

BUDGET 2007 SUMMARY

with the compliments of your Local Fianna Fáil Dublin South TD



TOM KITT.ie

FIRST TIME BUYERS GET BUDGET RELIEF

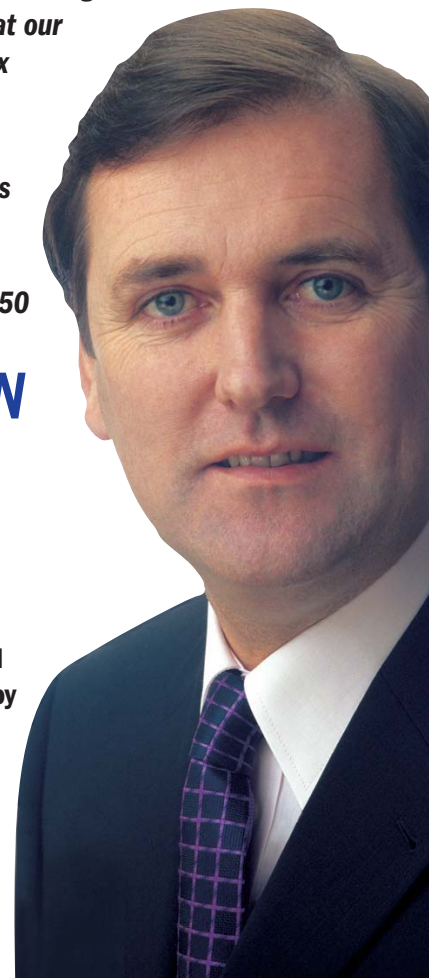
- Budget 2007 will double the ceiling on mortgage interest relief for first-time buyers from €4,000 for a single person per year to €8,000.
- The ceiling is being increased from €8,000 per year for a married or widowed person to €16,000.
- This support will also apply to those receiving mortgage interest relief who are in the first 7 years of their mortgage.
- About 125,000 first-time buyers will benefit directly.
- Single people will gain up to €800 per year.
- This helps existing first-time buyers who are already in their first home, as well as potential first-time buyers, without acting to inflate house prices further.
- A couple with a joint mortgage of up to €379,000 over 33 years, at an interest rate of 4.25%, will be able to claim interest relief on the full amount of the interest on their loan. They will gain up to €1,600 extra per year, or €133 per month, in mortgage interest relief.
- The ceiling on interest relief for non-first time buyers is being raised from €2,540 single and €5,080 married to €3,000 and €6,000 respectively.

BIG BUDGET BOOST FOR PENSIONERS INCOMES

- ▶ The State Contributory Pension will increase by €16 in 2007 to bring it to over €209 a week.
- ▶ This means that the contributory pension has more than doubled since 1997.
- ▶ This year an €18 increase in the non-contributory pension means that it too meets the €200 per week target.
- ▶ For the first time ever Carers will be able to claim up to a half rate carers allowance in addition to their pension.
- ▶ The annual Respite Care Grant is being increased by €300 to €1,500.
- ▶ We are also bringing down fuel costs with the abolition of excise on Kerosene and LPG from 1 January.
- ▶ The Fuel Allowance is being raised to €18 per week.
- ▶ We are improving the position of qualified adults of pension age. These are mainly women who, because of their commitment to home-making, may not have a record of social insurance contribution. Budget 2000 raises the rate for the qualified adult payment to €173 per week.
- ▶ The income tax exemption limits for senior citizens aged 65 and over are also being raised. This means that our senior citizens will be exempt from income tax if they earn less than €19,000 single or €38,000 married per year.
- ▶ Alongside the income tax age exemption limits there is an extra tax credit for those aged 65 and over. This extra tax credit will increase by 10 per cent to €275 for single people and €550 for married people per year.

LANDMARK BUDGET FOR SOCIAL INCLUSION

- Budget 2007 has delivered the biggest ever package of support for those on low incomes.
- This year's Social Welfare increase is the biggest ever at €1.4 billion. This means Social Welfare expenditure in 2007 is €15.3 billion, almost €9 billion more than in 1997.
- Those currently unemployed will get an extra €20 in their payment, bringing the lowest adult rate to €185.80 a week. This is the biggest ever increase.
- The rate change is higher than inflation which will allow people to feel real benefits in their daily lives.
- Children most in need are also at the centre of the support packages. The Back to School Clothing and Footwear Allowances are increasing to €180 and €285
- For families dependent on social welfare the existing three rates of Child Dependant Allowance will be replaced by a new standard rate of €22 per child per week.
- For people of working age, the reckonable earnings threshold for Maternity Benefit will be increased to €350.



BUDGET REWARDS WORK, CUTS TAXES

- The entry point at which people will start paying income tax is being increased to €17,600 per year – in other words the first €17,600 of income is tax free for PAYE workers. This compares to less than €5,000 in 1997.
- This also ensures that those on the minimum wage will be completely out of the tax net.
- The threshold at which the top rate of income tax is paid is also increasing by €2,000 to €34,000 for a single PAYE workers
- The 20 per cent standard income tax band will be widened by €2,000 per year to €34,000 single and €43,000 married one earner couples.
- The rate at which a single worker pays the top rate of tax is now effectively double that of 1997.
- This means that we have ensured that workers on average earnings will not pay tax at the higher tax rate.
- Any workers earning €480 or less per week will also be exempt from the health levy.
- This builds on income tax policies over the past ten years that have hugely favoured the less well off.
- Hundred of thousands of the less well off have been completely removed from the tax net.
- A further 4 weeks paid maternity leave in 2007, bringing leave to six full months.
- Increases in child benefit with the monthly rate for the first and second child being increased to €160 and the rate for third and subsequent children being increased to €195.

BENEFITS CHANGES

	OLD	NEW
State Contributory Pension:		
Under 80:	€193.30	€209.30
80 or over:	€203.30	€219.30
State Non-Contributory Pension:		
Under 80:	€182.00	€200.00
80 or over:	€192.00	€210.00
Widow's/Widower's Contributory Pension:		
Under 66	€171.30	€191.30
66 and under 80	€193.30	€209.30
80 or over	€203.30	€219.30
Widow's/Widower's Non-Contributory Pension:		
Under 65:	€171.30	€191.30
Age 65 :	€193.30	€209.30
Carer's Benefit:		
	€180.70	€200.70
Occupational Injuries Benefit - Death Benefit Pension:		
Under 66	€194.60	€213.70
66 and under 80	€197.70	€213.70
80 or over	€207.70	€223.70
Occupational Injuries Benefit - Disablement Pension:		
	€196.90	€216.90
Jobseeker's Benefit/Illness/Injury Benefit/Health and Safety Benefits:		
	€165.80	€185.80
Guardian's Contributory Allowance/Guardian's Non-Contributory Pension		
	€138.00	€158.00
Blind Person's Pension:		
	€165.80	€185.80
One-Parent Family Payment: (including one child)		
	€185.10	€207.80
Carer's Allowance:		
Under 66	€180.00	€200.00
66 or over	€200.00	€218.00
Disability Allowance/Jobseeker's Allowance/Supplementary Welfare Allowance/Pre-Retirement Allowance/		
	€165.80	€185.80
Child Benefit:		
1 Child	€150.00	€160.00
2 Children	€300.00	€320.00
3 Children	€485.00	€515.00
4 Children	€670.00	€710.00

www.tomkitt.ie

For regular updates on whats happening in Dublin South

CONSTITUENCY OFFICE

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 THE REPUBLICAN PARTY

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 Dublin South



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If you are interested in becoming actively involved locally please feel free to contact me at any of the numbers listed; at my constituency office or by email.