

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's credit: 3660.00

PAYE Credit: 1830.00

Total Credits: 5490.00

5490.00 is > 3373.55, therefore negative income tax liability, thus no tax due.

PRSI due

Threshold for employee PRSI is €352.00 per week, therefore no PRSI due.

Income Levy

Not subject to income levy as in receipt of full medical card

Family Income Supplement

Weekly income threshold for two parents, two children 602.00

Assessable income (No tax payable) 324.38

FIS payable (60% of 277.62) 166.57¹

Early Childcare Supplement (for 1 child)²
00.00

Back to School Clothing and Footwear Allowance (BSCFA)³

Threshold for this family is €593.40 therefore this family will qualify

Amount of €200.00 for 10 year old Child

¹ It is important to point out that in general the weekly entitlement to FIS is rounded up to the next full euro. In this scenario we give the exact figure.

² The Early Childcare Supplement was abolished at the end of 2009; it has been replaced by the ECCE Scheme. This is a free pre-school year scheme in which a capitation grant of €48.50 per week for 50 weeks is paid to childcare providers.

³ Income from FIS is not included when calculating eligibility for BSCFA

3.85 200.00

Total Income

Weekly Income	324.38	16867.76
FIS	166.57	8661.64
Child Benefit ⁴	69.23	3600.00
BSCFA	3.85	200.00
Total Cash Income	564.03	29329.40

Calculation of Local Authority Rent

Total weekly income (including FIS)	564.03
Less disregards:	
Child benefit	69.23
Income disregard (couple)	64.00
BSCFA	3.85
Assessable income	426.95
Rent (15% of 426.95)	64.04
- €1.00 for each dependent child ⁵	62.04

Eligibility for Medical Card

Weekly income limit	266.50
Allowance for 2 children (38.00 x 2)	76.00
Childcare expenses	nil
Travel expenses	51.36
Housing rent	62.04
Total guideline	455.90
Total Income	324.38

This household may qualify for a medical card

⁴ Child Benefit was reduced by €16.00 per child in Budget 2010.

⁵ 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.

