

PRSI contribution rates from 1 January 2012

Persons in industrial, commercial and service type employment, employed under a contract of service

Non-Cumulative Weekly Earnings Band (Including if appropriate shared-based remuneration)	PRSI Subclasses	How Much Of Weekly Earnings (Including if appropriate shared-based remuneration)	Employee % (Including if appropriate shared-based remuneration)	Employer % (Excluding shared-based remuneration)	Employee + Employer %
Up to €37.99	J0	ALL	0	0.50	0.50
€38 - €352	AO	ALL	0	4.25	4.25
€352.01 - €356	AX	First €127	0	4.25	4.25
	AX	Balance	4.00	4.25	8.25
€356.01 - €500	AL	First €127	0	10.75	10.75
	AL	Balance	4.00	10.75	14.75
More than €500	A1	First €127	0	10.75	10.75
	A1	Balance	4.00	10.75	14.75

Use the following subclasses (A6, A7 and A4) only for approved employees under the Employer's PRSI Exemption Scheme and Employer Job (PRSI) Incentive Scheme.

Up to €352	A6	ALL	0	0	0
€352.01 - €500	A7	First €127	0	0	0
	A7	Balance	4.00	0	4.00
More than €500	A4	First €127	0	0	0
	A4	Balance	4.00	0	4.00

Class J normally relates to people with reckonable earnings of less than €38 a week (from all employments). However, the following employees are insurable at Class J, regardless of earnings: employees aged 66 or over and people in subsidiary employment.

Up to €500	J0	ALL	0	0.50	0.50
More than €500	J1	ALL	0	0.50	0.50
FÁS Allowance	J9	ALL	0	0.50	0.50

Class M relates to people with a nil contribution liability (such as employees under age 16 and persons in receipt of occupational pensions).

Occupational Pensions					
All Income	M	ALL	0	0	0

Employee's PRSI-Free Allowance

The PRSI-Free Allowance for employees in Classes A with weekly earnings of more than €352 remains at €127.

Classes	A
Fortnightly	€254
Monthly	€551

Important points to note

- PRSI relief for employers on pension contributions made by **employees** has been fully abolished. This does not apply to Civil and Public Service employers who do not pay employer PRSI on the pension levy paid by their employees.
- PRSI relief on pension contributions paid by employers remains unchanged.
- Share-based remuneration is subject to employee PRSI only, at the rate of 4%.
- Share-based remuneration, where applicable, should be included as income when determining the appropriate subclass and when charging employee PRSI.
- Share-based remuneration is **not** subject to employer PRSI. It should not be included as income when determining the appropriate subclass and when charging employer PRSI.
- In some cases this may result in a different PRSI subclass for the employer and for the employee.
Example: If a Class A employee has weekly pay of €350 and, in a particular week, has gains from share-based remuneration of €30. Employee PRSI is calculated on income of €380 - Subclass AL. Employer PRSI is calculated on income of €350 - Subclass AO.
- Employer and employee PRSI should be added together as normal. If a different subclass applies to the employee and to the employer, the return must always be made at the employee's subclass.
- There is no annual earning ceiling for PRSI for employees.
- The Health Contribution was abolished in 2011.
- As a result of this change subclasses A2 and A5 no longer exist.
- Assuming wages/income remains the same, employees returned in 2011 under any of these subclasses should, in 2012, be returned as A1, A4 (if previously returned as A5).
- For income of more than €500 a week, subclasses A1, A4, as appropriate, should be returned.
- Subclass A4 applies to those who were previously insurable under Subclass A5.
- Class A employees earning between €38 and €352 inclusive a week should be recorded under Subclass AO.
- Class A employees earning between €352.01 and €356 a week should be recorded under Subclass AX.
- Class A employees earning between €356.01 and €500 a week should be recorded under Subclass AL.

- The Class J contribution normally relates to people with reckonable earnings of less than €38 a week (from all jobs). However, a small number of employees are insurable at Class J, regardless of earnings - for example, employees over age 66 and people in subsidiary employment.
- For employees taken on under the Employer's PRSI Exemption Scheme and the Employer Job (PRSI) Incentive Scheme:
 - Subclass A6 is applied to employees earning €352 or less a week - normally insurable at Subclass AO.
 - Subclass A7 is for those earning between €352.01 and €500 inclusive a week - normally insurable at Subclass AX or AL.
 - Subclass A4 applies for those earning over €500 a week. This applies to employees who would normally be insurable at Subclass A1 and exempted employees who were previously insured at Class A5.
- You can download PRSI information booklets from our website at www.welfare.ie.