

**[42.4.9] PAYE****Community Employment Schemes and Job Initiative Projects  
Period from 1 October 1993***Reviewed April 2016***1. Introduction**

The purpose of this instruction is to set out the tax and USC treatment of Community Employment Schemes and Job Initiative Projects.

**2. Tax Treatment from 1 October 1993**

Income from any project commencing on or after 1 October 1993 is taxable irrespective of the location of the project or the participants.

**3. USC Treatment (from 1 January 2011)**

Payments made to participants on a Community Employment Scheme or on a Job Initiative Project are social-welfare-like payments and are therefore exempt from USC.

**4. Procedures in districts**

Normal PAYE procedures apply. Employers are obliged to operate PAYE and to notify Revenue of each participant on the project. P2Cs and tax credit certificates should then be issued.

**5. PRSI**

PRSI will be collected through the PAYE/PRSI system.