

Pension Contributions

Prior to the introduction of PAYE Modernisation (P.Mod) in 2019, data in relation to pension contributions were not captured at an employee level, but instead were captured on the employer annual return (P35) at the aggregated level, that is, the total combined pension contributions made by employees of each employer. However, under PAYE Modernisation data is now reported to Revenue on employee pension contributions at the individual level, making it possible to analyse the cohort of taxpayers making these contributions.

Data reported to Revenue under P.Mod is recorded at the individual level, whereas beyond analysis of P.Mod data, data is generally provided at the taxpayer unit level, where taxpayers who are married or in a civil partnership and elect to be jointly assessed are represented as one taxpayer unit. This is done to reflect the fact that taxpayers' liability is assessed on all incomes of the unit combined, taking account of all available reliefs, deductions and credits combined. The data on employee pension contributions was therefore reconciled from an individual basis to a taxpayer unit basis.

At the end of a tax year taxpayers can subsequently declare additional sources of income and/or claim for additional deductions, credits and reliefs through a Form 11 or Form 12, which are completed on a taxpayer unit basis. This includes the option to declare additional pension contributions. Once received, it is then possible to analyse taxpayer units making pension contributions, taking full account of all incomes and all pension contributions made.

The table below provides an analysis of these taxpayers for the year 2019, broken down by range of gross income. The gross income amounts normally used for analysis is net of pension contributions made through employment. For this exercise, the pension contributions made through employment as well as other deductions made through employment were added on to the gross income in order to more accurately associate taxpayer units with an income range for the purpose of analysing pension contributions and the related tax cost.

The figures are estimates and may be revised.

Range of Gross Income	Number of Taxpayer Units	Gross Income €m	Average Income €	Pension Contribution €m	Average Pension Contribution €	Pension Contribution as a % of Gross Income	Tax Cost €m	Effective Rate of Relief (Tax Cost as a % of Contributions)	Tax Paid €m
0 10,000	14,500	85	5,860	3	210	4%	0	0%	0
10,000 20,000	28,600	440	15,385	15	515	3%	1	6%	3
20,000 30,000	60,000	1,540	25,665	52	865	3%	9	17%	80
30,000 40,000	103,300	3,660	35,430	135	1,310	4%	34	25%	305
40,000 50,000	107,900	4,830	44,765	198	1,835	4%	69	35%	555
50,000 60,000	90,700	4,980	54,905	218	2,400	4%	79	36%	680
60,000 70,000	79,800	5,175	64,850	238	2,980	5%	83	35%	770
70,000 80,000	64,500	4,820	74,730	222	3,445	5%	81	36%	760
80,000 90,000	51,700	4,385	84,820	211	4,080	5%	83	39%	745
90,000 100,000	40,700	3,865	94,965	193	4,735	5%	77	40%	695
100,000 110,000	31,900	3,345	104,860	175	5,485	5%	70	40%	640
110,000 120,000	24,700	2,835	114,775	153	6,200	5%	61	40%	570
120,000 130,000	19,100	2,390	125,130	134	7,015	6%	54	40%	505
130,000 140,000	15,100	2,040	135,125	117	7,780	6%	47	40%	450
140,000 150,000	11,800	1,705	144,490	101	8,555	6%	40	40%	390
150,000 160,000	9,200	1,420	154,350	86	9,345	6%	34	40%	335
160,000 170,000	7,300	1,200	164,385	73	10,015	6%	29	40%	295
170,000 180,000	5,800	1,015	175,000	62	10,700	6%	25	40%	255
180,000 190,000	4,600	850	184,785	53	11,585	6%	21	40%	220
190,000 200,000	3,700	715	193,245	45	12,060	6%	18	40%	190
200,000 210,000	3,200	645	201,565	41	12,670	6%	16	40%	175
210,000 220,000	2,700	575	212,965	37	13,585	6%	15	40%	155
220,000 230,000	2,100	480	228,570	31	14,935	7%	13	40%	130
230,000 240,000	1,800	430	238,860	28	15,375	6%	11	40%	120
240,000 250,000	1,600	395	246,875	25	15,925	6%	10	40%	110
Over 250,000	15,800	6,690	423,420	331	20,970	5%	133	40%	2,125
All	802,100	60,510	75,440	2,977	3,710	5%	1,111	37%	11,256