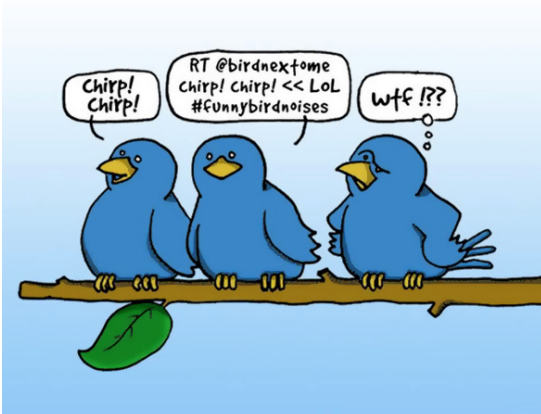


Newsletter

Spring 2023



Good morning and welcome to our Spring newsletter.

The year is flying, and surprisingly it has been quite a good start to the year for most of our clients, with good positive activity, despite rising interest rates, continuing supply chain issues and a shortage of labour in many sectors.

I hope you find some good tips that apply to you in this edition.

Time is running out - UK State Pension

If you have spent three years or more living and working in the UK then you may qualify for an entitlement to the UK State Pension. The UK State Pension may be received even if you are living in Ireland and can be paid in addition to the Irish State Pension if certain conditions are met.

Eligibility

To be eligible to receive any amount of UK State Pension, you need to have paid at least 10 years of National Insurance Contributions in the UK. The years do not have to have been consecutive. You will receive the full UK State Pension if you have paid at least 35 years of National Insurance contributions. See below section on Voluntary National Insurance Contributions for details on bridging any gaps.

What age is the UK State Pension payable from?

Payments can start from age 66 for people born before 5 April 1960. For those born after 5 April 1960 there will be a phased increase to age 67 and eventually to age 68.

What amount can I be paid?

The full new State Pension amount is £185.15 per week or £9,627.80 per year as at January 2023. The payment increases every year in line with CPI or a minimum of 2.5%. In April 2023 it will increase by 10.1% based on CPI in 2022. If you have under 35 years of National Insurance contributions then the amount you receive will be reduced. For example, if you have 20 years contributions then your weekly pension amount would be £105.80 ($£185.15/35*20$) per week at current rates. This calculation is based on the new State Pension. The calculation of your own benefit may differ depending on your circumstances.

Voluntary National Insurance Contributions

You may be able to make voluntary National Insurance Contributions to boost your eligibility. People residing outside of the UK are able to make

voluntary contributions as long as they previously lived in the UK for at least 3 consecutive years and made at least 3 years National Insurance Contributions. The cost of making these contributions is £3.15 per week (£163.80 p.a.) for Class 2 and £15.85 (£824.20 p.a.) for Class 3. You may qualify for Class 2 if you worked in the UK immediately before leaving and are working in another country now.





Deadline extended for the Temporary Business Energy Support Scheme (TBESS)

If you are one of the few who have found it worthwhile to avail of this scheme, the scheme has now been extended. The extension allows that claims in relation to September 2022 energy bills, will be accepted after the original deadline of 31st January 2023.

Good news for drivers of company electric cars

Finally the Minister for Finance Michael McGrath has bowed to pressure from the motor industry and accounting institutes and announced (7th March) that the Finance Bill 2023 will temporarily introduce a relief on €10,000 of the Original Market Value (OMV) of some vehicles, upon which the tax is calculated. The relief will apply to the OMV of cars in the categories of A-D, but it will not apply to the E category of most polluting vehicles.

The net effect of this is to remove cars with a OMV of less than €45,000 from the tax net, and for those above that it will significantly reduce the drivers benefit-in-kind.



Changes to Irish Pension rules

The Finance Act 2022 has brought some significant changes in relation to PRSA's, which can make them more attractive to many people who previously may have had an occupational pension scheme.

A quick overview is:

- Contribution levels under PRSA'S are no longer linked to age and years of service
- If making special/once off lump sum contributions, under a PRSA, all contributions qualify for immediate tax relief.
- There is no obligation to transfer any of the funds to an ARF or annuity.
- An employee who leaves their employment may now access their pension from 50.
- Under a PRSA, a person may defer drawing down from their pension up to 75, whether in employment or not.

Please contact us if you wish us to send you the full details in relation to this



Ask what your accountant can do for you!

Did you know that we are a full-service accounting firm – maybe you are not using us for everything that you need? Below are the most common used services:

- VAT returns
- VIES and Intrastat returns
- RCT returns and management
- Wages for all industries on a weekly, fortnightly, or monthly basis
- Dealing with revenue on tax arrears – negotiating installment plans
- Income tax returns for landlords
- Capital Gains tax returns
- Inheritance tax returns
- Accounts for sole traders
- Formation of limited companies and registration for taxes
- Accounts for Limited Companies (Audit and audit exempt)
- Corporation Tax returns
- Management accounts on a monthly basis or whatever you require
- Preparation of business plans
- Business advice
- Grant, Enterprise Ireland and other applications
- EIS applications
- Selection, training and installation of accounting software
- Assistance in buying or selling a business
- Wealth management
- Pension and tax advice – we do not sell pensions!
- Inheritance tax planning
- Budgets and business plans including cash flow budgeting
- Debt collection
- Managing your creditors
- Consulting service – financial controller or director roles
- Liquidations – if its time to give up