PAYE Trends and Analysis 2020

Preliminary Statistics

(as at January 2021)

These statistics are provisional and will be revised

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Table 1: Employment, Gross Pay and Tax 2020

All Employees (includes individuals in receipt of occupational pensions)

Month	Number of Employees	Gross Pay	Average Gross Pay	Income Tax	USC	Employee PRSI	Employer PRSI	Number of Employers
January	2.59m	€8,638m	€3,300	€1,474m	€288m	€285m	€769m	158,700
February	2.58m	€8,203m	€3,200	€1,464m	€286m	€273m	€724m	159,200
March	2.58m	€8,725m	€3,400	€1,643m	€322m	€292m	€764m	158,000
April	2.26m	€7,455m	€3,300	€1,283m	€253m	€237m	€610m	120,300
May	2.20m	€6,591m	€3,000	€1,115m	€219m	€210m	€545m	124,400
June	2.28m	€6,836m	€3,000	€1,192m	€231m	€219m	€572m	134,400
July	2.42m	€7,746m	€3,200	€1,342m	€259m	€250m	€658m	144,300
August	2.45m	€7,133m	€2,900	€1,233m	€237m	€230m	€606m	146,900
September	2.49m	€7,948m	€3,200	€1,377m	€264m	€265m	€701m	151,300
October	2.49m	€8,831m	€3,500	€1,523m	€291m	€293m	€773m	151,100
November	2.40m	€8,194m	€3,400	€1,495m	€283m	€275m	€716m	140,500
December	2.51m	€9,934m	€4,000	€1,933m	€367m	€328m	€819m	147,600
All Months	**--**	**€96,234m**	**--**	**€17,075m**	**€3,300m**	**€3,158m**	**€8,257m**	**--**

All Employees excluding employments in the public sector and for persons in receipt of occupational pensions

Month	Number of Employees	Gross Pay	Average Gross Pay	Income Tax	USC	Employee PRSI	Employer PRSI	Number of Employers
January	1.87m	€6,220m	€3,300	€1,083m	€212m	€221m	€597m	156,700
February	1.86m	€5,951m	€3,200	€1,084m	€212m	€214m	€568m	157,200
March	1.86m	€6,550m	€3,500	€1,291m	€255m	€236m	€614m	156,000
April	1.52m	€4,836m	€3,200	€866m	€174m	€168m	€427m	118,400
May	1.48m	€4,445m	€3,000	€767m	€152m	€153m	€393m	122,500
June	1.58m	€4,646m	€2,900	€832m	€162m	€161m	€416m	132,500
July	1.69m	€5,293m	€3,100	€945m	€182m	€184m	€480m	142,300
August	1.73m	€4,989m	€2,900	€889m	€171m	€174m	€456m	144,900
September	1.76m	€5,752m	€3,300	€1,023m	€196m	€208m	€548m	149,000
October	1.75m	€6,122m	€3,500	€1,082m	€207m	€221m	€582m	148,800
November	1.66m	€5,846m	€3,500	€1,099m	€209m	€214m	€553m	138,300
December	1.76m	€7,060m	€4,000	€1,411m	€271m	€258m	€631m	145,200
All Months	**--**	**€67,710m**	**--**	**€12,371m**	**€2,402m**	**€2,411m**	**€6,264m**	**--**

Data are provisional, in particular for the final months of the year; based on payslips filed to date (as at 26 January 2021).

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Table 2: Employment Support from COVID-19 Schemes and Gross Pay from Employers

COVID-19 Support Scheme Payments

	Temporary Wage Subsidy Scheme (TWSS)	Employment Wage Subsidy Scheme (EWSS)	Pandemic Unemployment Payment (PUP)*
January			
February			
March	€38m		€297m
April	€655m		€813m
May	€572m		€804m
June	€518m		€863m
July	€540m		€421m
August	€462m	€33m	€383m
September		€260m	€258m
October		€362m	€268m
November		€347m	€507m
December		€412m	€452m
All Months	**€2,785m**	**€1,414m**	**€5,066m**

*Monthly amounts estimated based on weekly updates.

Gross and Net Pay from Employers (for all employees, which includes individuals in receipt of occupational pensions)

2019	Gross Pay	Net Pay**	2020	Gross Pay*	Net Pay**
January	€8,117m	€6,228m	January	€8,638m	€6,591m
February	€7,702m	€5,873m	February	€8,203m	€6,180m
March	€8,773m	€6,567m	March	€8,725m	€6,468m
April	€8,057m	€6,136m	April	€7,455m	€5,682m
May	€8,760m	€6,736m	May	€6,591m	€5,047m
June	€8,014m	€6,134m	June	€6,836m	€5,194m
July	€8,126m	€6,242m	July	€7,746m	€5,895m
August	€8,450m	€6,552m	August	€7,133m	€5,433m
September	€7,895m	€6,076m	September	€7,948m	€6,042m
October	€8,616m	€6,639m	October	€8,831m	€6,724m
November	€8,516m	€6,539m	November	€8,194m	€6,141m
December	€10,352m	€7,662m	December	€9,934m	€7,306m
All Months	**€101,378m**	**€77,384m**	**All Months**	**€96,234m**	**€72,701m**

*Gross pay excludes TWSS subsidies;
**Gross Pay less Income Tax, USC and Employee PRSI.

While employment gross pay in aggregate reduced by €5.1bn between 2019 and 2020 (net pay by €4.7bn), this reduction was compensated for by the payments made under the TWSS and PUP schemes (EWSS is an employer level support).

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Table 3: PAYE (Income Tax and USC) Receipts

Receipts

	Income Tax (IT)	USC	PAYE Total
Jan-19	€1,407m	€294m	€1,701m
Feb-19	€1,139m	€216m	€1,355m
Mar-19	€1,164m	€254m	€1,418m
Apr-19	€1,539m	€330m	€1,868m
May-19	€1,310m	€281m	€1,591m
Jun-19	€1,322m	€276m	€1,597m
Jul-19	€1,376m	€286m	€1,662m
Aug-19	€1,260m	€263m	€1,523m
Sep-19	€1,309m	€270m	€1,579m
Oct-19	€1,275m	€254m	€1,528m
Nov-19	€1,347m	€280m	€1,627m
Dec-19	€1,331m	€272m	€1,603m
2019	**€15,778m**	**€3,275m**	**€19,053m**
Jan-20	€1,602m	€346m	€1,948m
Feb-20	€1,289m	€280m	€1,569m
Mar-20	€1,296m	€273m	€1,588m
Apr-20	€1,405m	€304m	€1,719m
May-20	€1,212m	€256m	€1,469m
Jun-20	€1,041m	€227m	€1,268m
Jul-20	€1,183m	€241m	€1,424m
Aug-20	€1,233m	€249m	€1,482m
Sep-20	€1,180m	€239m	€1,419m
Oct-20	€1,313	€266m	€1,579m
Nov-20	€1,430	€285m	€1,715m
Dec-20	€1,434	€287m	€1,721m
2020	**€15,619m**	**€3,251m**	**€18,870m**

Growth in 2020 (compared to 2019)

Receipts relate to tax payments in a given month, these differ from liabilities for the month as reported in other tables in this note.

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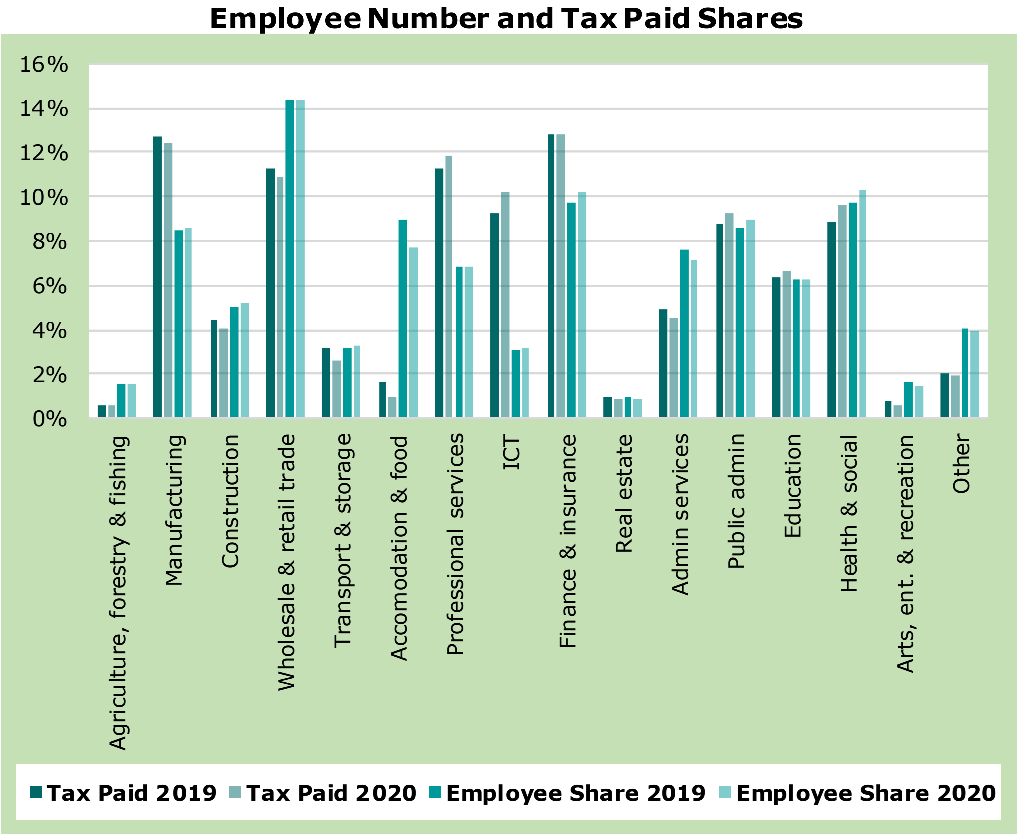
Table 4: PAYE (Income Tax and USC) Tax Receipts and Debt Warehousing

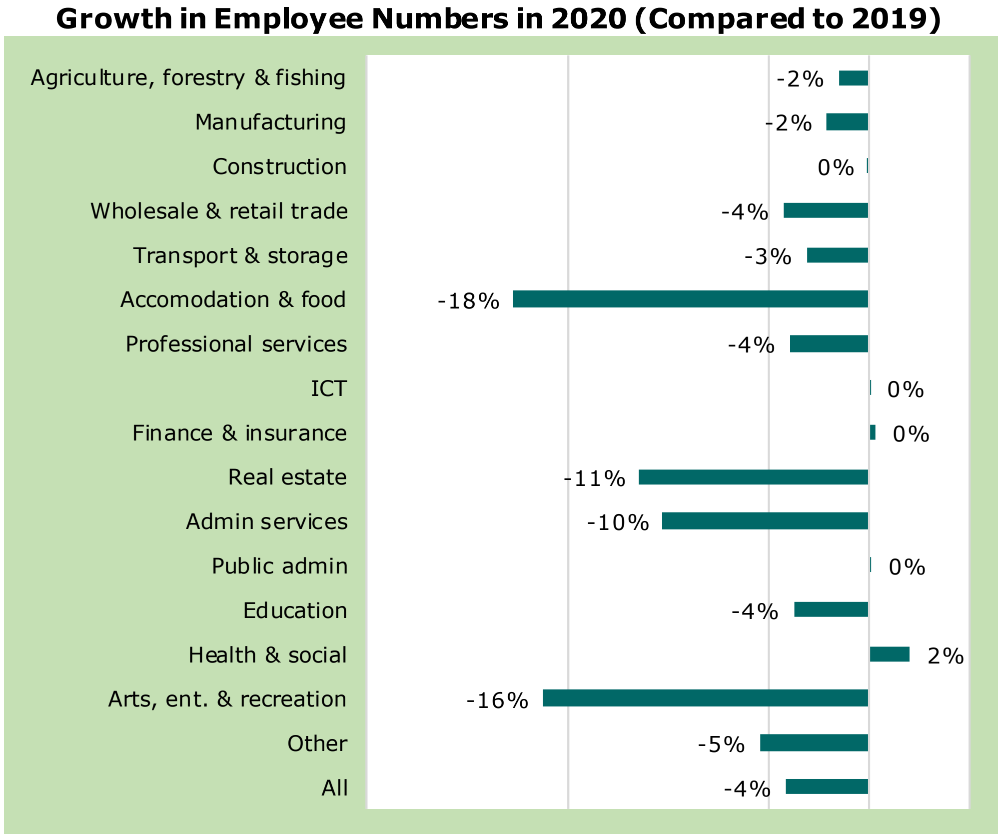
	2019 Outturn	2020 Outturn	+/- 2019	PAYE Debt Warehoused*	2020 Outturn Adjusted**	+/- 2019
Jan	€1,701m	€1,948m	€247m	--	€1,948m	€247m
Feb	€1,355m	€1,569m	€214m	--	€1,569m	€214m
Mar	€1,418m	€1,588m	€170m	€45m	€1,633m	€215m
Apr	€1,868m	€1,719m	-€149m	€74m	€1,793m	-€75m
May	€1,591m	€1,469m	-€122m	€30m	€1,499m	-€92m
Jun	€1,597m	€1,268m	-€329m	€30m	€1,298m	-€299m
Jul	€1,662m	€1,424m	-€238m	€40m	€1,464m	-€198m
Aug	€1,523m	€1,482m	-€41m	€40m	€1,522m	-€1m
Sep	€1,579m	€1,419m	-€160m	€51m	€1,470m	-€109m
Oct	€1,528m	€1,579m	€51m	€21m	€1,600m	€72m
Nov	€1,627m	€1,715m	€88m	€7m	€1,722m	€95m
Dec	€1,603m	€1,721m	€118m	€3m	€1,724m	€121m
All Months	**€19,053m**	**€18,870m**	**-€183m**	**€342m**	**€19,212m**	**€159m**

**Estimated, as at end December 2020;*
***Assumes all warehoused PAYE debt in, for example, March would have generated tax receipts in March (i.e., that all relates to February liabilities).*

Receipts relate to tax payments in a given month, these differ from liabilities for the month as reported in other tables in this note.

Table 5: Employees and Tax Liabilities by Sector





Due in part to the success of TWSS and EWSS in helping employers to retain employees on payroll, overall employee numbers in 2020 reduced by only 4% compared to 2019. The reduction in corresponding PAYE tax receipts was only 1%. The largest reductions in employee numbers occurred in the Accommodation & food (-18% or a 60,100 reduction in employees compared to 2019), Administrative & support services (-10% or -29,400) and Wholesale & retail trade (-4% or -23,200) sectors. All three of these sectors typically feature significant shares of employees working part-time or on a seasonal basis, with lower average incomes as a result and less tax being paid (despite their levels of employment), as indicated in the left hand chart.

Table 6: Labour Market Churn Impact on Employments and Tax Liabilities

In any given year, there is "churn" in the labour market as jobs are created and lost. In 2020, there were 3,260,000 unique employments (an employee may have more than one employment over the course of the year). While 2020 had a lower than usual level of job creation, the level of permanent job loss was actually below the 2019 level (a permanent job loss is one where the employment does not reappear on payroll date by December). This may seem surprising, given the scale of the economic shock in 2020, but it likely reflects two developments. First, it highlights the impact of the TWSS and EWSS that were designed to maintain the employment link between employers and their employees. Second, it indirectly reflects the reduced level of seasonal jobs in 2020 associated with tourism (which would otherwise be created over the summer months).

	Number of Employments					Tax (Income Tax & USC) Liability			
	Employments 2020	**Permanent Job Losses 2020**	**Permanent Job Losses 2019**	**Job Creation 2020**	**Job Creation 2019**	**All Employments**	**Continuing Jobs**	**Permanently Lost Jobs**	**Newly Created Jobs**
Jan	2,425,700	88,900	71,900	-	-	€1,668m	€1,629m	€39m	
Feb	2,413,200	83,800	63,900	118,200	118,100	€1,643m	€1,556m	€36m	€51m
Mar	2,406,000	161,900	73,900	92,500	104,200	€1,861m	€1,762m	€49m	€50m
Apr	2,037,900	66,200	67,200	45,200	96,300	€1,434m	€1,378m	€25m	€32m
May	1,970,200	38,000	86,700	39,000	110,000	€1,249m	€1,201m	€23m	€25m
Jun	2,056,700	46,600	104,800	48,800	137,000	€1,318m	€1,261m	€30m	€27m
Jul	2,205,900	68,000	95,500	81,500	111,600	€1,510m	€1,437m	€39m	€33m
Aug	2,231,000	79,100	118,300	70,400	89,700	€1,384m	€1,324m	€30m	€30m
Sep	2,287,300	98,100	114,200	87,800	99,900	€1,548m	€1,474m	€40m	€33m
Oct	2,305,100	124,600	107,300	97,400	103,500	€1,705m	€1,604m	€54m	€47m
Nov	2,192,300	92,200	118,800	66,300	93,200	€1,667m	€1,568m	€60m	€40m
Dec	2,312,600		-	87,200	84,500	€2,071m	€1,983m		€88m
All Months	**3,260,000**	**947,400**	**1,022,600**	**834,300**	**1,148,000**	**€19,058m**	**€18,177m**	**€426m**	**€455m**
	Net Change (Job Creation – Job Losses)			**-113,200**	**+125,300**				

Ultimately, labour market churn in 2020 was broadly tax revenue neutral. The tax revenue foregone from lost jobs was compensated by revenue gained from new jobs. The vast majority of tax revenue in the year came from continuing jobs. This suggests further evidence for the existence of a "K-shape" dynamic in the economy, with some groups being heavily affected by the pandemic and others not at all. Experimental statistics newly developed by Revenue reinforce this finding: when jobs are categorised into export-facing and domestic employment, the former category are considerably better paid, weathered 2020 with fewer job losses and are a more important source of tax revenue than domestic jobs.

Table 7: Labour Market Churn Impact by Sector, Worker Age and Company Status

Job Churn by Worker Age

Age	Overall Job share (%)	Job losses (%)	Jobs created (%)	Net Change
<17	0	0	1	5,200
17-26	21	33	36	-11,100
27-36	24	25	25	-30,700
37-46	24	18	17	-29,500
47-56	18	12	11	-22,200
57-66	11	9	8	-19,100
>66	2	2	1	-7,600
Age unknown	1	1	1	1,800
All Ages	**100%**	**100%**	**100%**	
Number	**3,260,000**	**947,400**	**834,300**	**-113,200**

Job Churn by Company Status

Company Status	Overall Job share (%)	Job losses (%)	Jobs created (%)	Net Change
Domestic company	74	79	79	-94,900
Foreign multinational	20	16	17	-13,600
Irish multinational	6	4	4	-4,600
All Statuses	**100**	**100**	**100**	
Number	**3,260,000**	**947,400**	**834,300**	**-113,200**

Job Churn by Sector

Sector	Overall Job share (%)	Job losses (%)	Jobs created (%)	Net Change
Agriculture, Forestry & Fishing	2	2	2	-1,800
Mining & Quarrying	0	0	0	-100
Manufacturing	9	6	6	-2,400
Construction	6	6	7	-3,900
Wholesale & Retail	16	15	15	-17,600
Transportation & Storage	3	3	3	-6,000
Accommodation & Food Services	9	16	10	-66,700
Information & Communication	5	4	4	2,700
Financial & Insurance	5	4	5	9,900
Real Estate	1	1	1	-3,000
Professional, Scientific &Technical	7	6	7	-2,800
Administrative & Support Services	8	12	12	-14,500
Public Administration & Defence	7	4	5	3,700
Education	7	6	8	6,100
Health & Social Work	10	8	9	1,800
All Other Activities	6	7	5	-18,700
All Sectors	**100**	**100**	**100**	
Number	**3,260,000**	**947,400**	**834,300**	**-113,200**

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Further Information

These statistics are based on payslips returned and payments made to Revenue by employers. This note covers PAYE developments to the end of 2020 and updates analysis published by Revenue in June 2020 (available here) and October 2020 (available here).

Weekly statistics updates on COVID-19 support schemes are available here. Revenue has published a comprehensive statistical overview of the TWSS after its completion (here, excel version here). Information on the operation of TWSS and EWSS are available on www.revenue.ie.

Queries of a statistical nature in relation to this analysis of PAYE or the COVID support schemes can be sent to statistics@revenue.ie. Media queries should be directed to revpress@revenue.ie in the first instance.