

6th March 2002

«Name»
«Post»
«Agency»
«Address1»
«Address2»
«Address3»

Re: Reduction in Employers PRSI

Dear «Salutation»,

I am writing to you concerning the reduction in Employer's PRSI with effect from 1st inst. As you are aware, the Minister for Finance reduced the top rate of Employers PRSI from 12 per cent to 10¾ per cent as part of the 2002 Budget.

This results in a reduction of 1.25% of Employer's PRSI payable by your Board/Authority in relation to all personnel on the A1 rate of PRSI, consequentially reducing your Board's/Authority's tax liability.

I must inform you that this reduced liability is not available to your «BoardAuthority» as additional income, as it is required to centrally fund pay awards, including the Medical Laboratory Technician award. I would be obliged if you could furnish, as a matter of urgency, details of the resultant saving to your «BoardAuthority» as a result of this reduction in PRSI. It will be necessary to furnish details of the number of personnel on the A1 rate, and a breakdown of their grades. It is vital that the information furnished by you includes all agencies under your «BoardsAuthoritys» aegis and is not exclusive to health board personnel.

I would appreciate if you could give this matter your immediate attention and arrange to have this information submitted as soon as possible, but in any event, no later than Tuesday 12th March 2002.

Yours sincerely,

Dermot Smyth
A/Assistant Secretary – Finance