

## **RENT A ROOM RELIEF**

Do you have a spare room in your house? Do you fancy earning extra income tax free? Well, Griffith College is always looking for people to act as a host family for our international students. You rent out your spare room to the student (the typical length of time per student is two to four weeks, although some may stay for longer periods), provide them with their meals (typically half board during the week and full board at weekends), and get paid an easily earned fee for doing so. Should you wish to become a host family, or find out further details on this, please email [gil@gcd.ie](mailto:gil@gcd.ie).

With regards to earnings, you can avail of a tax relief known as Rent-a-Room Relief. If you let a room(s) in your main residence as residential accommodation, and the gross amount received by you does not exceed €10,000 per annum, this income is treated by Revenue as Nil for income tax purposes (ie you do not pay tax / prsi or usc on these earnings). You cannot avail of this relief in respect of payments for accommodation in the family home by your child, but you can if the payment is from other family members, eg a niece or nephew. Furthermore, you do not need to own the residence, ie you could be occupying it as rented accommodation. As you, as a landlord, occupy the house too, you do not have to register with the Private Residential Tenancies Board (PRTB) either.

Once your earnings from renting out the room(s) are under €10,000, the relief automatically applies, without having to make a claim to Revenue, (although if you currently submit annual tax returns, due to earnings outside PAYE employment, you must include this exempt income on your return). You should be aware though, that if you earn more than €10,000 in the tax year for renting out a room(s), you cannot avail of the Rent-a-Room relief at all, ie you pay tax on the full amount, and not just the excess above €10,000.

If you have any queries, or would like further information, please contact Katherine Sheehan in the accounts department ([katherine.sheehan@gcd.ie](mailto:katherine.sheehan@gcd.ie)), who will be happy to assist.