

Frequently Asked Questions about Tax Issues

- I am a PAYE worker with other income (rental income and dividends). Do I need to file a Tax Return?
- Are there any tax savings for the average PAYE worker?
- Is mortgage interest deductible from Residential Rental Income for income tax purposes?
- Do I have to pay tax on profits from the sale of company shares that I held.

I am a PAYE worker with other income (rental income and dividends). Do I need to file a Tax Return?

Yes, unless the non-PAYE is small and has been included on your PAYE certificate (Certificate of Credits & Standard Rate Cut-off Points) to collect the extra tax due.

Are there any tax savings for the average PAYE worker?

Yes, such as certain un-reimbursed medical expenses, service charges paid for bin collection, trade union subscriptions etc

Is mortgage interest deductible from Residential Rental Income for income tax purposes?

Yes, for interest accruing on or after 1 January 2002 (or before 23 April 1998) on money borrowed to purchase, improve or repair the property.

However, from 2006 onwards for an individual, an interest deduction will not be allowed unless it can be shown that the registration requirements of Part 7 of the Residential Tenancies Act 2004 have been complied with in respect of all tenancies that existed in relation to that premises in that tax year.

Do I have to pay tax on profits from the sale of company shares that I held.

Yes possibly, CGT (Capital Gains Tax) is could be payable if the profit (as calculated for CGT purposes) exceeds your annual exemption (€1,270 for 2007).
