

**Case study: Income Scenario- Lone Parent working full-time on
National Minimum Wage (NMW)**

	Weekly	Yearly
<u>Income from full-time work</u>		
National Minimum Wage €7.65 x 37.5hrs	286. 88	14917. 76
Total Income	286. 88	14917. 76

Assessment of earned income against OFP

Gross weekly means	286. 88	
Less statutory disregard	146. 50	
 141.38/2 = Gross means	 70. 19	
 Therefore, personal rate	 100. 80	
Dependent children (19.30 x 2)	38. 60	
 Total OFP	 139. 40	 7248. 80

Tax and PRSI

Total Taxable Income

Pay: 14917.76; tax @ 20% = 2983.55
 OFP: 7248.80; tax @ 20% = 1449.76
 Total tax: 4433.31

Tax credits:

Personal credit	1630. 00
One-parent credit	1630. 00
Employee credit	1270. 00
Total credits	4530. 00

Tax due:

4530.00 is > 4433.31, therefore negative income tax liability, thus no tax due.

PRSI

Exempt from PRSI as in receipt of OFP

Net Income after tax

Earned Income	286. 88	14917. 76
Income from OFP	139. 40	7248. 80
Net Income	426. 28	22166. 56

Family Income Supplement

Weekly income threshold for
one parent, 2 children

510. 00

Assessable income (total after tax)	426. 28
FIS payable (60% of 83.72)	50. 23 ¹

Total Income

OFP and earned income after tax	426. 28	22166. 56
FIS	50. 23	2612. 06
Child Benefit	69. 23	3600. 00
Fuel Allowance ²	7.81	406.00
Total Cash Income	553.55	28784.62

Back to School Clothing and Footwear Allowance (BSCFA)

Threshold is €366.50. Therefore, this family is not eligible to qualify

Calculation of Local Authority Rent

Total weekly income	553.55	
Less disregards:		
Child Benefit	69. 23	
Fuel Allowance	7.81	
Income disregard (single)	32. 00	
Assessable income	444. 51	
Rent (15% of 444.51)	66. 68	
-€1.00 for each dependent child ³		64.68

Eligibility for Medical Card

Weekly income limit	266. 50
Allowance for 2 children (38.00 x 2)	76. 00
Childcare expenses	220. 00
Travel expenses	20. 00
Housing rent	64. 68
Total guideline	647. 18
Total income	426.28
This household will qualify for a medical card	

¹ It is important to note that in general the amount of the weekly FIS entitlement is normally rounded up to the next full euro. In this scenario we gave the precise FIS entitlement.

² Fuel Allowance paid late October – early April (29 weeks)

³ Dublin City Council (DCC) deducts a €1.00 for each dependent child. This deduction is particular to DCC and does not apply across all local authorities.