

Case Study: Income Scenario- Two Parents- One Adult working Full-time on NMW- 3 year old and 10 year old

	Weekly	Yearly
<u>Full-time employment on NMW</u>		
Gross earned income National Minimum Wage €8.65 x 37.5hrs	324.38	16867.76
Total Income	324.38	16867.76

Tax due

Pay: 16867.76; tax @ 20% 3373.55

Tax Credits:

Married person tax credit: 3520.00

PAYE tax Credit: 1760.00

Total tax credits: 5280.00

5280.00 is > 3373.55 therefore negative tax income liability, thus no tax due.

PRSI due

Threshold for employee PRSI is €339.00 per week, therefore no PRSI due.

Family Income Supplement

Weekly income threshold for two parents, two children 550.00

Assessable income (No tax payable) 324.38

FIS payable (60% of 225.62) 135.37¹

Early Childcare Supplement (for 1 child)

€250.00 per quarter	19.23	1000.00
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Back to School Clothing and Footwear Allowance (BSCFA)

Threshold for this family is €492.80, therefore this family will qualify

Amount of €180.00 per child per annum

	6.92	360.00
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¹ It is important to note that in general the amount of weekly FIS entitlement is rounded up to the next full euro. In this scenario we give the precise FIS entitlement.

Total Income

Weekly Income	324.38	16867.76
FIS	135.37	7039.24
Child Benefit	73.85	3840.00
Early Childcare Supplement	19.23	1000.00
BSCFA	6.92	360.00
Total Cash Income	559.75	29107.00

Calculation of Local Authority Rent

Total weekly income (incl FIS)	559.75
Less disregards:	
Child benefit	73.85
Income disregard (couple)	64.00
Early Childcare Supplement	19.23
BSCFA	6.92
Assessable income	395.75
Rent (15% of 395.75)	59.36
-€1.00 for each dependent child ²	57.36

Eligibility for Medical Card

Weekly income limit	266.50
Allowance for 2 children (38.00 x 2)	76.00
Childcare expenses	nil
Travel expenses	21.00
Housing rent	57.36
Total guideline	420.06
Total Income	324.38

This household will qualify for a medical card

² 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.