**Press Release**

**24th October 2013**

The proposal to remove the One-Parent Family Tax Credit from non-resident parents completely undermines those fathers who are doing their best for their children.

Treoir has a very long history of working with unmarried parents (since 1976) and this is one of the most severe measures introduced in our history.

We believe the abolition of the tax credit will:

1. completely devalue the importance of shared parenting for children which research shows is important for them
2. result in working unmarried and separated fathers experiencing a loss of between €20 - €50 per week in take home pay
3. likely result in those fathers, who are doing their best for their children, having no choice but to reduce maintenance payments for their children. This in turn will mean that the Department of Social Protection will have to pay more in One-Parent Family Payments (OFP) to the primary carer, to offset the reduction in maintenance payments received from the other parent
4. undermine the ‘job-activation’ and ‘incentives to work’ objectives of the budget as it is clearly a work disincentive for low paid workers. (For a father on a minimum wage, working 30 hours a week, it will result in a loss of €20 per week on a wage of €260 per week)

  The government attacked parents in receipt of One-Parent Family Payment in recent budgets. Now they are penalising the other parent. It is the children who ultimately suffer. Are we truly cherishing all our children equally?

Margaret Dromey, CEO of Treoir:

*This is a draconian measure which will impact on children. There is no other group who would accept such a severe cut.*

**The following table, verified by Revenue, indicates the increase in tax paid by the non-resident parent should this measure be introduced:**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Impact of abolition of One Parent Tax Credit for non-resident parent** | | | | | | | | | | | | | |
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| **Annual wage** | **Difference in tax take per week** |  |  |  |  |  |  |  |  |  |  |  |  |
| **13,500 (minimum wage x 30 hours)** | **No change** |  |  |  |  |  |  |  |  |  |  |  |  |
| **20,000** | **€13** |  |  |  |  |  |  |  |  |  |  |  |  |
| **30,000** | **€10** |  |  |  |  |  |  |  |  |  |  |  |  |
| **40,000** | **€48** |  |  |  |  |  |  |  |  |  |  |  |  |
| **60,000** | **€47** |  |  |  |  |  |  |  |  |  |  |  |  |

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**About Treoir**

Treoir is the Irish word for direction and guidance.

In partnership with its member agencies, Treoir promotes the rights and best interests of unmarried parents and their children through providing specialist information and advocating for their rights.

**Births outside marriage Ireland – the statistics[[1]](#footnote-1)**

* There were 25,344 births registered as outside marriage in 2012
* This accounts for 35% of all births, an increase of 1% on 2011
* Almost 56.5% of births outside of marriage were to couples who are living together (cohabiting).
* The highest percentage of births outside marriage occurred in Limerick City at 56%, while the lowest percentage was 23% which occurred in Galway County
* A total of 1,639 teenagers had babies last year, 26 of these were aged under 16.

1. (CSO Vital Statistics 4th quarter 2011 and yearly summary). [↑](#footnote-ref-1)