

Tax-saving opportunities for the Self-employed



If you are **self-employed** you must calculate your tax liability and make a payment by **31 October 2019** in respect of your:

1. Final Tax Assessment for 2018;
2. Preliminary Tax for 2019.

The good news...

You can reduce your 2018 Final Tax liability and your 2019 Preliminary Tax liability by making contributions to a Personal Pension plan or to a PRSA plan by 31 October 2019 (or 12 November 2019 for ROS users) and also by these respective dates electing to backdate the tax relief to 2018. Your pension contributions are subject to the age-related limits shown below:

Age Band	% of Net Relevant Earnings
Up to age 29	15 %
30 – 39	20 %
40 – 49	25 %
50 – 54	30 %
55 – 59	35 %
60 and over	40 %

Notes:

1. An earnings cap of €115,000 applies to contributions. Pension contributions made by you in 2018 must be deducted from the maximum tax-allowable contribution calculated based on these limits.
2. Age is age on your birthday in 2018.
3. Retirement benefits are subject to separate Revenue limits.
4. Reference throughout this document to 'Tax' refers to 'Income Tax'.

Note: If you use the Revenue Online Service (ROS) to both file your tax returns and pay your taxes you have until **12 November 2019** to file and pay for 2018.

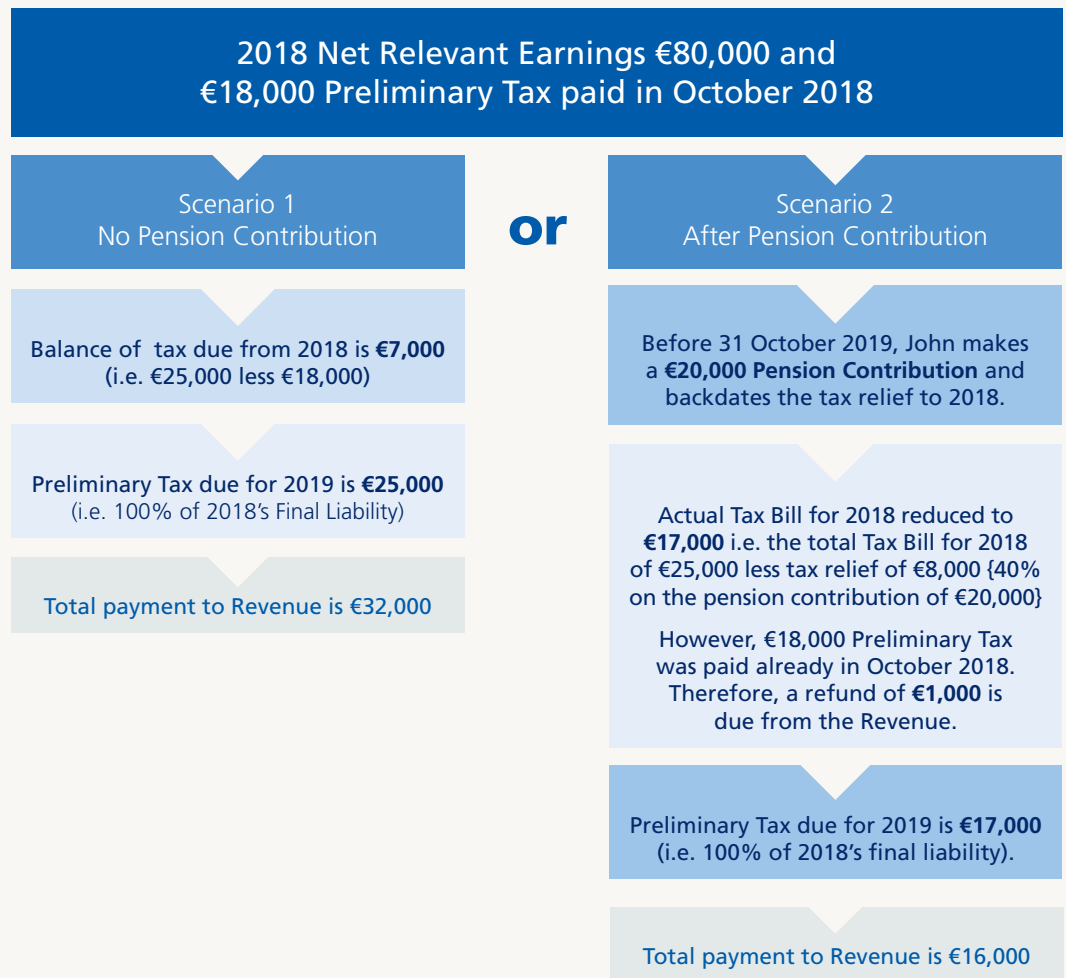


Remember

Making pension contributions can be a very tax-efficient way for you to save for your retirement.

Example

John is self-employed, aged 45 years, and his Net Relevant Earnings for 2018 were €80,000. He has paid €18,000 Preliminary Tax in 2018 and his total tax bill for 2018 is €25,000. This leaves him owing €7,000 for 2018. He does not currently pay pension contributions. The two scenarios below show just how a lump sum pension contribution can save John lots of money!



Note: This double tax saving in the first year of retirement funding will eventually even out to one year's tax saving for each year's contribution.

Make the most of the tax-efficiency of pension contributions now – you may never get such good value again!

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Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

The information contained herein is based on Zurich Life's understanding of current Revenue practice as at August 2019 and may change in the future.

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