



YOUR QUESTIONS
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Will leaving my ARF to my children and not my wife lessen the tax bill after I die?

Q I will be retiring in a few years and have decided to opt for an Approved Retirement Fund (ARF). As I don't have much to leave to my children in my inheritance, I'm considering leaving my ARF to them instead of my wife. But is this wise from a tax perspective?

A When planning your estate, it is important to do what you can to reduce the inheritance tax liability for your family and any others you are planning to leave an inheritance to, said Mark Reilly, pension proposition lead at Royal London Ireland.

The tax treatment of inheritances from ARFs is somewhat complicated – and unless you are careful, you could land someone with a higher tax bill than you expect.

Upon your death, your ARF can be passed to your wife without triggering Capital Acquisitions Tax (CAT) or income tax. Your wife can make withdrawals from your ARF after you die, but she will be subject to income tax on any withdrawals she makes, Mr Reilly said.

If you leave some or all of your ARF to a child, the tax treatment varies, depending on the age of the child.

ARF benefits payable to a child under the age of 21 may be subject to CAT (as per any normal inheritance), though no income tax will be due. ARF benefits payable to a child over the age of 21 are subject to income tax at a rate of 30pc, regardless of the size of the fund, he said. However, CAT is not payable, and these ARF benefits do not count towards the child's CAT tax-free threshold.

It's important to specify in your will that you want your ARF left to your spouse or other family members. Mr Reilly recommends talking to a broker to discuss your options further.

Q I have been meaning to switch my current account to my local credit union for some time, following the closure of our local bank branch. Concerns about the hassle involved have put me off. Would it really make more sense for me to have my account locally?

A All credit unions that offer current accounts have procedures to support members who are switching their current account to them, said Helen Carbery, CEO of the Credit Union Development Association (CUDA). Once you have opened a current account with a credit union, it will organise the switch for you.

This will include setting up all your active standing orders on your new account.

Credit unions will also arrange with your old bank to contact your direct debit originators to advise them of your new current account details, she said.

You should get in touch with your local credit union and ask for its Switcher Pack as this will give you all the information you need. You then simply complete the switcher forms and your credit union will look after everything after that. Many credit unions have dedicated switching officers, though any of the staff will be able to guide you through

the process. This should ensure that you can switch your account to your credit unions seamlessly.

Switching your current account to your local credit union could also save you on bank fees, depending on your bank, Ms Carbery said.

Q I have worked in hospitality for years, moving from part-time to full-time. Previously, pay often reflected experience or the type of work, but now many roles are advertised at minimum wage. With recent wage increases, it feels like everything has just been flattened. Should I be worried?

A This trend is real and is being seen in hospitality, retail, and other frontline sectors, said Shane McLave, managing director at Excel Recruitment. A recent ESRI report found that after the minimum wage rose from €11.30 to €12.70 per hour in 2024, the proportion of hourly roles advertised at minimum wage more than doubled.

Jobs such as bar staff and retail assistants, which used to vary in pay based on experience, are now frequently offered at the minimum rate, Mr McLave said.

What was meant to be a positive wage increase has, in some cases, resulted in pay flattening. Rather than lifting everyone, it's leveling pay down, he said.

Employers, especially in small businesses, face tough choices. Rising costs (energy, rent, insurance) mean many can't afford to reward experience as they used to. He said around 80pc of minimum wage roles still ask for up to three years of experience. If you're concerned, consider upskilling. Short hospitality management courses or barista training can give you an edge. Also, look for employers who offer progression or additional perks beyond base pay, Mr McLave said.

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DUBLIN ISEQ 20	Performance: year to date			
	% change	Turnover	Volume	Last price
RYANAIR HOLD. PLC	21.16	7944367814.89	369696368	23.10
AIB GROUP PLC	25.52	4870362780	785274525	6.69
KERRY GROUP PLC	0.16	3900611013.81	40712183	93.40
KINGSPAN GROUP PLC	3.34	3865933922	52432419	72.80
BANK OF IRELAND GP	31.96	3597996558	332389245	11.62
GLANBIA PLC	-5.40	926413529.05	77961067	12.61
CAIRN HOMES PLC	-7.53	469162748	223909097	2.15
DALATA HOTEL GP.	37.04	375219480.5	71444503	6.40
GLENVEAGH PROP.PL	8.75	279408576.7	175690538	1.74
UNIPHAR PLC	83.96	230463349.04	78734887	3.90
MALIN CORP. PLC	-6.98	151394806.7	14723953	8.00
GREENCOAT REN.	-7.66	146905040.5	194974132	0.76
IRISH RES. PROP.	15.60	144727646.6	146991781	1.052
IRISH CONT. GP.	6.18	97899990.27	18936036	5.50
ORIGIN ENT. PLC	33.15	79369996.85	26202718	3.655
PERM. TSB GP. HOLD	40.28	47084459.17	30269106	2.02
FBD HOLDINGS PLC	5.53	37581876.28	2881704	13.35
KENMARE RESOURCES	-4.69	4082151.48	1028216	3.66
MINCON GROUP PLC	3.72	406908.47	1000429	0.39
FD TECHNOLOGIES	34.91	3253.4	149	28.60



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