

Community Employment Schemes and Job Initiative Projects

Part 42-04-09

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The purpose of this instruction is to set out the tax and USC treatment of Community Employment Schemes and Job Initiative Projects.

1. Tax treatment (from 1 October 1993)

Income from any project commencing on, or after, 1 October 1993 is taxable, irrespective of the location of the project or the participants.

2. USC treatment (from 1 January 2011)

Payments made to participants on a Community Employment Scheme, or on a Job Initiative Project, are social-welfare-like payments and are, therefore, exempt from USC.

3. Procedures in divisions

Normal PAYE procedures apply. Employers are obliged to operate PAYE and to notify Revenue of each participant on the project. RPNs and tax credit certificates should then be issued.

4. PRSI

PRSI will be collected through the PAYE system.