



The helpline for people parenting alone,
sharing parenting or separating.

Budget 2022 – Key Updates

Below we have outlined the main changes in Budget 2022 which may impact on people parenting alone. If you have any further queries, please call the askonefamily helpline Monday-Friday on 0818 662212 or 01 6629212 or email us at helpline@onefamily.ie

Social Welfare Supports

Back to School Clothing & Footwear Allowance (BTSCFA)

- The income threshold for [Back to School Clothing & Footwear Allowance](#) is now the same for one and two parent families. This means that more people may qualify for the payment. The new thresholds for one-parent families are:

One child - €608.70, Two children - €653.70, Three children - €696.70, Four children - €743.70.

- €10 increase in the Back to School Clothing & Footwear Allowance rate for each qualifying child. The new rates which come into effect from July 2022 will be €160 for children aged 4-11 years and €285 for children aged 12-22 years.

Fuel Allowance

- €5 increase for all [Fuel Allowance](#) recipients; to €33 per week from September to April each year.
- Weekly means threshold increases by €20, to €120. This means that more people may qualify for the payment.
- People on Jobseeker's Allowance & Supplementary Welfare Allowance may now qualify after 12 months, down from 15 months.
- The Department of Social Protection have confirmed that the increase of €5 to Fuel Allowance is effective from October 12th and will be backdated and paid with the next lump sum payment in January 2022 for those who receive two lump sums per year. There will be a slight delay in paying the increased weekly allowance, it will be paid at the start of November but backdated to October 12th.

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Supports for Carers & People with Disabilities

- [Domiciliary Care Allowance](#) and [Carer's Allowance](#) will continue to be paid for children who go into hospital for up to six months (currently three months), from January 2022.
- €5 increase in the maximum weekly rate of Carer's Allowance.
- The Carer's Allowance Capital/Savings disregard has increased from €20,000 to €50,000.
- Weekly income disregard increases to €350 a week for single carers & lone parents & to €750 a week for carers with a spouse/partner. This means that more people may qualify for the payment.
- The earnings limit on [Disability Allowance](#) will rise from €350 to €375.
- Change in means rate bracket to benefit people getting a reduced payment rate of Disability Allowance.

Core Social Welfare Rates

- [Increase for a Qualified Child](#) rate of payment for children aged 12 and over increases by €3 to €48 in all weekly payments from January 2022.
- Increase for a Qualified Child rate of payment for children up to age 12 increases by €2 to €40 in all weekly payments from January 2022.
- Maximum rate of all core weekly payments increases by €5 from January 2022 including One-Parent Family Payment, Jobseeker's Transitional Payment, Jobseeker's Allowance and Carer's Allowance.

Christmas Bonus

- Return of full Christmas Bonus for those on [certain social welfare payments](#) has been confirmed. 100% Christmas Bonus will be paid in early December 2021 to 1.4 million people.

Working Family Payment

- The [Working Family Payment](#) threshold will increase by €10 per week regardless of family size from January 2022. This means more people may qualify for the payment. If you already receive it, you may see a small increase in your weekly payment, depending on your net household income. The new income thresholds are:

One child- €551, Two children- €652, Three children- €753, Four children- €844, Five children- €970, Six children- €1,086, Seven children- €1,222 and Eight or more children- €1,318

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Housing

- The [Help to Buy](#) scheme will be retained for 2022 at current rates, and reviewed next year.
- There will be a €20 billion investment in housing over the next 5 years leading to 4,000 new affordable homes and 9,000 social homes.

Taxation & In-work Supports

- National minimum wage up 30 cents to €10.50 per hour.
- The standard rate tax band was increased by €1,500. This means that anyone earning up to €36,800 will pay tax at the standard 20% rate. Any income over €36,800 will be taxed at the higher 40% rate. You may also qualify for [Single Person Child Carer Credit](#) which further increases the standard rate band by €4000.
- The ceiling for the second 2% band of USC is rising so that it applies to income of €12,013 to €21,295 from the start of 2022 – increased from €20,687 previously. The change was made to ensure that people on the national minimum wage, which will rise by 30 cent an hour to €10.50 will not find themselves paying USC at the higher rate of 4.5%.
- The USC exemption for medical card holders and those over 70 earning less than €60,000 stays in place.
- Increase in the annual personal tax credit of €50. The same amount will be added to the employee tax credit and earned income tax credit – which between them cover PAYE workers and self-employed people. This will bring each of the credits up to €1,700 per annum, from €1,650 previously.
- There will be a €7.50 increase in the carbon tax which will be reinvested in social welfare measures on fuel poverty. Petrol and diesel to go up from midnight on October 12th, 2021, increasing the cost of a tank of diesel by €1.48 and €1.28 for petrol with gas, heating oil, coal and briquettes to rise in price from May 2022.
- Employees working from home will be able to claim back 30% of vouched expenses for heat, electricity and broadband, instead of 10%. Further information on how to claim Remote Working Relief is available [here](#). It is not yet clear when the increase to 30% relief will come into effect.
- [Parent's Benefit](#) to increase by two weeks to seven weeks for anyone who has a child under 2 years of age from July 2022.



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Childcare

- There will be an extension of the universal subsidy available under the [National Childcare Scheme](#) to all children under 15, which will allow all children availing of early learning and childcare to receive a subsidy to offset fees regardless of means.
- From 2022 the practice of deducting hours spent in pre-school or school from the entitlement to the National Childcare Scheme subsidised hours will cease. This will particularly benefit children from low-income families whose parents are not in work or study.
- €716 million funding will be provided to support early years sector and childcare provision including increased supports for workers and childcare providers.
- Between May and August 2022, early learning and childcare providers will have access to a new once-off Transition Fund. Up to €5.5 million per month is available for providers to ensure there continues to be no increases in parents' fees for early learning and childcare in the period leading up to the introduction of a new funding stream in September 2022.
- From September 2022, a major new funding stream will be introduced. Under the new funding stream, in return for a commitment that fees to parents will not increase, providers will be supported in meeting their operating costs.

Health

- Extension of free GP care for children up to age seven.
- Reduced hospital charges for those under 18 years.
- Drugs Payment Scheme threshold reduced to €100.
- Improvement to dental access to medical card patients.
- Free contraception for women aged 17-25 from August 2022.

Education

- The [SUSI](#) maintenance grant will increase by €200 per year. This is the first increase since 2012, benefitting 60,000 students.
- The [income threshold](#) for student grants will increase by €1,000.
- Distance for the higher non-adjacent student grant will be reduced from 45km to 30km.
- The €200 fee for Post Leaving Cert (PLC) courses will be removed from 2022 onwards.

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