

PRSI and Levies Summary of Changes

Pension Contributions

PRSI relief on pension contributions paid by employees has been fully abolished.

The 2011 Budget provided for changes in the way in which PRSI liability operates in relation to employee pension contributions.

- Up until 1 January 2011, PRSI (in respect of both the employee and employer elements) was deducted on gross earnings less any employee occupational pension contributions.
- The 2011 Budget (i) abolished PRSI relief in the case of the employee element of PRSI in relation to employee pension contributions and (ii) provided for the abolition of half of the PRSI relief in the case of the employer element of PRSI in relation to employee pension contributions.

The relief from employer PRSI on employee pension contributions is now fully abolished.

Full PRSI relief on contributions made by employers to their employees' pensions, remains.

Levies

- The National Training Fund Levy, which is paid alongside PRSI, remains at 0.7% (0.35% on the lower 4.25% rate of employer PRSI).

Employee PRSI Contributions

Item	Change 2012
No Employee	None
Employee PRSI Threshold €352	None
Employee Rate – 4% (Classes A and H)	None

Employer PRSI

Item	Change 2012
Employer Threshold €356	None
Employer Rate (High) 10.75% (Low) 4.25%	None. None.

Self-Employed PRSI

Item	Change 2012
Class S rate – 4%	None
Minimum Contribution - €253 pa	None