

**Case Study: Income Scenario: Lone Parent, working part-time on NMW**

	<b>Weekly</b>	<b>Yearly</b>
<b><u>Income from part-time work</u></b>		
National minimum wage €8.65 x 20hrs	173. 00	8996. 00

**Assessment of Earned Income against OFP**

Gross weekly means	173. 00	
Less statutory disregard	146. 50	
26.5/2 = Gross means	13. 25	
Therefore, personal rate	178.30	
Dependent children (22.00 x 2)	44 00	
Total weekly OFP	222.30	11559.60

**Tax and PRSI**

Total Taxable Income:

Pay: 8996.00; tax @ 20% = 1799.20

OFP: 11559.60; tax @ 20% = 2311.92

Tax Credits:

Personal Credit	1760.00
One-parent Credit	1760.00
Employee Credit	1760.00

Total Credits 5280.00

Tax due minus tax credits:

4111.12

5280.00 > 4111.12, therefore negative tax income liability, no tax due.

**PRSI**

Exempt from PRSI as earning less than €339.00 per week

**Net income after tax**

OFP and wage	395.30	20555.60
--------------	--------	----------

**Family Income Supplement (FIS)**

Weekly income threshold for one parent, 2 children 550.00

Assessable income (total after tax)	395.30
	154.70
FIS payable (60% of 154.70)	92.82 <sup>1</sup>

### **Early Childcare Supplement**

€250.00 paid quarterly	19.23	1000.00
------------------------	-------	---------

### **Total income**

OFP and earned income after tax	395.30	20555.60
FIS	92.82	4826.64
Child Benefit	73.85	3840.00
Early Childcare Supplement	19.23	1000.00
Fuel Allowance <sup>2</sup>	10.04	522.00
<b>Total cash income</b>	<b>591.24</b>	<b>30744.24</b>

### **Back to School Clothing and Footwear Allowance (BSCFA)**

Threshold is €353.30 Therefore, this family is not eligible to qualify

### **Calculation of Local Authority Rent**

Total weekly income	591.24
Less disregards:	
Early Childcare Supplement	19.23
Child Benefit	73.85
Fuel Allowance	10.04
Income disregard	32.00
Assessable income	456.12
Rent (15% of 456.12)	68.42
-€1.00 for each dependent child <sup>3</sup>	<b>66.42</b>

### **Eligibility for Medical Card**

(3 year old and 10 year old)

Weekly income limit	266.50
Allowance for 2 children (38.00 x 2)	76.00

Childcare expenses	83.00
Travel expenses	21.00
Housing rent	66.42
Total guideline	512.92
Total income	395.30

**Therefore, this household will qualify for a medical card**