

Wages 1.4 & 1.11

Payment terms

- **Basic Pay:** Pay for your normal working week
- **Gross Pay:** Total pay before deductions
- **Net Pay:** The pay you receive after all deductions. Sometimes called “take home pay”
- **Overtime:** Extra pay for extra work. Usually paid at a higher rate. E.g. Time and a half
- **Time rate:** Getting paid based on the numbers of hours you work
- **Piece Rate:** Getting paid based on the number of units of a product you make.
- **Commission:** Getting paid as a percentage of each sale that you make. E.g. A car salesman may get 5% of each car he sells
- **Flexitime:** You must work a certain amount of hours but you can do so in a flexible manner. You can start and finish at different times.

Tax Credit

- A **reduction** in the amount of income tax you have to pay
- Every person in Ireland who is eligible to work is entitled to a tax credit (Personal Tax Credit)
- PAYE workers get an additional tax credit
- Other tax credits are given for
 - Widows
 - Home carers
 - Disabled Child
 - Blind

PRSI

- Pay Related Social Insurance
 - Benefits
 - Jobseeker's benefit
 - Disability benefit
 - Dental Benefits
 - Optical benefits
- Employer's PRSI
 - Charged to the employer as a percentage of employee's gross pay

Income Tax Forms

- P60
 - At the end of the tax year each employee receives a p60, which shows the amount of pay, as well as tax and PRSI deducted during the tax year
- P45
 - Given to an employee when leaving the firm. This shows the amount earned and how much tax and PRSI paid to date. It is given to your next employer

Deloitte Tax Calculator

- <http://services.deloitte.ie/tc/>