

# Family Income Supplement

## Introduction

Family Income Supplement (FIS) is a weekly tax-free payment available to employees with children. It gives extra financial support to people on low pay. You cannot qualify for FIS if you are only self-employed - you must be an employee to qualify.

You must have at least one child who normally lives with you or is financially supported by you. Your child must be under 18 years of age or between 18 and 22 years of age and in full-time education.

To qualify for FIS, your average weekly family income must be below a certain amount for your family size. The FIS you receive is 60% of the difference between your average weekly family income and the income limit which applies to your family. For more information about average family income see 'Rates' below.

Your FIS payment is not taxed. If you are getting FIS you may also be entitled to the Back to School Clothing and Footwear Allowance. Your income from FIS is not taken into account in the assessment for a medical card.

The new Back to Work Family Dividend (BTWFD) and FIS can be paid together and the BTWFD will not be taken into account in the income test for FIS.

## Budget 2016

It was announced in Budget 2016 that, from January 2016, the Family Income Supplement income thresholds will be increased by €5 for each of the first two children per week. The threshold for the third and all other children will increase by €10. This change is subject to legislation.

## Rules

FIS is a tax-free weekly payment for employees who:

- Work 38 or more hours per fortnight (any combination of hours that reaches 38 hours each fortnight is acceptable). You can combine your weekly hours with your spouse, civil partner, cohabitant's hours to meet this condition. You **cannot** use time spent in self-employment

(or on Community Employment, Gateway, Tús, JobBridge or the Rural Social Scheme) to meet this condition.

- Where the employment is likely to last at least 3 months
- Have one or more children who normally live with you and
- Earn less than an amount set according to your family size

You must be employed in the Irish State and pay tax and PRSI here. Under EU regulations you may be able to claim FIS if your children are living abroad and dependent on you. Generally the payment continues for one year (52 weeks) and is not affected by, for example, an increase or a decrease in earnings.

However, in the following 2 circumstances, your weekly rate of FIS can be revised during the year:

- If you start to care for an additional child your FIS rate can be increased.
- If you were getting a One-Parent Family Payment and your payment stopped because your youngest child reached the relevant OFP age limit your FIS rate can be revised (by disregarding the rate of OFP assessed in your most recent FIS income test).

### **If you lose your job or have reduced working hours**

If your pay from work is reduced your Family Income Supplement (FIS) payment will stay the same. It will not increase. However, when your FIS payment ends you can re-apply giving details of your new reduced income. (FIS is usually paid for 52 weeks. At the end of the 52 weeks, you can re-apply for FIS.)

If the number of hours you work each week is reduced to below 38 hours per fortnight you are no longer entitled to FIS. You should notify the FIS section if your hours fall below this minimum requirement.

If you lose your job you are no longer entitled to FIS. You must notify the FIS section.

### **Getting FIS with other social welfare payments**

You cannot get FIS if you are on one of the following schemes or social welfare payments:

- Community Employment Scheme, Gateway, Rural Social Scheme, the Tús scheme or JobBridge.
- Jobseeker's Benefit, Jobseeker's Allowance or Farm Assist

- State Pension (Transition) or Pre-Retirement Allowance

Your spouse, civil partner or cohabitant can claim FIS while you are getting one of these payments. However an Increase for a Qualified Adult (IQA) will no longer be paid and your social welfare payment will be assessed as income for their FIS payment. Any Increase for a Qualified Child will be affected. Similarly if your spouse, civil partner or cohabitant is getting one of these payments, you can qualify for FIS but an IQA will no longer be paid for you.

If you are parenting alone you may be entitled to FIS in addition to your One-Parent Family Payment, Deserted Wife's Benefit or Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension.

You can get FIS while you are taking part in the Part-Time Job Incentive Scheme.

You can get Illness Benefit or Injury Benefit while you are getting FIS (for 6 consecutive weeks). If you are out of work for more than 6 consecutive weeks payment of FIS is suspended until you return to work and send a final certificate into the Illness Benefit or Occupational Injury Benefit section or until your FIS award period expires (whichever is the earlier).

Under the Maternity Protection Act 1994, a woman on maternity or adoptive leave is entitled to be treated as if she is in employment. This means that she can claim FIS (provided she meets the conditions of the FIS payment and has a family – a pregnant woman who has no other children does not qualify for FIS until the birth of the baby). Your income must be less than the income limit for your family size and is normally calculated using your gross earnings to date or your P60. Your FIS claim will then be paid for 52 weeks from the date you applied. You are not entitled to continue to claim FIS if you take additional unpaid maternity or adoptive leave, if you lose your job after returning to work or give up your employment.

## **Maintenance**

A separated parent can apply for FIS once he or she meets the qualifying conditions and

- Is living with the children or
- Is *wholly maintaining* the ex-spouse, ex-civil partner or ex-cohabitant with whom the children are living

*Wholly maintaining* means that maintenance paid by you, the FIS applicant, must be the main income of your ex-spouse, ex-civil partner or ex-cohabitant. Your former spouse or partner cannot have more than €100 a week income in their own right and cannot be married, in a civil partnership or cohabiting.

FIS is awarded for 52 weeks. A person included in your FIS award cannot be paid FIS in their own right or be included in another FIS claim during that 52 week period.

### **Paying maintenance**

If you are a separated parent and paying maintenance you may qualify for FIS. To qualify you must be wholly maintaining the parent with whom the children are living. Only one FIS payment can be made for a family so the parent to whom you are paying maintenance must not be getting FIS. You must supply written evidence from this person to show that they are getting maintenance.

If you are paying maintenance as a result of a court order or legally binding agreement for a second family, the amount of that maintenance payment will **not** be deducted from the income to be assessed for FIS.

### **Getting maintenance**

If you are getting maintenance, your total maintenance payment will be assessed as income for FIS. Only one FIS payment can be made for a family. This means that the parent from whom you are getting maintenance must not be getting FIS.

A parent getting maintenance for a qualified child will also have that maintenance assessed for FIS.

### **Rates**

FIS is calculated on the basis of 60% of the difference between the income limit for the family size and the assessable income of the person(s) raising the child(ren). The combined income of a couple (married, in a civil partnership or cohabiting) is taken into account.

Income from any source (except for the disregards stated below) is assessed. The FIS income test does not assess capital. This includes property you own, bank accounts and cars. The Department of Social Protection does assess income you get from tenants who rent a property you own, it may examine your bank accounts to check for other income

sources and it may assess income derived from use of a car that you own (for example as a taxi).

The main items counted as income are:

- Your assessable earnings and your spouse, civil partner or cohabitant's assessable earnings. (Assessable earnings are gross pay minus tax, employee PRSI, Universal Social Charge and superannuation (including the Public Service Pension Levy.) Income from working as a home help is included.
- Any extra income you or your spouse, civil partner or cohabitant have from employment (such as pay for overtime, bonuses, allowances or commission).
- Any income you or your spouse, civil partner or cohabitant may have from self-employment.
- Income from occupational pensions.
- Income you or your spouse, civil partner or cohabitant may have including social welfare payments and student grants.
- All family income from carer's payments (Carer's Allowance or Carer's Benefit).
- Rental income from the letting of property or land (the capital value is not assessed). The gross rental income is assessed and you cannot deduct mortgage payments or other expenses. Rental income from renting a room in your house is included.

The following payments **do not** count as family income:

- Child Benefit
- Guardian's payments
- Supplementary Welfare Allowance
- Domiciliary Care Allowance
- Foster Child Allowance
- Rent Allowance for tenants affected by the de-control of rents
- Income from a charitable organisation
- Income from providing accommodation to students studying Irish in Gaeltacht areas under a scheme administered by the Minister for Arts, Heritage and the Gaeltacht
- Any income your children may have

## **Calculating income for FIS**

The Department of Social Protection (DSP) calculates your assessable earnings over a certain period of time.

Because FIS is paid over 52 weeks the DSP tries to calculate your average earnings over a similar period of time. Normally they will use your latest P60 or your gross earnings up to the date of your application. If you are newly in employment, your average weekly income is calculated from when you started work with that employer.

Your P60 is also used to calculate your average weekly income when your claim is being renewed. If your spouse, civil partner or cohabitant is self-employed, his or her income over the 12-month period before you lodge your claim is used to work out his or her average weekly income.

Again, to qualify, your average weekly family income must be below a certain amount for your family size. [You can read examples of calculations on welfare.ie.](#)

### **FIS income limits in 2015**

<b>If you have:</b>	<b>And your weekly family income is less than:</b>
One child	€506
Two children	€602
Three children	€703
Four children	€824
Five children	€950
Six children	€1,066
Seven children	€1,202
Eight children	€1,298

It's important to be aware, that if you qualify for FIS, you get a minimum of €20 each week. You can use the [Benefit of Work Ready Reckoner](#) from the Department of Social Protection to help you assess out the financial consequences of taking up full-time work. The Reckoner works out the total amount you would receive on taking up full-time work (including any Family Income Supplement) and compares this to what you are getting in jobseeker payments (including Rent Supplement).

If you are getting FIS you may also be entitled to the [Back to School Clothing and Footwear Allowance](#).

## **How to apply**

To apply fill in an application form for Family Income Supplement (pdf). You can get a copy of this form in your Intreo centre or social welfare local office. If you need help to fill in this form, the staff in your social welfare local office or Citizens Information Centre can help you.

To make sure that your application for FIS is processed as quickly as possible, you should include your latest P60 form, your most recent payslip, and a copy of your Certificate of Tax Credits for the current tax year with your application. If you have not received your P60 send in your week 52 payslip for the last tax year.

If you think you have been wrongly refused FIS you can appeal this decision.

## **Where to apply**

Send your completed Family Income Supplement application form to:

### **Family Income Supplement (FIS) Section**

Department of Social Protection  
Social Welfare Services Office  
Government Buildings  
Ballinalee Road  
Longford  
Ireland

**Tel:**(043) 334 0053

**Local:**1890 92 77 70

**Email:** [fissection@welfare.ie](mailto:fissection@welfare.ie)

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