factor will be used to calculate an individual's Personal Fund Threshold for all benefits accruing after 1/1/2014 (a valuation multiple of 20 is used for all benefits accrued before 1/1/2014.) |

INVESTMENTS

Interest Rates

| Bank Deposits (sample “best” June 2017)* | |
|--|-------------------|
| Demand Deposit | 0.65% AER (gross) |
| Notice Account (30 Day) | 0.25% AER (gross) |
| Term (14 month fixed) | 0.5% AER (gross) |

| State Savings Schemes | |
|------------------------------------|----------------------|
| Savings Bonds (3 years) | 0.33% AER (tax free) |
| National Solidarity Bond (4 years) | 0.50% AER (tax free) |
| Saving Certificates (5 years) | 0.98% AER (tax free) |

*conditions apply.

Source: Competition and Consumer Protection Commission

Compound Interest Effect

| After | Future Value of €1,000 | |
|--------|------------------------|----------|
| | ↑ at 2% pa | at 5% pa |
| 1 yr | €1,020 | €1,050 |
| 2 yrs | €1,040 | €1,103 |
| 3 yrs | €1,061 | €1,158 |
| 4 yrs | €1,082 | €1,216 |
| 5 yrs | €1,104 | €1,276 |
| 10 yrs | €1,219 | €1,629 |
| 15 yrs | €1,346 | €2,079 |
| 20 yrs | €1,486 | €2,653 |

Inflation Effect

| After | Real Value of €1,000 today | |
|--------|----------------------------|-------------------|
| | Inflation @ 2% pa | Inflation @ 5% pa |
| 1 yr | €980 | €952 |
| 2 yrs | €961 | €907 |
| 3 yrs | €942 | €864 |
| 4 yrs | €924 | €823 |
| 5 yrs | €906 | €784 |
| 10 yrs | €820 | €614 |
| 15 yrs | €743 | €481 |
| 20 yrs | €673 | €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 Years | 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) | Years |
| 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 | | 2017 |
|--|---|---------------------------|
| Standard Rate | | 20% |
| Higher Rate | | 40% |
| Standard Rate Band | | |
| Single/Widowed | | |
| <i>No dependant children</i> | | €33,800 |
| <i>With dependant children</i> | | €37,800 |
| Married/Civil Partners - one income | | €42,800 |
| Married/Civil Partners - two incomes | | €42,800 |
| <i>*Increase is lower of €24,800 and income of lower earning spouse.</i> | | + €24,800* |
| Tax Credits | | |
| Single Person | | €1,650 |
| Married/Civil Partners | | €3,300 |
| Widowed/Surviving Civil Partners <i>(no dependant children)</i> | | €2,190 |
| Additional Credit for One Parent Family, Widowed & Other | | €1,650 |
| PAYE Credit | | €1,650 |
| Earned Income (excluding PAYE income) Credit | | €950 max |
| Blind Tax Credit | | €1,650 |
| Dependant Relative | | €70 |
| Age Tax Credit -65 & over | | €245 |
| Home Carer's Tax Credit | | €1,100 |
| Limit for Medical Expenses per adult | | €1,000 |
| Exemption Limits | | |
| | Single/Widowed/Surviving Civil Partner | Married/Civil Partner* |
| Aged 65 or over, with no child dependants | €18,000 | €36,000 |
| *At least one aged 65 or over | | |

| Universal Social Charge | |
|---|------|
| Income 2017 | |
| First €12,012 | 0.5% |
| Next €6,760 | 2.5% |
| Next €51,272 | 5%* |
| Balance | 8% |
| <i>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 11% therefore applies to any income in excess of €100,000. USC does not apply where total income does not exceed €13,000 or income that is already subject to DIRT. USC is not payable on state pensions. *rate reduced to 2.5% if over 70 and income is below €60,000, or if full medical card holder at any age.</i> | |

| Important Tax Dates for 2017 | |
|------------------------------|--|
| Income Tax | |
| 31/10/2017 | |
| - | Return Filing date and Payment of Balance of Income Tax for 2016. |
| - | Preliminary Income Tax due for 2017. |
| 10/11/2017 | |
| - | Deadline for Online Returns. |
| Capital Gains Tax | |
| 15/12/2017 | |
| - | Payment of CGT on disposals made in the period 1st January 2017 to 30th November 2017. |
| 31/1/2018 | |
| - | Payment of CGT on disposals made in December 2017. |

| Capital Gains Tax 2017 | |
|--|---|
| Rate 33%* | |
| Annual Exemption for Individuals €1,270 | |
| Retirement Relief €750,000 (<i>limit</i>) | |
| Tax Year expenditure incurred | Indexation Factor where asset is disposed of in 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. | |
| *Reduced to 20% for post 1/1/2016 (reduced further to 10% for post 1/1/2017) gains on disposal of business assets up to €1m. | |

| Corporation Tax Rates 2017 | |
|-----------------------------------|-------|
| Trading Income | 12.5% |
| Knowledge Development Box Profits | 6.25% |
| Non-Trading Income | 25% |

| Capital Acquisitions Tax | |
|---|--|
| Threshold 2017 | Relationship |
| €310,000** | Child, or, minor child of a deceased child. |
| €32,500 | Brother, sister, child of a brother or sister, lineal ancestor or descendant. |
| €16,250 | Other |
| Tax Rate | 33% |
| **Applies on or after 12th October 2016 | |
| Annual Gift Exemption €3,000 | |

| Tax on Investment Products 2017 | |
|--|---|
| DIRT Rate: 39% | |
| The following are among those who can claim exemption from/ reclaim DIRT: | |
| - | First time buyers who purchase their first home between 14/10/2014 and 31/12/2017 can claim a refund of DIRT incurred in the previous 48 months on savings up to 20% of the purchase price. |
| - | Those individuals who are over age 65 and below the income exemption limits. |
| Exit Tax | |
| Collective Investments | 41% |
| Corporate Investors | 25% |
| Personal Portfolio/Wrappers | 60% |

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 Qualifying mortgage |
|--|---|--|---------------------------|
| Single | €3,000 | €10,000* | €3,000 |
| Married/ Widowed/ Civil Partners | €6,000 | €20,000* | €6,000 |

Rate at which relief is granted

| | 30% | 25% | 15% |
|----------|-----|-------|-----|
| Yr 1 & 2 | 30% | 25% | 15% |
| Yr 3 – 5 | 30% | 22.5% | 15% |
| Yr 6 & 7 | 30% | 20% | 15% |
| Yr 8+ | 30% | 15% | 15% |

*Falls to €3,000/€6,000 after year seven.

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 is allowed for mortgages taken out after 31 December 2012.

A Help to Buy (HTB) incentive is available for first-time buyers in respect of principal private residences. It applies only to new houses and self builds. The relief takes the form of a rebate of an amount equal to income tax (including DIRT, but not USC or PRSI) paid over the previous four tax years. The maximum rebate available is 5% of the purchase price of a new home valued at up to €400,000. Where a new home is valued between €400,000 and €500,000, the maximum rebate (i.e. €20,000) continues to be available. No rebate is available for new purchases costing over €500,000. The relief is linked to a mortgage being taken out for a minimum of 70% of the purchase price. Relief is provided at deposit stage (signing of contract).

For Buy to Let residential properties, 80% of mortgage interest can be offset against rental income for income tax purposes.

| | 2017 |
|--------------------------|------|
| Mortgage interest offset | 80% |

BIK – Preferential Loans – Specified rates 2017

| | |
|----------------------|-------|
| Qualifying Home Loan | 4% |
| Other | 13.5% |

| Stamp Duty Rates | First €1m | Balance |
|------------------|-----------|---------|
| Residential | 1% | 2% |
| Commercial | 2% | 2% |

Capital Gains Tax

For properties bought after 6/12/2011 and up to 31/12/2014, where the property is held for more than seven years, the gains accrued in that seven year period will not attract CGT.

Local Property Tax

The standard yearly rate is 0.18% of the market value up to €1m and 0.25% on excess above €1m. Local authorities can increase or decrease these rates by a maximum of 15%.

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 | Yes (from December 2017) |
| State Pension (Contributory) | Yes | Yes |
| Widow(er)'s/Civil partner's Contributory Pension | Yes | Yes |

PRSI Rates and Benefits for 2017

| | A1 | S1 |
|----------|---|--------------------|
| Employee | *4.0% on all income | 4.0% on all income |
| Employer | 10.75%** (incl. 0.7% Training levy) | Nil |

* Employees earning less than €352 pw are exempt from PRSI. Tapered PRSI relief if weekly earnings are between €352 and €424, with no PRSI relief if weekly earnings are over €424.

** Employer PRSI is 8.50% if weekly earnings are €376 or less.

PRSI is payable on rental income, dividends and interest on deposits and savings (if the total of such income exceeds €5,000 pa) (self employed already liable with no threshold).

Weekly Benefits

| | From March 2017 |
|--|---|
| State Pension (Contributory) | |
| Personal Rate | €238.30 |
| Personal + Adult dependant 66 and over | €451.80 |
| Personal + Adult dependant under 66 | €397.10 |
| Widow's/Widower's/Surviving Civil Partner's Contributory Pension (under 66) | €198.50 |
| Invalidity Pension | |
| Personal Rate | €198.50 |
| Person + Adult dependant under 66 | €340.20 |
| Illness/Jobseekers Benefit | |
| Personal Rate (over age 25) | €193.00 |
| Person + Adult dependant | €321.10 |
| Increases for each Dependant Child | |
| Old Age Retirement, Invalidity Pension | €29.80 |
| Disability & Unemployment Benefit | €29.80 |
| Widow's/Widower's/Surviving Civil Partner's Pension | €29.80 |
| Child Benefit | €140 per month per child [€1,680 pa per child] |