

Taxation and Civil Partnerships

Frequently Asked Questions on Civil Partnerships

The FAQs are for information purposes only to explain some of the aspects of the proposed legislation that is going before the Dáil. They will not come into effect until the legislation is passed by both Houses of the Oireachtas and signed into law by the President.

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1. Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010

1.1 What is the CPCROC Act 2010?

The Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 (CPCROC Act) was enacted on 19 July 2010. The Act establishes the following:

- A civil partnership registration scheme for same-sex couples which confers a range of rights, obligations and protections consequent on registration. It also sets out the manner in which civil partnerships may be dissolved and with what conditions;
- and**
- A redress scheme for long-term opposite-sex and same sex cohabiting couples who are not married or registered in a civil partnership.

This FAQs focus on taxation and civil partnerships. For FAQs concerning taxation and certain rights and obligations of cohabitants see [‘Taxation and Certain Rights and Obligations of Cohabitants’](#)

1.2 When did the CPCROC Act come into effect?

The CPCROC Act came into effect on 1 January 2011. Three months notice of civil partnership registration is required.

1.3 When will taxation changes be introduced?

Legislative changes required to give effect to the taxation changes arising from the Act are included in the Finance (No. 3) Bill 2011, (<http://www.oireachtas.ie/viewdoc.asp?DocID=18098&&CatID=59>) and are expected to come in to effect in July 2011 once debated and voted on by both Houses of the Oireachtas and signed into law by the President.

Similar tax provisions that apply to married couples, in year of marriage and subsequent years will be available to civil partners. The changes will apply for the 2011 year of assessment.

The information in this FAQ relates to the position after the various tax provisions contained in the Bill are passed.

Revenue is committed to ensuring that individuals in a civil partnership are aware of their entitlements arising from the tax legislation changes. Our forms, information leaflets and guides are being revised to reflect civil partnership status on a priority basis. A number of these will be available on our website when the legislation is enacted. Others will be revised over the coming months.

1.4 Where can I find the detail of the CPCROC Act?

The Act is available on the Oireachtas website: www.oireachtas.ie/acts/2010

1.5 Where can I find more information regarding Civil Registrars authorised to register civil partnerships?

The HSE's Civil Registration Service can be contacted regarding the registration of civil partnerships. A list of their contact detail can be accessed from the link below www.hse.ie/CivilRegistrationOffices

The General Registrar has published an information booklet on entering a civil partnership. www.groireland.ie/civil_partnership.htm

1.6 Can opposite sex partners opt to register as civil partners rather than to marry?

No. Civil partnership registration is confined to couples of the same sex.

1.7 My same-sex partner and I have a registered foreign relationship, will this be recognised in Ireland?

The CPCROC Act allows the Minister for Justice and Equality to designate certain classes of legal relationships between same sex couples recognised by a foreign state, requiring that such relationships be treated as civil partnerships under Irish law.

For an up to date list of these relationships type, see appendix A or visit the website of the Department of Justice and Equality justice.ie/en/JELR/SI-649. Foreign relationships, referred to in the list, do not need to be re-registered in Ireland.

Existing foreign registered relationships from this list have are recognised in Ireland from 13th January 2011.

1.8 Will Revenue recognise a foreign registered same sex partnership?

For the purposes of taxation Revenue will recognise those registered foreign relationships recognised by the Minister for Justice and Equality as civil partnerships when the Finance (No. 3) Bill 2011 is enacted.

1.9 If my particular foreign registered relationship same sex partnership is not recognised by the Minister for Justice and Equality will my partner and I be entitled to be treated as jointly assessed?

No. Only those recognised by the Minister for Justice and Equality will be recognised for appropriate tax treatment. Queries regarding recognition of foreign registered relationships can be referred to the Department of Justice and Equality. www.justice.ie

2.CPCROC Act 2010, and long-term opposite-sex and same sex cohabiting couples who are not married or in a civil partnership.

2.1 I am not in a civil partnership but am living with my partner. Will I be treated for income tax purposes in the same way as married couples or individuals in a civil partnership are treated?

No, you will be assessed as a single individual. Joint or separate assessment can only be claimed if you are married or in a civil partnership.

2.2 Will I be entitled to claim joint assessment if I am living with my opposite sex partner?

As civil partnership registration is confined to couples of the same sex you will not qualify for joint assessment and will be assessed as single individuals.

3. Taxation of Civil Partners

3.1 Will I need to inform Revenue that I am in a civil partnership?

Once your civil partnership is registered you can advise your local Revenue office of the date of registration of your civil partnership and quote your own PPSN and your civil partner's PPSN, or complete the Nominated Civil Partner Election Form. Leaflet IT2_Guide to Taxation is being revised to reflect civil partnerships and will be available on revenue.ie when the legislation is passed.

3.2 What information or documentation will I need to supply to Revenue if I am in a recognised foreign relationship?

Recognised foreign registered relationships are treated as Irish civil partnerships. You will have to advise your local Revenue office of the date, jurisdiction and title of recognised foreign registered relationship and quote your own PPSN and your civil partner's PPSN.

3.3 How will we be treated for tax purposes after we register our civil partnership?

The taxation of civil partners will be the same as that of married couples. The same reliefs and exemptions as those of married couples will apply. In the year of registration of the civil partnership, both partners will continue to be taxed as two single individuals. An additional year of registration relief may be due and dealt with on a review basis after the end of the tax year (similar to year of marriage relief). In subsequent years the same options available to married couples will apply, i.e. joint assessment, separate assessment or separate treatment.

3.4 How will recognised foreign registered same sex partnerships be treated for tax purposes in 2011, where the foreign registration took place in an earlier year?

Regardless of when a recognised foreign civil partnership took place both civil partners will be assessed as two single individuals in 2011.

3.5 Will I be automatically Jointly Assessed or will I have to apply for Joint Assessment?

As individuals in a civil partnership you may choose the method of taxation which is best suited to your circumstances. In the absence of a specific election, joint assessment will apply to the civil partnership and once a choice has been made it will apply for future years unless an application is made for separate treatment or separate assessment, within the same time limits as for a married couple.

The effect of joint assessment is that one civil partner becomes the nominated civil partner, (i.e. the civil partner assessable on both incomes under joint assessment) having been nominated as such when electing to be jointly assessed, or deemed so by Revenue,

in the absence of a nomination, and the other is the non-nominated (or ‘other’) civil partner. Either civil partner may be nominated and in the absence of a nomination Revenue will deem the civil partner with the highest income as the the nominated civil partner.

3.6 Will I continue to be treated as a single person?

Yes, civil partners will continue to be treated as single individuals if one of them gives notice before the end of the year of assessment that they do not want to be jointly assessed for that year

3.7 Will I be able to share my tax credits and standard rate band in the same way as married couples?

Once you are assessed under joint assessment you will be able to specify how you wish to have your tax credits and standard rate band allocated between you and your civil partner. The extended rate band will be available to one civil partner only. If you are assessed under separate assessment any transferable unused credits or standard rate bands may be transferred on a review basis.

3.8 What tax credits and reliefs will I be able to claim?

A list of tax credits, reliefs and rates can be accessed from the link below:

www.revenue.ie/leaflets

3.9 Will I be able to claim Home Carers Credit?

You will be able to claim Home Carers Credit if you are entitled to it and are assessed under joint assessment.

3.10 Will I be entitled to claim health expenses in respect of my partner?

Yes, you will be able to claim tax relief in respect of the cost of certain health expenses paid by you or your civil partner.

3.11 I am currently in receipt of One Parent Credit. Will my entitlement change after the registration of my civil partnership?

Your entitlement to one parent credit will continue for the year in which your civil partnership is registered only. This same entitlement applies to married couples in the year of marriage.

3.12 Will I be able to claim Age Tax Credit if I am aged over 65?

The Age Tax Credit will be available if either you or your civil partner is aged 65 or over, (this will exclude separate treatment where each civil partner must be aged 65 or over for each to avail of the credit), **or** when either of you, reach 65 years of age at any time during the year.

3.13 Will we be exempt from income tax if our joint income is below the set limits?

If you or your civil partner is aged 65 or over and your total income is less than the relevant exemption limit you will not pay any income tax.

3.14 If our joint income is slightly above the exemption limit, will we qualify for any relief?

If your total joint income is slightly over the exemption limit, you may qualify for marginal relief. This relief will be granted where it is more beneficial to you than your tax credits.

3.15 Will we be exempt from DIRT if we are over 65?

If either you or your civil partner is aged 65 or over and your joint total income for the year is below the relevant exemption limits you will be able to apply directly to your financial institution to have the interest paid without deduction of DIRT.

3.16 How will I be assessed for income tax purposes if my civil partner dies?

- If you are the "nominated civil partner" under joint assessment, you will continue to receive the civil partner's tax credit and rate bands for the year of bereavement. You will be taxable on your own income for the full tax year in which your civil partner dies, plus your late civil partner's income from 1 January to the date of death.
- If you are not the "nominated civil partner" under joint assessment, you will be taxable in your own right from the date of death of your civil partner and will qualify for the surviving civil partners tax credit in the year of bereavement in respect of any income arising from the date of death of your civil partner until the end of the tax year.
- In subsequent years, you will be entitled to the surviving civil partner's tax credit and depending on your circumstances, the surviving civil partner's (without dependent children) or the surviving civil partner's (with dependent children) income tax bands will apply.
- In subsequent years, if you have dependent children (a dependent child being a child under 18 years of age or, a child over 18 years of age in full time education or permanently incapacitated), you may be entitled to claim surviving civil partner with dependent child tax credit for 5 years after the year of your civil partner's death. You may also be entitled to claim one parent family tax credit for as long as you have dependent children.
- If you were both taxed as single persons, you will be entitled to the surviving civil partner's tax credit in the year of bereavement.

3.17 What will be the position if I was assessed under separate assessment prior to my civil partner's death?

- Where separate assessment applied prior to the death of your civil partner, the situation is the same as that outlined for joint assessment. The nominated civil partner will continue to receive the civil partner's tax credit and rate bands for the year of bereavement. You will be taxable on your own income for the full tax year in which your civil partner dies, plus your late civil partner's income from 1 January to the date of death.

- If you are not the "nominated civil partner" you will be taxable in your own right from the date of death of your civil partner and will qualify for the surviving civil partners tax credit in the year of bereavement in respect of any income arising from the date of death of your civil partner until the end of the tax year.
- In subsequent years, you will be entitled to the surviving civil partner's tax credit and depending on your circumstances, the surviving civil partner's (without dependent children) or the surviving civil partner's (with dependent children) income tax bands will apply.
- In subsequent years, if you have dependent children (a dependent child being a child under 18 years of age or, a child over 18 years of age in full time education or permanently incapacitated), you may be entitled to claim surviving civil partner parent tax credit for 5 years after the year of your partner's death. You may also be entitled to claim one parent family tax credit for as long as you have dependent children.

3.18 What will happen if my civil partner and I decide to dissolve our partnership?

Where a civil partnership is legally dissolved Revenue will record the dissolution and treat each member as individuals for tax purposes from the date of dissolution.

The income tax position will be similar to that of a married couple that separate or divorce. The nominated civil partner will be assessed on his or her civil partner's income from January 1 until the date the civil partnership is dissolved and will be entitled to claim the full tax credits and standard rate bands as before.

The other civil partner will be assessed on his or her own income from the date the civil partnership is dissolved and will be assessed as a single individual.

3.19 What will the position be if I am assessed under separate assessment prior to the dissolution of my civil partnership?

Where separate assessment applies prior to dissolution, the situation will be the same as that outlined for joint assessment. The civil partner, who is the nominated civil partner prior to the claim for separate assessment, will be assessed on his or her civil partner's income from January 1 until the date the civil partnership is dissolved and will be entitled to claim the full tax credits and standard rate bands as before.

The civil partner who is not the nominated civil partner will be assessed on his or her own income as a single individual from the date the civil partnership is dissolved.

3.20 Will I be able to claim a deduction in respect of maintenance payments made to my former civil partner?

Only payments made under a legally enforced maintenance agreement will be allowable as a deduction against your income tax liability. Maintenance payments made to children will not be deductible.

3.21 How will I be assessed on maintenance payments received from my former civil partner.

If you are a PAYE employee, the tax on your maintenance payments will be collected by reducing your tax credits and standard rate band, or if above a certain limit and it is not

possible to collect through the PAYE system you may be required to register for income tax.

If you are self employed or a PAYE worker you will have to declare this income.

If the only income you are in receipt of is the maintenance payment you will have to register as a self employed individual. Leaflet IT10 - A Guide to Self Assessment is being revised to reflect civil partnerships and will be available on revenue.ie when the legislation is passed.

4. PAYE Taxpayers

4.1 Will my civil partner be able to avail of some of my unused tax credits and Standard Rate Band?

Where jointly assessed, specific tax credits and standard rate band may be allocated between individuals in a civil partnership during the year.

4.2 If I am unemployed or cease employment during the year will I be able to transfer any unused transferable tax credits or rate bands to my civil partner?

Once you are assessed under joint assessment you will be able to transfer any unused transferable credits or rate bands to your civil partner. If you are assessed under separate assessment and are outside of the time limits for a withdrawal from separate assessment, they may be transferred on a review basis at the end of the year.

If you are taxed under the provisions of separate treatment and your civil partner becomes unemployed, to avail of any unused transferable credits or bands you will have to withdraw from Separate Treatment during the tax year and elect to go back onto joint assessment. This cannot be done on a review basis.

You should note that certain payments from the Department of Social Protection (DSP), including Jobseeker's Benefit, are taxable and only credits and bands, which are unused after receipt of this DSP income, will be transferable.

4.3 Will I still be entitled to claim joint assessment if my civil partner has no taxable income?

Yes, joint assessment will apply. All eligible tax credits and the standard rate band will be allocated to the civil partner with the taxable income.

4.4 Will we each receive a Tax Credit Certificate?

If you are both in employment a separate Tax Credit Certificate showing a breakdown of your tax credits and standard rate band will issue to each of you.

4.5 Is there a reference made on my employer's copy of my Tax Credit Certificate that I am registered in a civil partnership?

While you get a detailed notice setting out your tax credits each year, the only information given by your Revenue office to your employer is your annual tax credits, the corresponding weekly and monthly amounts and standard rate cut-off point. Your employer does not receive a detailed breakdown of the tax credits you have claimed, or any other information.

5. Self Assessed Taxpayers and Civil Partnerships

5.1 Will my Civil Partner and I have to submit separate Returns of Income?

If you are assessed under joint assessment the nominated civil partner will be required to complete the Return of Income for both of you and will be chargeable to tax on your joint income.

If you do not opt for joint assessment and are assessed as single individuals, you will each be required to complete a separate Return of Income and you will be chargeable on your own income.

5.2 If my civil partner is self employed and I am assessed under PAYE will Joint Assessment apply?

Yes. You will both decide how you wish to allocate your transferable tax credits. The PAYE tax credit and employment expenses will remain with the PAYE taxpayer.

6. Employers and Civil Partnerships

6.1 As an employer, will I be informed that my employee is registered in a civil partnership?

No, employees personal circumstances are not disclosed to employers. You will receive an employer's copy of the tax credit certificate outlining the total amount of the tax credits and standard rate band to which the employee is entitled.

7. Inheritances (Capital Acquisitions Tax) and Civil Partnerships

7.1 What will be the tax implications of a civil partner inheriting property from his/her deceased civil partner?

There will be no tax implications in respect of inheritances taken by individuals in a civil partnership from each other. A surviving civil partner will be exempt from Inheritance Tax on all assets he or she may inherit from the deceased civil partner.

7.2 What will be the Inheritance tax implications for children in a civil partnership?

A child of a civil partnership, whether it is your child, or the child of your civil partner, will be entitled to a Group A tax free threshold in respect of inheritances taken from either or both civil partners in a civil partnership. The current tax-free threshold for Group A (2011) is €332,084.

8. Gifts, (Capital Acquisitions Tax, Capital Gains Tax and Stamp Duty), and Civil Partnerships

8.1 What will be the tax implications of a civil partner taking a gift of property, money, or any other assets from his/her civil partner?

There will be no tax implications in respect of gifts taken by civil partners from each other. Individuals in a civil partnership will be exempt from Capital Acquisitions Tax (Gift Tax), Capital Gains Tax, and Stamp Duties in respect of gifts of any type made between them.

8.2 What will be the tax implications for children of a civil partner who take a gift of property, money or other assets from either individual in the civil partnership?

A child of one civil partner will be entitled to a Group A tax free threshold in respect of gifts taken from either or both partners in a civil partnership. The current tax-free threshold for Group A (2011) is €332,084.

Capital Gains Tax may apply to the donor of certain non-cash gifts.

Stamp Duty may apply to the recipient of a gift of land, property or shares. Stamp Duty relief will be available for certain relatives (including children), who take a gift of Non Residential property.

Appendix A: List of jurisdictions included in the Civil Partnership (Recognition of Registered Foreign Relationships) Order 2010:

Reference number	Jurisdiction	Title of Relationship
1	Argentina	Marriage
2	Austria	Elingetragene Partnerschaft - Gesetz
3	Belgium	Marriage
4	Canada	Marriage
5	Czech Republic	Registrované partnerství
6	Denmark	Registreret partnerskab
7	Finland	Rekisteröity parisuhde
8	Germany	Elingetragene lebenspartnerschaft
9	Iceland	(a) Stadfest samvist (b) Marriage
10	Mexico City	Marriage
11	Netherlands	Marriage
12	New Zealand	Civil Union
13	Norway	(a) Registrert partnerskap (b) Marriage
14	Portugal	Marriage
15	South Africa	Marriage
16	Spain	Marriage
17	Sweden	(a) Registrerat partnerskap (b) Marriage
18	Switzerland	Elingetragene Partnerschaft / Partenariat enregistré
19	United Kingdom	Civil Partnership
20	California (USA)	Marriage
21	Connecticut (USA)	(a) Civil Union (b) Marriage
22	Iowa (USA)	Marriage
23	Massachusetts (USA)	Marriage
24	New Hampshire (USA)	(a) Civil Union (b) Marriage
25	New Jersey (USA)	Civil Union
26	Vermont (USA)	(a) Civil Union (b) Marriage
27	Washington D.C. (USA)	Marriage

This list is also available on Department of Justice and Law Reform website: [CPCROC-2010/Registered Foreign Relationships](http://www.justice.ie). Queries in regard to titles of relationships shown or not shown on this list should be directed to the Department of Justice and Law Reform: www.justice.ie