

## Foreign Pensions

### Section 200 of the Taxes Consolidation Act (TCA) 1997

#### Part 07-01-09

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**Section 200 Taxes Consolidation Act 1997** provides that occupational and social security pensions that are disregarded for income tax purposes in the hands of a resident of the country of source will also be disregarded for income tax purposes in this State. Any pension or similar benefit to which **section 200 TCA 1997** applies should be excluded for all the purposes of the Irish Income Tax Acts, whether the recipient is resident in Ireland or otherwise.

In the computation of relief under **section 1032 (2) and (3) TCA 1997**, the amount of any pension or similar benefit relieved from the charge to Irish tax under the provisions of **section 200 TCA 1997** should not be included in the "total income".

"Total income" is gross income from all sources (including income which is not subject to Irish tax).

United States social security pensions are excluded from the scope of Section 200 TCA 1997 (as provided for by **section 18 of Finance Act 1998**).

This is due to the fact that, under the Double Taxation Agreement with the USA, United States social security pensions paid to Irish residents are exempt from tax in the United States. This exemption was conceded on the understanding that the pension would be fully taxable in this country.