



*Emma Cummins, Solicitor  
LL.B., Dip. Family Law*

## MAINTENANCE PAYMENTS & TAX

Where maintenance payments are legally enforceable under a Maintenance Order granted by the Court the person paying maintenance may claim tax relief on the maintenance paid to his/her spouse. The person paying maintenance may not claim tax relief on the maintenance paid to his/her children.

The person receiving the maintenance payments is liable for income tax on the maintenance paid to him/her but not on maintenance payments for his/her children.

Where there is a voluntary agreement in relation to maintenance payments (ie. no Court Order) the person paying the maintenance may not claim tax relief on any portion of the maintenance payments but the recipient of the maintenance payments is not assessed for income tax purposes on any portion of the maintenance payments.

### How maintenance payments are assessed for social welfare purposes

#### 1. One Parent Family Allowance

Vouched housing costs (e.g. mortgage/rent) of up to €95.00 may be ignored. The balance of the maintenance payment is assessed at 50%.

#### 2. Rent Supplement

The first €95.00 of the maintenance payment is assessed in full and between €95.00 - €170.00 is assessed at 50% with any sum above €170.00 being ignored.

#### 3. Family Income Supplement

Maintenance being paid for a child is ignored. The balance of the maintenance payment is assessed in full. For the person paying the maintenance payment (made on foot of a legally enforceable court order) such payments are ignored when assessing their entitlement to family income supplement. Where a person is paying maintenance of less than €24 for a child he/she may claim that child as a dependant for family income supplement purposes.

### The Effect on your tax situation on separation/divorce

Separated couples are still legally married in the eyes of the law and the couple may choose to be taxed either as a married couple, if they are both resident in the country ie. joint assessment, or as separated couples, ie. single assessment.

In the event of a spouse remarrying, he/she will be taxed as a married person together with their new spouse and the former spouse will be taxed as a single person.