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For immediate release

Newsdesk

Income tax changes to hit average earners more than senior bankers: TASC issues comparative figures

In its preliminary response yesterday to the National Recovery Plan's income tax proposals, TASC's analysis shows that those on the average industrial wage will take the same hit as top earners. A telling example shows that single persons on €40,000 and those earning €300,000 will both see their income tax bills rise by €1,860 based on changes to basic credits and tax bands.

Today, TASC has issued more detailed figures illustrating the disproportionate impact of the proposed income tax changes on low and middle income earners ([see two graphs below](#)).

Commenting on the figures, TASC Director Paula Clancy said:

"TASC has long argued that the incomes of those at the lower and middle end of the income distribution should be protected – not just on equality grounds, but also for economic reasons. Middle and lower income earners are more likely to spend all or most of their incomes, thus providing much-needed demand in the economy. The proposed income tax changes will hit middle and top earners equally – and, in proportional terms, will hit someone earning the average industrial wage far harder than, for example, a senior banker. This is indefensible on both equality and on economic grounds", Ms. Clancy said.

[Graphs on page 2](#)

Fig. 1 shows the impact of changes to tax credits and bands on different income groups

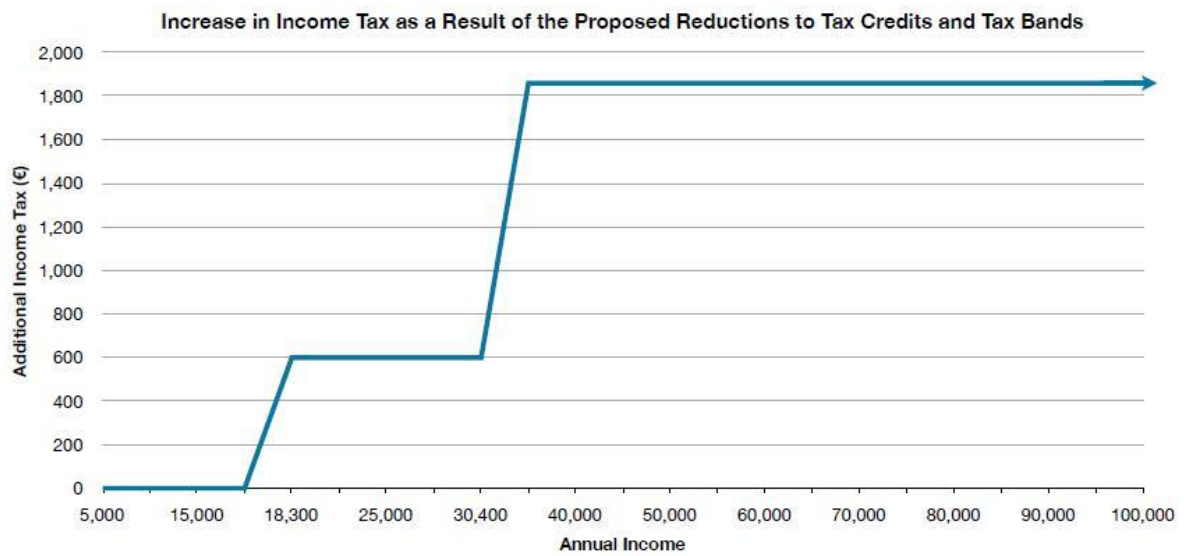
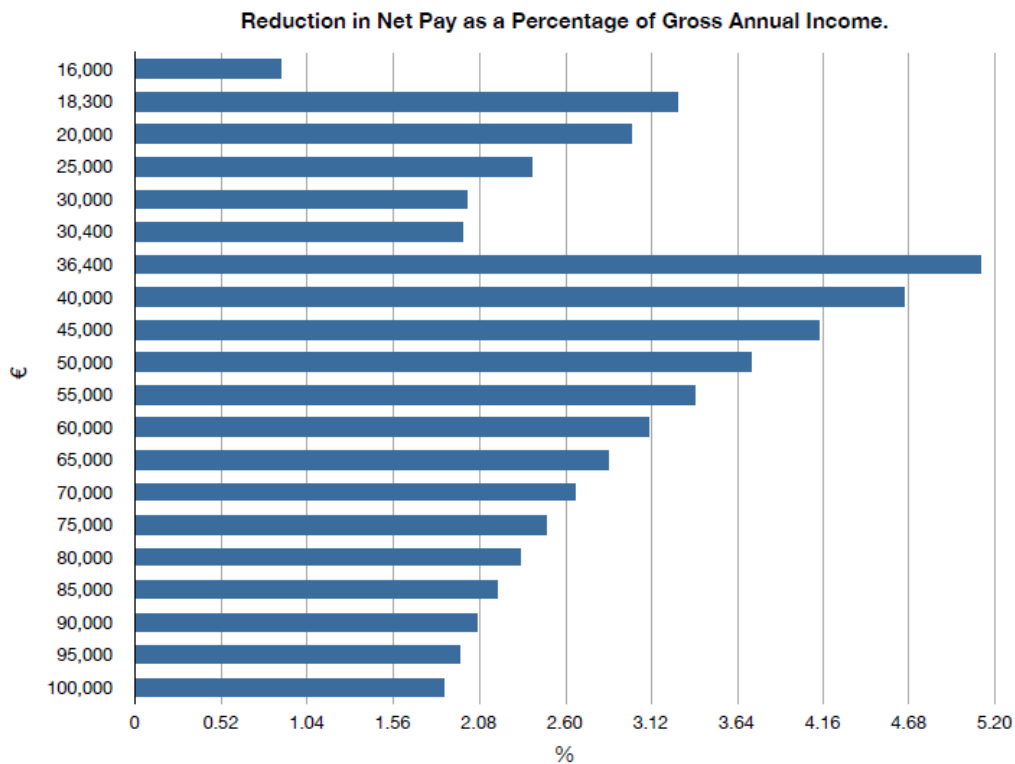


Fig. 2 shows the reduction in net pay (as a percentage of gross pay) for a selection of incomes



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For further information, or to arrange an interview with Ms. Clancy or a member of the TASC Research and Policy Team, please contact Alex Klemm, Tel. 01-6169050 or 087-2606139