

The Peopletime Guide for Ireland Employers BUDGET 2021



CHANGES:

1. Parents Leave

Increase from 2 weeks to 5 weeks for each parent

2. Minimum Wage

Increase from from 1st January 2021 from €10.10 to €10.20

3. Employers PRSI

Increase weekly income threshold for higher rate of Employers PRSI from €394 to €398 (expected 1st January 2021)

4. Income Tax

Increase Dependent Relative Tax Credit and Earned Income Tax Credit for Self Employed from €70 to €265 and €1500 to €1560 respectively

5. Universal Social Charge

Increase on the 2% band (second band) ceiling from €20,484 to €20,687 (expected 1st January 2021)

6. EWSS (Employment Wage Subsidy Scheme)
Remains until April 2021

7. Illness Benefit

Introduction of Enhanced Illness Benefit (no waiting period) and reduced waiting period for Illness Benefit from 6 to 3 days

8. State Pension Age

NO increase from 66 to 67 (as was previously expected)

9. Remote Working Allowance

- Employer making payments towards the Employees expenses of working from home, up to €3.20, maybe paid without a Benefit-In Kind arising
- Employer not making a contribution, Employee can claim a tax deduction for utility expenses

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