

JOHN O'CALLAGHAN LTD

John O'Callaghan Ltd
Market Square, Dundalk, Co Louth.
Phone: (042) 93 32222
Email: info@johnocallaghan.ie
Web: www.johnocallaghan.ie

Newsletter

December 2022



"No - you can't claim for wear and tear on your sleigh and for six tired reindeers."

Welcome to our December newsletter. This is a very important month for many of our clients, so here are some reminders for you.

Vouchers

I know we mentioned this last month, but we're still getting questions on the topic so here's a few pointers:

This year you may now give a voucher (or vouchers) up to €1,000 in value to any employee who is on the payroll at this time.

Vouchers can be from multiple sources such as Dunnes Stores, Dundrum Town Centre, One4all, etc, or may be in the form of a prepaid credit card such as Allgo or Perx, etc.

You can give the €1,000 over 2 payments in a year if you wish - this was not previously allowed. For example, you could give a person €500 in July and €500 in December.



Business Energy Support Scheme (BESS)

This is now live - You can now register for this on ROS (go to Registration Options and select this option on the list - TBESS).

To proceed with the registration you will need the following:

- All electricity and gas bills covering the period 1st September 2021 to 28th February 2022 - base period.
- All electricity and gas bills covering the period 1st September 2022 to date.

The basis of the claim will be that these bills will have increased by 50%+ comparing the base period to current.

Please contact us if you would like us to assist you with this scheme.



Tax relief for renters

In the recent budget a tax credit for renters was introduced of €500 per person, or up to €1,000 for a couple, effective for 2022. Click on the link below for further information on this. You will be required to make a claim for this tax credit on your 2022 Income Tax Return 2022, available early 2023.

www.revenue.ie/en/personal-tax-credits-reliefs-and-exemptions/land-and-property/rent-credit/index.aspx



Don't forget your pension contribution

For directors of limited companies with a December year end, in order to qualify for Corporation tax relief, the contribution must be made before 31st December.

With recent changes in pension law, the amount that may be paid is greatly increased. Talk to us for further information, but ultimately you need to discuss with your pension advisor.



Get a tax refund in January

Directors and sole traders are only obliged to file an income tax return for 2022, by 14th November 2023. However, if you know you will be entitled to a tax refund for 2022, there is no reason to wait – send us your data in January and we will submit your return and get you the refund.

The most common causes of refunds we came across this year were, EIS investments, large additional personal pension contributions, medical expenses associated with IVF treatment, dental treatment for crowns and implants and paying tax at too high a rate due to reduced income due to maternity or paternity leave.



"I have a home office. Can I deduct trips to the kitchen and bathroom?"



Changes in BIK on electric cars

Sadly and stupidly, more electric cars will be subject to BIK from 1st January 2023. The current BIK free value is €50,000, but next year the figure is €35,000, and the tax rate could be as high as 22.5% depending on the business mileage incurred.

Please be aware of this and inform your payroll provider, if you have not done so already.



Christmas reading

Hopefully you will get some time off at Christmas. Some business books we have come across that we found interesting were:

- **The 12 week year**
Brian P. Moran
- **Built to Sell**
John Warrillow
- **The People Part**
Annie Hyman Pratt
- **The E-Myth Revisited**
Michael Gerber - It may be old but it's still as relevant today as when it was first written.

New Year's Resolutions

I hope 2022 has been a good year for you. While reviewing our clients recently, we found that those who had a written plan (budget) seemed to have performed far better than those who did not. Statistics show that those who have a written plan are 70% more likely to succeed than those who do not.

The plan need not be a masterpiece or involve a huge amount of time. We recommend you set aside some time between now and the New Year. Set down some facts and figures on paper and consider them, and see what changes you could make for the least cost and effort.

That could make a significant positive impact to your business in 2023. If you need any assistance or guidance from us, please just get in touch.

