4.5 Universal Social Charge

Date:

To calculate USC as a percentage of income

The USC rates and income bands for 2012 are in the table below. Go to www.revenue.ie to find out details for the current tax year. Fill in these details below if they are different to those for 2012.

USC 2012	
Income bands	**USC rate**
€0 to €10,036	2%
€10,036 to €16,016	4%
€16,016 +	7%

USC in current tax year if different	
Income bands	**USC rate**

Revenue
Cáin agus Custaim na hÉireann
Irish Tax and Customs

Remember, in 2012, where an individual's total income for the year does not exceed €10,036, no USC is payable.

Example – using 2012 income bands and rates

You are currently earning €30,000 and you want to calculate what your USC will be. You will be charged as follows:

- 2% on the first €10,036 €10,036 x 2% = 200.72
- 4% on €16,016 - €10,036 € 5,980 x 4% = 239.20
- 7% on €30,000-€16,016 €13,984 x 7% = 978.88

Total USC due €1,418.80

What percentage of your total income does the USC represent?

$\frac{1418.80}{30,000} \times \frac{100}{1} = 4.73\%$

Make sure you use USC rates and income bands for the current year in the following calculations.

1. Your friend has asked you to check his USC deduction as he thinks it may be incorrect. His income is €27,000. Following the previous example, calculate the amount of USC due.

2% on the first €10,036 = _____

4% on €16,016 - €10,036 = _____

7% on €27,000 - €16,016 = _____

Total USC due = _____

What percentage of the total income does the USC represent? _____

2. You decide to look at a salary of €100,000 and work out how much USC it would attract.

2% on the first €10,036 = _____

4% on €16,016 - €10,036 = _____

7% on €100,000 - €16,016 = _____

Total USC due = _____

What percentage of the total income does the USC represent? _____

CONCLUSION: What I have done...

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