

# Budget 2005



# Contents

2	Introduction
3	Main Changes
4	Disability
7	Social Welfare
9	Taxes
12	Employment
13	Health
15	Education
16	Consumer
16	Grants and other funding
18	Social Welfare Rates of Payment
21	Department of Health and Children Disability Related Allowances
22	FÁS Payments
23	Medical Card Income Guidelines
24	Maximum weekly Rent Supplement levels in each Health Board Area
25	Income Tax
27	Citizens Information Centres
Inside Back Cover	Comhairle Publications

# Introduction

This Pack has been prepared by Comhairle following the 2005 Budget on the 1st of December 2004. It incorporates information on Budget measures announced on that day as well as relevant pre-Budget measures and others made known since Budget Day. There were also significant measures announced in the Estimates on 18th November 2004.

This publication contains information relevant to citizens and to organisations in the information-giving sector. It is intended as a reference guide to the implementation of changes in government schemes and services throughout the year. Further information on the background to the Budget can be obtained from the Department of Finance and from its website at [www.finance.gov.ie](http://www.finance.gov.ie)

In both the Estimates and the Budget materials, there is an emphasis on providing resources for people with disabilities. We have included a summary of these measures as a separate section.

Legislative measures are required to enact many of the changes and these will be contained in Social Welfare, Health and Finance Bills. In many cases further details will be given in Statutory Instruments, or Regulations, departmental circulars etc. This information will be covered in detail in *Relate*, the Comhairle monthly journal available on subscription. It is also accessible on-line on the Comhairle website.

All changes are scheduled for January 2005 unless otherwise indicated.

Comhairle provides information on all aspects of rights and entitlements to the public through a number of channels:

- Comhairle's on-line database of public services at [www.oasis.gov.ie](http://www.oasis.gov.ie)
- The national Citizens Information Phone Service – **LoCall 1890 777 121**
- The network of **Citizens Information Centres (CICs)**. They are listed at the back of this publication and also in the Golden Pages directories.

We welcome your feedback on this publication; please email your comments to us at [info@comhairle.ie](mailto:info@comhairle.ie)

Note: Whilst every effort has been made to ensure the accuracy of the material in this pack, Comhairle cannot be held responsible for errors or omissions.

# Main changes

As well as general increases in rates of social welfare and health board payments:

## **Disability**

- Major improvements in funding for services
- Commitment to multi-annual funding package for disability support services for 2006-2009
- New employment support scheme
- Grant aid support in 2005 for certain voluntary sector projects
- Special programme for improving public transport accessibility for people with mobility and sensory impairments
- Tax credits increased for incapacitated children and for blind people

## **Children, Families and Employment**

- Improvements in income limits for medical card and introduction of a new 'doctor only' card
- Increases in minimum and maximum rates of Maternity Benefit and Adoptive Benefit
- Transitional half-rate payment for 6 months for people who go over income limit for OPF
- Increases in some personal tax credits
- Funding for training by FÁS and other agencies

## **Carers**

- Improvements in Respite Care Grant
- Increase in income disregard for carer's payments
- Easing of qualifying condition for Carer's Benefit

# Disability

The Disability Bill and the Comhairle (Amendment) Bill were launched in September 2004, along with the National Disability Strategy. Six government departments also published outline sectoral plans, setting out the services to be provided for people with disabilities. Following from these extra funding has been made available for supports to people with disabilities for this year, as well as a commitment to multi-annual funding.

Here we outline the specific measures announced, as related to disability.

Information in the other sections, such as Taxes and Health is also relevant.

## HEALTH

Priorities for new health initiatives in 2005 include new services for people with disabilities delivered by over 1,000 new frontline professionals in order to begin implementation of the Disability Bill.

It was announced in the estimates that €2.8 billion overall will be provided in 2005 for people with disabilities. This €2.8 billion will fund:

- health sector services specifically for people with an intellectual disability or autism, physical or sensory disabilities and mental illness
- first, second and third level special needs education
- specialised training and employment support services provided by FÁS
- the cost of certain tax reliefs to assist mobility and
- the adaptation of accommodation specifically for persons with disabilities.

For 2005 this Budget adds a capital allocation of €60 million to the €70 million current expenditure provided for health.

It also introduces a multi-annual funding package for disability support services for 2006-2009 with a value of close to €900 million. This package includes guaranteed additional current spending of almost €600 million.

Additional current funding is €205 million, an increase of more than 10 per cent. This will be used for services covering intellectual disability, physical and sensory disability and mental health.

### **Services for People with Intellectual Disabilities and those with Autism**

255 new residential places will be provided each year from 2006-2009. Taking account of the 270 new places being provided in 2005, this will give a total of 1,290 new residential places by 2009.

85 new respite places will be provided each year from 2006-2009. Taking account of the 90 new places being provided in 2005, this will give a total of 430 new respite places by 2009.

535 new day places will be provided each year from 2006-2009. Taking account of the 400 new places being provided in 2005, this will give a total of 2,540 new day places by 2009.

An extra €2m will be provided each year from 2006–2009 to cover the cost of additional staffing needed in order to transfer about 600 people with intellectual disability/autism from psychiatric hospitals and other inappropriate placements by 2009.

### **Services for People with Physical or Sensory Disabilities**

80 new residential places will be provided each year from 2006–2009 for people with significant disabilities who are currently placed in inappropriate settings (hospitals and nursing homes for example). Taking account of the 60 new places being provided in 2005, this will give a total of 380 new residential places by 2009.

250,000 extra hours of home support and personal assistance will be provided each year from 2006–2009. Taking account of the 200,000 extra hours being provided in 2005, this will give a total of 1,200,000 extra hours by 2009.

### **Mental Health Services**

100 new places will be provided each year, commencing in 2006, in community-based mental health facilities (day centres, day hospitals and residential facilities). This will give a total of 400 new places by the end of 2009.

The estimates announced an additional sum of €15m being allocated to provide and staff an additional 14 beds at the Central Mental Hospital.

## **SOCIAL WELFARE**

There will be a new €35 weekly personal payment to people resident in institutional settings who are not receiving Disability Allowance. (June 2005)

People transferring from Long-Term Unemployment Assistance will be entitled to full-rate Disability Benefit if they have a total of 260 paid PRSI contributions. (May 2005)

You can now use either of two previous Relevant Tax Years to qualify for Disability Benefit when transferring from Occupational Injury Benefit. (April 2005)

Full rate Injury Benefit will be extended to people who are also getting Disablement Benefit (April 2005). Currently, where a person is getting Disablement Benefit in respect of a previous accident, the combination of the Disablement Benefit and Injury Benefit in respect of the current accident cannot exceed 100% of the Disablement Benefit rate of payment.

The Diet Supplement Scheme has been re-instated - it had been intended to phase it out from 2004 onwards.

Entitlement to Smokeless Fuel Allowance will be extended to people getting Occupational Injury Benefit for 13 weeks or more. (October 2005)

See also improvements for Carers in the Social Welfare section on page 7.

## **TAX MEASURES**

The tax credit that you can claim for an incapacitated child is increased from €500 to €1,000.

The tax credit for a blind person is increased from €800 to €1,000, and €2,000 where both of a married couple are blind.

## **EDUCATION**

Funding is being given to provide education services for adults with disabilities, to expand the role of the National Council for Special Education, to increase the level of pre-school provision and to introduce new appeals processes as envisaged in the Education for Persons with Special Educational Needs Act 2004.

An increase of €67m for Special Education Provision. The increased amounts will range through provision for teachers and Special Needs Assistants for special needs pupils, special school transport and the expanded provision for the National Council for Special Education.

## **EMPLOYMENT SUPPORTS**

€5m is being provided to FÁS in 2005 to launch a new employment support scheme for people with a disability. This funding will allow the introduction of a new Full Time Employment Support Scheme on a three year pilot basis, aimed at increasing the numbers of people with disabilities in full time employment in the open labour market.

## **ENVIRONMENT, HERITAGE & LOCAL GOVERNMENT**

To make public buildings, roads and pavements, parks, amenities, harbours and heritage sites more accessible to people with disabilities.

## **JUSTICE, EQUALITY & LAW REFORM**

To introduce a scheme of grant aid support in 2005 for voluntary sector projects. Support will be given to once-off projects which demonstrate an innovative and cost-effective approach to service provision for people with disabilities and which have the capacity to be mainstreamed in the future. €3m will be provided for the scheme each year in the period from 2005 to 2009.

## **OFFICE OF PUBLIC WORKS**

For the continuation and acceleration of an ongoing programme of public building accessibility audits and subsequent improvement work. €5m will be provided in 2005 and €10m in each year from 2006 to 2009.

## **TRANSPORT**

€10m for special programme for improving public transport accessibility for people with mobility and sensory impairments in addition to ongoing investment in public transport infrastructure for accessibility.

## **GRANTS**

€1m for Comhairle to fund preparations for an advocacy service for people with disabilities.

€3.7 million in respect of a once-off payment to St. Michael's House at Belcamp in Dublin towards the cost of a swimming pool for the disabled.

€500,000 payment to the Irish Wheelchair Association towards the cost of the final renovation phase at their Cuisle National Holiday Centre in Donamon, Co. Roscommon.

# Social Welfare

## GENERAL INCREASES

Social Welfare Payments will increase by €12 per week for people aged 66 and over and €14 for other payments. Qualified Adult Allowances also increase proportionally. (January 2005)

These increases apply to full rate payments and there are proportionate increases for recipients of reduced rate payments.

For details of specific payments see tables from page 18 on.

## CARERS

### Respite Care Grant

Respite Care Grant is extended to all Carers who are providing full-time care to an older person or a person with disability regardless of means. The only people excluded are those getting an unemployment payment (because you have to be available for work) or those who are working outside the home for more than 10 hours per week. (June 2005)

The amount of the Respite Care Grant will be increased by €165 from €835 to €1,000 in respect of each person being cared for. Up until now you could only get the Grant for two people at the same time, no matter how many you were caring for. (June 2005)

This does not affect the maximum payment of Carer's Allowance, which is still 1.5 personal rates.

### Carer's Allowance and Benefit

The weekly income disregard for Carer's Allowance will be increased by €20 to €270 for a single person and by €40 to €540 for a couple. (April 2005)

People getting Carer's Benefit can work for up to 10 hours a week and still qualify for the payment. The maximum weekly income which they can earn respect of employment and self-employment is increased from €150 to €270 per week. (April 2005)

People getting Carer's Benefit are currently required to be in employment in the three months before starting full-time caring. This condition will be abolished. (April 2005)

## FAMILIES & CHILDREN

Except for Child Benefit, all increases under Families and Children are from January 2005.

Child Benefit increases by €10 to €141.60 per month for each of the first two children and by €12 to €177.30 per month for the third and each subsequent child. There will be an increase of €30 for twins. (April 2005)

The income limits for Back to School Clothing and Footwear Allowance have been raised by €20 for a couple and €12 for lone parents.

Family Income Supplement (FIS) weekly income thresholds will increase by €39.

The minimum rate of Maternity Benefit and Adoptive Benefit increases by €14 a week from €151.60 to €165.60. The rate of Maternity Benefit and Adoptive Benefit increases from 70% to 75% of reckonable weekly earnings.

People getting One Parent Family Payment are to receive transitional half-rate payment for 6 months where income exceeds €293 per week. This is a partial re-instatement of the provision which was discontinued from January 2004.

If you are getting Unemployment Benefit, Disability Benefit, Injury Benefit or Health & Safety Benefit, you will only get half-rate Child Dependant Allowance if your spouse or partner's income is below a certain level. This threshold has increased by €50 to €350 per week.

Funding will be provided for existing crèche supplement recipients and their community crèches, and for funding of new cases referred by Health Sector Personal Social Services Professionals. Again, this relates to a provision which was discontinued from January 2004. Further details are not yet available.

Qualified Adult Allowances; the upper income ceiling for tapered rates in respect of qualified adults is increased from €210 per week to €220 per week. (January 2005)

The assessment of Benefit and Privilege for Unemployment Assistance will be abolished for those aged 26 living in the parental home. This is part of a progressive reduction in the age limit. (April 2005)

## **RENT SUPPLEMENT**

All changes are from January 2005.

There is an increase of €10 to €60 per week in the income disregard for Rent and Mortgage Interest Supplement.

Changes were introduced last year so that at the time of application for a Rent Supplement you must have been in rented accommodation or similar for a period of 6 months within the preceding 12 months. This and other criteria are to be amended to ensure that people who have a short-term income need, such as people who become ill or unemployed, or are assessed by a local authority as having a housing need are not disadvantaged.

Also, Rent Supplement will continue in payment unless third offer of local authority accommodation is refused.

The maximum levels of rent appropriate to specific areas and family sizes will not change until after 30 June 2005. The current rates are given at the end of this publication.

### **Back to Education Allowance**

The qualifying period will be reduced by 3 months, from 15 months to 12 months for the third level option. (September 2005)

## OTHER CHANGES

The Cost of Education Allowance will increase by €146 to €400 per year. (September 2005)

### Means Tests

The amount of capital disregard for means test purposes for all schemes (except for Supplementary Welfare Allowance) will be increased to €20,000 from June 2005. It is not yet known whether there will be changes in the 'bands' for the calculation of means where capital is greater than €20,000.

### PRSI: Employees

If your income in any week is below a certain amount you do not pay the 2% Health Levy. This threshold will increase from €356 per week to €400 per week from January 2005.

## Taxes

There are some changes in income tax credits and allowances as well as in the standard rate tax bands.

### Basic Income Tax

Personal Credits have increased by €60 (single) and €120 (married) for 2005. The Employee Tax Credit has increased by €230 to €1,270.

Tax rates remain unchanged at 20% and 42%.

The standard rate tax bands, after which you pay the higher rate of tax, have been widened by €1,400 for a single person, with pro rata increases for married couples and lone parents.

### Private Rented accommodation

The maximum level of rent paid for private rented accommodation on which tax relief can be claimed, at the standard rate of tax, is being increased.

For those aged under 55 years of age, it is increasing from €1,270 to €1,500 per annum for a single person and from €2,540 to €3,000 per annum for widowed and married people. This equates to a tax credit of €300 per annum for single people and €600 per annum for widowed people and married couples.

For those aged 55 years and over, the maximum level of rent paid on which tax relief can be claimed is being increased from €2,540 to €3,000 per annum for a single person and from €5,080 to €6,000 per annum for widowed and married people. This equates to a tax credit of €600 per annum for a single person and €1,200 for widowed and married people.

### Tax Relief for Fees Paid for Third Level Education

The maximum amount of qualifying fees allowable under the scheme of tax relief for third level fees is being increased from €3,175 per annum to €5,000 per annum. The relief can be claimed at the standard rate of tax and the new maximum amount will be available in respect of fees paid in relation to the academic year 2005/2006.

### Taxation of Unemployment Benefit – Systematic Short-Time Workers

The special tax exemption for unemployment benefit for systematic short-time workers will be extended for a further two years, up to 31st December 2006.

### Benefits in Kind – Increase in Small Benefit Exemption Threshold

Under the existing Benefit-in-Kind arrangements introduced in January 2004, an employer can provide an employee with a small benefit to a value not exceeding €100 without applying PAYE and PRSI to that benefit. No more than one such benefit given to an employee in a tax year qualifies for such treatment. The current small benefit threshold is increased to €250.

### Disability-related credits

The tax credit that you can claim for an incapacitated child is increased from €500 to €1,000.

The tax credit for a blind person is increased from €800 to €1,000, and €2,000 where both of a married couple are blind.

Other tax credits/reliefs are unchanged.

## STAMP DUTY

### Change in Stamp Duty Rates for First-time Buyers of Second-hand Residential Property

The stamp duty rates for first-time buyers who are owner-occupiers of second-hand residential property are being changed. The existing and new stamp duty rate structures are as shown below:

Thresholds	Existing First-Time Buyer Rate	New First-Time Buyer Rate
€127,000	Exempt	Exempt
€127,001 to €190,500	Exempt	Exempt
€190,501 to €254,000	3%	Exempt
€254,001 to €317,500	3.75%	Exempt
€317,501 to €381,000	4.5%	3%
€381,001 to €635,000	7.5%	6%
Over €635,000	9%	9%

The new rate structure will apply to legal instruments relating to these properties executed on or after 2nd December 2004.

First-time buyers who are owner-occupiers will continue to be exempt from stamp duty on new residential property up to 125 square metres. Partial relief, based on the new rate structure outlined above, will continue to apply where such property exceeds 125 square metres.

### Companies Capital Duty

The 1% duty that is charged on the setting up of companies and on the issuing of share capital is being reduced to 0.5% for transactions effected on or after 2nd December 2004.

### **Stamp Duty Exemption for Switching of Financial Cards**

The 2005 Finance Bill will provide a stamp duty exemption from the double charge arising from the switching of financial cards such as credit cards, charge cards, ATM cards and Laser cards. There will be consultations with relevant bodies about the timing and scope of the provision before publication of the Finance Bill.

## **FARM TAXATION**

### **Stamp Duty Relief for Exchange of Farmland for Farm Consolidation Purposes**

The 2005 Finance Bill will provide a new stamp duty relief for an exchange of farmland between two farmers for the purposes of consolidating each farmer's holding by applying the stamp duty only in respect of an amount equal to the difference in the values of the lands concerned, which must be payable in cash. At present each farmer is liable to the full stamp duty on property she or he receives. This once-off relief will apply for a two year period and full details, including the qualifying conditions, will be contained in the Finance Bill.

### **Farmer Stock Relief**

The existing general 25% stock relief for farmers and the special incentive stock relief of 100% for certain young trained farmers are being extended from 1st January 2005 for a further two years.

### **Farm Pollution Control**

The writing down period of the special tax relief scheme for expenditure on farm pollution control measures will be reduced from 7 to 3 years in order to assist farmers to comply with the Nitrates Action Programme. Full details will be contained in the 2005 Finance Bill.

### **Farmers' VAT Flat Rate Addition**

The farmers' flat rate is being increased from 4.4% to 4.8% from 1st January 2005. This rate change will ensure that unregistered farmers are compensated in full for the VAT they bear on their business inputs. There will be a corresponding increase to 4.8% for the sale of livestock by VAT registered farmers.

## **OTHER TAX MEASURES**

### **Initiative on Sulphur Free Petrol**

As an environmental measure, it is intended to introduce, during 2005, an excise differential for sulphur free petrol (defined as petrol with a sulphur content of less than 10 parts per million) along the lines of that which was introduced for sulphur free diesel in Budget 2002. Further details will be announced in the Finance Bill.

### **Vehicle Registration Tax**

The scheme which provides a 50% refund of VRT on the purchase of 'hybrid' vehicles will be extended for a further two years until 31st December 2006. The issue of introducing a restriction of this relief to vehicles below a certain engine size will be kept under review.

### **Review of Tax Incentives and Exemptions**

In 2005 the Department of Finance and the Office of the Revenue Commissioners will review certain tax incentive schemes and tax exemptions. These include reliefs in the area of property such as Urban/Rural Renewal, Multi-Storey Carparks, Student Accommodation, Hotels and Holiday Cottages, Childcare Facilities etc. as well as exempt

income i.e. woodlands, stallions and greyhounds and the artists exemption.

The termination dates for various schemes laid down in Finance Act 2004 will remain unchanged.

## Employment

A new employment support scheme for people with disabilities will be set up by FÁS - see page 6.

### **Increase in FÁS payments**

FÁS allowances are increased in line with the social welfare increases from January 2005 - see page 22.

### **Family Income Supplement**

The weekly income thresholds are increased by €39 - see page 20.

### **Community Employment, Whole-Time Jobs Initiative and Social Economy Programme**

The combined participation levels on these three programmes will remain at 25,000. Additional funding of €5m is allocated to the Department of Community, Rural and Gaeltacht Affairs to support the development of community services in disadvantaged areas to complement the contribution of workers employed under the Job Initiative and Social Economy Programmes.

Funding for the Department of Social and Family Affairs Employment Support Services provides for the following weekly average number of recipients:

- Back to Work Allowance 11,000
- Back to Education Allowance 6,570
- Part Time Job Incentive 310

### **Back to Work Enterprise Allowance**

A further measure signalled by the Minister is an expansion of part-time options under the Back to Education Initiative (BTEI) in 2005. The number of BTEI part-time training places will increase by approximately 1,000 places to 7,000.

### **Rural Social Scheme**

€12m provided for the Rural Social Scheme will contribute to the achievement of the target total of 2,500 participants throughout 2005. This scheme, which is similar to Community Employment, provides income support for farmers and fishermen.

### **FÁS Training**

Investment in this area will increase by almost €48m in 2005. Most of these additional funds will be invested in in-company training. An additional €5m is being provided to meet the growing requirements for apprenticeship training.

A further €15m in 2005 will provide a range of new in-company training initiatives to be delivered by FÁS or others.

**Skillnets**

Other significant increases for industry-led training include an €1.83m (45%) increase in the 'Skillnets' budget to €7.5m.

**Workplace Education Fund**

A Workplace Education Fund will be set up with a budget of €2m in 2005 and discussions will take place involving FÁS, the National Adult Literacy Agency and other agencies on how best to use this investment to increase basic skills in the workforce.

**Health and Safety Authority**

A new Customer 'Workplace Contact' initiative will be set up to provide a single point of contact for the public with the HSA.

**Labour Relations Commission**

Funding will be provided for two additional Rights Commissioner posts, increasing the number to eight. This allocation will enhance the service provided by the LRC in light of increased demand for these services.

## Health

**Multi-Annual Investment programme 2006-2009**

In addition to the funding provided for 2005, a multi-annual investment programme is being launched, to cover the years 2006-2009.

**Health Allowances**

From January 2005, payments/allowances paid by health boards in Ireland are increased in line with those for social welfare recipients. See page 21 for 2005 rates of payment.

**Hospital Beds**

Overall, 300 new beds will be available next year in public hospitals, in addition to those that will be opened in new Acute Medical Units.

**MEDICAL CARDS  
EXTENSION**

This initiative has two elements:

- Increase in the medical card income guidelines, see page 23.
- Free access to GP services to individuals and families who would be above the revised medical card income guidelines by up to 25%. This measure requires legislation.

**Discretionary powers**

The health board CEOs have, in the past, exercised discretionary powers in granting medical cards to those in special need where the income guidelines have been exceeded. About 70,000 cards are provided in this way. The incoming Health Service Executive will be asked to draw up a transparent policy governing discretionary medical cards.

**Medical cards and social welfare increases**

The practice of ensuring that no one is disadvantaged by virtue of social welfare increases in retaining or applying for a medical card will continue.

### Parents of children with chronic illnesses

They will no longer be required to re-apply each year for a medical card.

## ACCIDENT AND EMERGENCY

Actions aimed at minimising the need for people to go to Accident and Emergency and others designed to free up beds in hospital for people awaiting admission:

- The development and expansion of minor injury units, chest pain clinics and respiratory clinics in hospitals to relieve pressure on Accident and Emergency departments
- The transfer of 100 high dependency patients to suitable private nursing home care
- Negotiation with the private sector to meet the needs of 500 people annually for intermediate care of up to six weeks. These are older people who are awaiting discharge to nursing home care or back to their own home with appropriate supports
- Expanded home care packages to support 500 additional older people at home
- Provision of more out of hours GP services in order to keep people's need to attend Accident and Emergency to a minimum
- The further expansion of palliative care facilities
- Measures to enhance direct access for GPs to diagnostic services.

In addition, hospitals will be requested to prioritise the delivery of Accident and Emergency services and to prioritise Accident and Emergency admissions. Each hospital will be required to undertake a detailed analysis of their patient flows in order to identify patient profiles, bottlenecks and improved ways of treating patients.

It is intended to appoint one person to lead the cross-service implementation of these actions.

### Accident and Emergency Charges

Accident and Emergency charges are also being increased by €10 to €55.

## DISABILITY SERVICES

A total of €205m in additional current funding will enhance services for people with disabilities next year. This includes increases for new service development and pay. For further details, see disability section, page 4.

## HOSPITAL SERVICES

€50 million has been provided for the commissioning of a number of new units in acute and non acute facilities throughout the country which have been funded under the National Development Plan.

### Bed Charges

There is an increase of 25% in the charges raised by hospitals from private beds.

There is also an increase of €10 in the statutory in-patient bed charge for non-medical card holders (and people with the new 'doctor only' medical card), bringing it to €55 per night (to a maximum of 10 nights a year).

### National Treatment Purchase Fund

An additional €20 million is being provided for the National Treatment Purchase Fund. The additional funding will allow the Fund to arrange treatment for 17,000 patients in 2005, which is 30% above the estimated figure for 2004. The primary focus of the Fund is to arrange treatment for those waiting longest and to reduce waiting lists and waiting times

for in-patient and day case treatments in acute hospitals. The Fund, in cooperation with hospital authorities, is reviewing its information system requirements in order to allow earlier identification of patients eligible to be treated under its auspices.

#### **Drugs Payment Scheme**

The current threshold of the Drugs Payments Scheme has risen from €78 per month to €85 per month - a 9% increase in the amount that people have to pay.

#### **Mental Health Commission**

The Mental Health Commission will receive an additional €10 million.

## **Education**

#### **Tax Relief for Fees Paid for Third Level Education**

The maximum amount of qualifying fees allowable under the scheme of tax relief for third level fees is being increased from €3,175 per annum to €5,000 per annum. The relief can be claimed at the standard rate of tax and the new maximum amount will be available in respect of fees paid in relation to the academic year 2005/2006.

#### **Cost of Education Allowance**

The Cost of Education Allowance will be increased to €400 per year from September, 2005. In addition, the qualifying period will be reduced to 12 months from the same month.

#### **Youth Services**

Additional funding will be provided for a number of developments under the Youth Work Act, 2001 and the National Youth Work Development Plan.

#### **Further and Adult Education**

- A new provision is being made for trainees with special needs in Youthreach and Senior Traveller Training programmes
- Increased funding for Adult Literacy to include new initiatives
- The expansion of part-time options under the Back to Education Initiative (BTEI) in 2005
- Extra funding for the roll-out of Phase 4 Adult Education Guidance Initiative.

#### **Education disadvantage and special education**

An additional €47.6m is being provided to alleviate educational disadvantage and an increase of €67m for Special Education Provision. The increased amounts will range through provision for teachers and Special Needs Assistants for special needs pupils, special school transport and the expanded provision for the National Council for Special Education.

## Consumer

### Stamp Duty Exemption for Switching of Financial Cards

The 2005 Finance Bill will provide a stamp duty exemption from the double charge arising from the switching of financial cards such as credit cards, charge cards, ATM cards and Laser cards. There will be consultations with relevant bodies about the timing and scope of the provision before publication of the Finance Bill.

This will enable consumers to switch financial service providers without incurring any penalties, so helping competition in the sector.

### Consumer Support

The Consumer Strategy Group, which is due to report at the end of this year, has indicated that it expects to make recommendations which will impact on the structures for consumer representation in Ireland. There is provision of €243,000 for 2005 to progress this report when formally presented.

## Grants

### GRANTS TO VOLUNTARY SECTOR AND STATE FUNDED AGENCIES

Funding or additional funding allocated to a number of organisations in the Budget:

#### Family Support Agency

€2 million for the Family Resource Centre Programme.  
 €900,000 for the expansion of the Family Mediation Service.  
 €600,000 additional funding for Marriage/Family Counselling.  
 €70,000 for development of information dissemination.  
 €60,000 for second phase of Families Research Programme.

#### Comhairle

€1m to fund preparations for an advocacy service for people with disabilities  
 Additional funding of €500,000.  
 Special funding of €100,000 to develop communications strategy.

#### MABS

Special funding of €700,000 to develop additional services as well as additional funding of €300,000.

#### Combat Poverty Agency

Additional funding of €100,000.

#### Irish Wheelchair Association

€500,000 towards the cost of the final renovation phase at the Cuisle National Holiday Centre in Donamon, Co. Roscommon.

**St Michael's House**

€3.7m to St. Michael's House at Belcamp in Dublin for the construction of a swimming pool for disabled people.

**National Aids Strategy**

A once-off sum of €0.5 million is being allocated to groups involved in projects under the National Aids Strategy. Groups which will benefit include Open Heart House, Dublin Aids Alliance and Red Ribbon.

**Grants for specific voluntary sector projects**

A scheme of grant aid support will be introduced in 2005 for voluntary sector projects. Support will be given to once-off projects which demonstrate an innovative and cost-effective approach to service provision for people with disabilities and which have the capacity to be mainstreamed in the future. €3m will be provided for the scheme each year in the period 2005-09 through the Department of Justice, Equality & Law Reform.

**Support for the Development of Community Services in Disadvantaged Areas**

€5 million to support the development of community services in disadvantaged areas, to complement the contribution of workers employed for service delivery under the Social Economy and Job Initiative Programme operated by FÁS.

**European Union Science Olympiad**

Funding will be provided to allow the European Union Science Olympiad to be held in Ireland in 2005.

**Increased funding for Emigrant Services**

Funding increase to €8 million, mainly to groups providing front line services to emigrant communities in Britain, under the direction of the the Irish Abroad Unit in the Department of Foreign Affairs.

There will also be substantial increases for emigrant groups providing similar services in the United States and Australia.

## Social Welfare Rates of Payment 2005

### INSURANCE-BASED PAYMENTS FROM JANUARY 2005

	Weekly Personal Rate	Qualified Adult Allowance (QAA)	Each Child Full Rate
Maximum Weekly Rates	€	€	€
<b>Retirement/Old Age Contributory Pension:</b>			
- under age 80	179.30	QA under 66 119.50	19.30
- aged 80 or over	185.70	QA 66 or over 138.50	19.30
<b>Widow's/Widower's Contributory Pension:</b>			
- under age 66	154.30		21.60
- aged 66 and under age 80	179.30		21.60
- aged 80 or over	185.70		21.60
<b>Invalidity Pension:</b>			
- under age 65	154.30	QA under 66 110.10	19.30
- aged 65 and under age 80	179.30	QA 66 or over 138.50	19.30
- aged 80 or over	185.70		19.30
<b>Carer's Benefit:</b>	163.70		16.80
<b>Disablement Benefit:</b>	179.90		
<b>Disability/Unemployment Benefit/ Injury Benefit/Health and Safety Benefit:</b>	148.80	98.70	16.80
<b>Maternity/Adoptive Benefit (minimum rate):</b>	165.60		
<b>Orphan's Contributory Allowance:</b>	121.00		

**SOCIAL ASSISTANCE  
PAYMENTS FROM  
JANUARY 2005**

	<b>Personal Rate</b>	<b>Qualified Adult</b>	<b>Each Child Full Rate</b>
<b>Maximum Weekly Rates</b>	€	€	€
<b>Old Age Non-Contributory Pension:</b>			
- under age 80	166.00	109.70	16.80
- aged 80 or over	172.40	109.70	16.80
<b>Blind Person's Pension:</b>			
- under age 66	148.40	QA under 66 98.70	16.80
- aged 66 and under age 80	166.00	QA 66 or over 109.70	16.80
- aged 80 or over	172.40		16.80
<b>Widow's/Widower's Non-Contributory Pension:</b>			
- under age 66	148.80		
- aged 66 and under age 80	166.00		
- aged 80 or over	172.40		
<b>One-Parent Family Payment:</b>			
- under age 66	148.80		19.30
- age 66 or over	166.00		19.30
<b>Carer's Allowance:</b>			
- under age 66	153.60		16.80
- age 66 or over	169.80		16.80
<b>Disability Allowance/Pre-Retirement Allowance/Farm Assist/Unemployment Assistance:</b>	148.80	98.70	16.80
<b>Orphan's Non-Contributory Pension:</b>	121.00		
<b>Supplementary Welfare Allowance:</b>	148.80	98.70	16.80

**FAMILY INCOME  
SUPPLEMENT**

The weekly income thresholds have increased by €39.  
The new thresholds are:

If you have:	Your family income is less than:	
	2004 Limit €	2005 Limit €
1 child	407	446
2 children	433	472
3 children	458	497
4 children	483	522
5 children	515	554
6 children	541	580
7 children	562	601
8 or more children	584	623

**CHILD BENEFIT**

Monthly Rates of Child Benefit from April 2005	€
1 Child	141.60
2 Children	283.20
3 Children	460.50
4 Children	637.80
5 Children	815.10
6 Children	992.40
7 Children	1,169.70
8 Children	1,347.00

# Department of Health and Children Disability Related Allowances and Payments January 2005

	€
<b>Participants on approved Rehabilitative Training Programmes (per week)</b>	31.80
<b>Blind Welfare Supplementary Allowances (per week) To Disability Allowance recipient (16-18 years)</b>	
Adult dependant	5.60
Child dependant	3.90
<b>To Blind Pension recipient</b>	
Blind pensioner over 18	46.30
Blind couple	92.60
Increase for child dependant	4.40
<b>Infectious Diseases Maintenance allowance (IDMA)</b>	
personal rate (single person or widow/er)	148.80
where person receives in-patient services	113.90
with qualified adult (dependant spouse)	247.50
where person or spouse receives in-patient services	225.00
where both person & spouse receive in-patient services	190.20
<b>IDMA (further increases allowed)</b>	
for each child dependant	16.80
for each dependant over 16 (other than spouse)	57.90
towards employment of helper (or actual wage paid, whichever is the lesser)	73.00
towards rent/mortgage etc. (or cost of outgoings, whichever is the lesser)	38.40
<b>Domiciliary Care Allowance (per month)</b>	225.20
Respite Care Grant* - 1 caree	1,000.00
Respite Care Grant* - 2 or more carees	2,000.00
* June 2005	
<b>Mobility Allowance (per month)</b>	
Higher Rate	156.00
Lower Rate	78.00
<b>Spending allowance for persons in long-stay institutions (per week)</b>	24.40
<b>Capitation rates (per annum)</b>	
Rehabilitative Training Centres	1,979.00
Sheltered Workshops	2,115.00
Disabled Drivers instruction (Ballindine)	890.00
<b>Motorised Transport Grant (maximum rate)</b>	4,690.00

## FÁS weekly payments 2005

Training Allowances		
Age Group	Full Time €	Part Time €
Trainees aged 15/16 years	60.60	
Trainees Aged 17 Years	75.75	
Trainees Aged 18 Years & Over	148.80	
Trainees - Aged 18 Years & Over and Part-time (20 hrs/week)	85.65	

Community Employment	€
Participants without Dependants	173.20
Participants with an Adult Dependant	271.90
Each Child Dependant (Full-Rate)	16.80
Each Child Dependant (Half-Rate)	8.40

Job Initiative	€
Grant per place (maximum period of grant = 3 years)	402.80
Minimum payment to job initiative participant is	346.40
Administration/materials/overheads/topup for Team Leader	maximum of 10% of grant
Training & development	minimum of 4% of grant

# Medical Card Income Guidelines from 1st January 2005

Weekly Income Limit (Gross pay less PRSI and Health Contribution)	From 1st January 2005 €
<b>Single Person Living Alone</b>	
Aged up to 66 years	153.50
Aged between 66-69 years	168.00
<b>Single Person Living with Family</b>	
Aged up to 66 years	136.50
Aged between 66-69 years	144.50
<b>Married Couple</b>	
Aged up to 66 years	222.00
Aged between 66-69 years	248.50
Aged between 70-79 years*	497.00
Aged 80+*	522.50
<b>Allowances</b>	
Each of first 2 dependant children under 16 years	31.50
Third and subsequent dependant children under 16 years	34.00
Each of first 2 dependant children over 16 years	32.50
Third and subsequent dependant children over 16 years	35.50
Dependant over 16 years who is in full-time third level education and not grant aided	65.00
Outgoings on rent/mortgage	in excess of €26.00
Expenses incurred in travel to work	in excess of €23.00

\*Since 1st July 2001 all persons aged 70 years and over normally resident in Ireland are entitled to a Medical Card irrespective of income. If their spouse is aged under 70 years, their entitlement to a medical card is calculated on the income guideline for the older of the two.

## Maximum weekly rent levels in each Health Board area from 1st January 2004 until 30th June 2005

Except in particular circumstances no Rent Supplement will be paid where the rent exceeds the appropriate maximum rent level.

The minimum contribution which all recipients of Supplementary Welfare Allowance Rent/Mortgage Allowance are required to make towards their accommodation is €13 per week.

	ERHA €	MHB €	MWHB €	NEHB €
<b>Single person in shared accommodation</b>	93.00	63.00	60.00	70.00
<b>Couple in shared accommodation</b>	93.00	63.00	60.00	70.00
<b>Single person</b>	115.00	85.00* 95.00***	95.00	85.00** 95.00****
<b>Couple with no children</b>	178.00	115.00	130.00	121.00
<b>Couple with 1 child or one-parent family with 1 child</b>	953.00 p.m.	140.00	150.00	140.00
<b>Couple with 2 children or one-parent family with 2 children</b>	1,200 p.m.	160.00	170.00	153.00
<b>Couple with 3 children or one-parent family with 3 children</b>	1,200 p.m.	160.00	185.00	191.00

\* Counties WestMeath and Longford

\*\* Counties Monaghan and Cavan

\*\*\* Counties Laois and Offaly

\*\*\*\* Counties Louth and Meath

	NWHB	SEHB	WHB	SHB
<b>Single person in shared accommodation</b>	65.00	80.00	65.00	70.00
<b>Couple in shared accommodation</b>	65.00	80.00	65.00	70.00
<b>Single person</b>	85.00	115.00	115.00	95.00
<b>Couple with no children</b>	115.00	130.00	115.00	153.00
<b>Couple with 1 child or one-parent family with 1 child</b>	140.00	150.00	175.00	153.00
<b>Couple with 2 children or one-parent family with 2 children</b>	153.00	170.00	200.00	190.00
<b>Couple with 3 children or one-parent family with 3 children</b>	170.00	170.00	200.00	203.00

## Income Tax

### CHANGES IN TAX CREDITS FROM 1ST JANUARY 2005

Tax Credit	2004 €	2005 €
Single Personal Tax Credit	1,520	1,580
Married Personal Tax Credit	3,040	3,160
Widowed Person's Tax Credit	1,820	1,980
One-Parent Family Tax Credit	1,520	1,580
Employee Tax Credit	1,040	1,270
Incapacitated Child Tax Credit	500	1,000
Blind Person's Tax Credit		
Single	800	1,000
Married (both blind)	1,600	2,000

### WIDOWED PARENT FROM 1ST JANUARY 2005

Extra Tax Credit for the first five years following bereavement

	2004 €	2005 €
Year 1	2,600	2,800
Year 2	2,100	2,300
Year 3	1,600	1,800
Year 4	1,100	1,300
Year 5	600	800

## TAX RATES AND TAX BANDS

There are no changes to the tax rates of 20% and 42%. The standard rate tax band has been widened. The table below sets out the tax rates and bands.

Personal Circumstances	2004 €	2005 €
Single/Widowed without dependant children	28,000 @ 20% Balance @ 42%	29,400 @ 20% Balance @ 42%
Single/Widowed qualifying for One Parent Family Tax Credit	32,000 @ 20% Balance @ 42%	33,400 @ 20% Balance @ 42%
Married Couple one spouse with Income	37,000 @ 20% Balance @ 42%	38,400 @ 20% Balance @ 42%
Married Couple both spouses with Income*	37,000 @ 20% with increase of 19,000 max. Balance @ 42%	38,400 @ 20% with increase of 20,400 max. Balance @ 42%

\*Two income married couples may only avail of the full €58,800 standard rate band if each earns at least €19,000. If one earns less than this, the standard rate band for them is the amount earned by that person plus €38,400.

## PRIVATE RENTED ACCOMODATION

Rent Tax Relief	2004 € Max	2005 € Max
Single aged under 55	1,270	1,500
Married/Widowed aged under 55	2,540	3,000
Single aged 55 & over	2,540	3,000
Married/Widowed aged 55 & over	5,080	6,000

## EXEMPTION LIMITS

Exemption limits are limits below which no tax is payable. They are not the same as tax free allowances or credits.

Exemption limits for 2005	Aged under 65	Aged 65+
Single/Widowed person	€5,210	€16,500
Married Couple	€10,420	€33,000

### Additions to limit for dependant children (no change):

1st 2 children	€575 each	€575 each
subsequent children	€830 each	€830 each

If your income is below the levels given here you pay no tax. If it is just above those limits you get marginal relief. This means that you do not automatically revert to the normal system of tax credits etc. but, instead, you pay tax on the amount above the exemption limits at 40%. This marginal relief tax rate (40%) is unchanged.

## **Ballyfermot CIS**

Ballyfermot Community Civic Centre,  
Ballyfermot Road,  
Ballyfermot,  
Dublin 10  
Tel. 01 6207181/2/3

## **Blanchardstown CIC**

Westend House,  
Westend Office Park,  
Snugborough Road Extension,  
Blanchardstown,  
Dublin 15  
Tel. 01 8220449

## **City Centre (Dublin) CIS**

13A Upper O'Connell Street,  
Dublin 1  
Tel. 01 8090604

## **Clondalkin CIS**

Luke Cullen House,  
Unit 2, Oakfield Industrial Estate,  
9th Lock Road,  
Clondalkin,  
Dublin 22  
Tel. 01 4579045/4570861

## **Co. Carlow CIS**

St. Catherines Community,  
Services Centre,  
St. Josephs Road,  
Carlow  
Tel. 059 9138750

## **Co Cavan CIS**

Dublin Road,  
Cavan,  
Co. Cavan  
Tel. 049 4332641

## **Co. Clare CIS**

Bindon Lane,  
Bank Place,  
Ennis,  
Co. Clare  
Tel. 065 6841221

## **Co. Donegal CIS**

Public Service Centre,  
Blaney Road,  
Letterkenny,  
Co. Donegal  
Tel. 074 9194281

## **Co. Galway CIS**

Augustine House,  
St. Augustine Street,  
Galway  
Tel. 091 563 344

## **Co. Laois CIS**

27 Main Street,  
Portlaoise,  
Co. Laois  
Tel. 0502 21425

## **Co. Leitrim CIS**

Bridge Street,  
Drumshanbo,  
Co. Leitrim  
Tel. 071 964 0995

## **Co. Longford CIS**

Level One,  
Longford Shopping Centre,  
Longford  
Tel. 043 41069

## **Co. Louth CIS**

4 Adelphi Court,  
Long Walk,  
Dundalk,  
Co. Louth  
Tel. 042 9329149/1800 252 352

## **Co. Mayo CIS**

Cavendish House,  
Link Road,  
Castlebar,  
Co. Mayo  
Tel. 094 902 5544

## **Co. Offaly CIS**

Level One,  
Bridge Centre,  
Tullamore,  
Co. Offaly  
Tel. 0506 52204

## **Co. Roscommon CIS**

Castle Street,  
Roscommon Town,  
Co. Roscommon  
Tel. 090 662 7922

## **Co. Sligo CIS**

8 Lower John Street,  
Sligo  
Tel. 071 915 1133/914 1737

## **Co. Tipperary CIS**

34-35 Croke Street,  
Thurles,  
Co. Tipperary  
Tel. 0504 22399

## **Co. Westmeath CIS**

St Mary's Square,  
Athlone,  
Co. Westmeath  
Tel. 09064 78851

## **Co. Wexford CIS**

28 Henrietta Street,  
Wexford  
Tel. 053 42012

## **Co. Wicklow CIS**

Unit 3 & 4, The Boulevard,  
Quinsboro Road,  
Bray,  
Co. Wicklow  
Tel. 01 2860666

## **Cork CIC (South Mall)**

80 South Mall,  
Cork  
Tel. 021 4277377

## **Cork City (North) CIS**

Harbour View Road,  
Portacabin beside Community College,  
Knocknaheeny,  
Cork  
Tel. 021 4302301

## **Crumlin CIS**

146 Sundrive Road,  
Crumlin,  
Dublin 12  
Tel. 01 4546070/4546080

## **Dublin 246 CIS**

18A Adelaide Road,  
Dublin 2  
Tel. 01 6615922

## **Dublin 8 & Bluebell CIS**

90 Meath Street,  
Dublin 8  
Tel. 01 4734671

## **Dublin City North Bay CIS**

2 Sybil Hill Road,  
Raheny,  
Dublin 5  
Tel. 01 8058574

## **Dublin North West CIS**

Unit 7, Finglas Village,  
Dublin 11  
Tel. 01 8641970/8641980

## **Dun Laoghaire CIC**

85-86 Patrick Street,  
Dun Laoghaire,  
Co. Dublin  
Tel. 01 2844544

## **Fingal (North County) CIS**

Unit 26, Swords Plaza,  
Fingal,  
Co. Dublin  
Tel. 01 8412508

## **Kerry CIS**

4 Bridge Lane,  
Tralee,  
Co. Kerry  
Tel. 066 7123655

## **Kilkenny CIC**

4 The Parade,  
Kilkenny  
Tel. 056 7762755

## **Limerick CIS**

54 Catherine Street,  
Limerick  
Tel. 061 311444

## **Monaghan CIC**

23 North Road,  
Monaghan,  
Co. Monaghan  
Tel. 047 82622

## **Navan & Co Meath CIS**

1 Brews Hill,  
Navan,  
Co. Meath  
Tel. 046 9074086

## **North & East Cork County CIS**

c/o Fermoy CIC Community  
Resource Centre,  
McCurtain Street,  
Fermoy,  
Co. Cork  
Tel. 025 32711

## **North Kildare CIS**

Derroon House,  
Dublin Road,  
Maynooth,  
Co. Kildare  
Tel. 01 6285477/6285065

## **Northside CIS**

Northside Civic Centre,  
Bunratty Road,  
Coolock,  
Dublin 17  
Tel. 01 8674301/8670488

## **South Kildare CIS**

Room 5, Parish Centre Station Road,  
Newbridge,  
Co. Kildare  
Tel. 045 431735

## **Tallaght CIS**

512 Main Street,  
Tallaght,  
Dublin 24  
Tel. 01 4515887

## **Waterford CIC**

37 Yellow Road,  
Waterford  
Tel. 051 351133/375261

## **West Cork County CIS**

c/o Bantry Integrated  
Development Project,  
IDA Centre,  
Ropewalk,  
Bantry,  
Cork  
Tel. 027 52266

## **Citizens Information Phone Service**

Heritage Business Park,  
Bessboro Road,  
Blackrock,  
Cork  
Tel. 1890 777121

# Comhairle Publications

- **Entitlements for People with Disabilities**
- **Disability Information Factsheets** - six factsheets covering entitlements in a number of key areas
- **Bereavement** - information for those affected by Bereavement
- **Entitlements for the Over Sixties**
- **One Parent Families** - information guide
- **Employment Rights Explained**
- **Information for Part-time Workers**
- **Information for School Leavers**
- **Information about Medical Cards**
- **Where to Complain** - a guide for consumers
- **Budget Information Pack** - brings together measures announced on Budget Day and in the weeks following
- **Directory of National Voluntary Organisations and Other Agencies**
- **Relate** - a monthly information journal
- **EU Supplement** - a quarterly journal giving information on European programmes and activities
- **Information Wallchart** - gives social welfare, FÁS and health board rates of payment, tax rates, etc.
- **Disability Information Wallchart** - gives entitlements in a number of areas including contact addresses

Social Policy reports published include:

- **Rent Supplement** (published jointly with Threshold)
- **Supporting Carers**
- **Employment Rights** – issues around employment legislation and enforcement

Publications are available in a number of formats including large print and on floppy disk on request. They can also be accessed online at [www.comhairle.ie](http://www.comhairle.ie)



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information for all

