



Implementing a UBI Pilot for Artists/Performers in Ireland: A Proposal

Seminar hosted by *Social Justice Ireland*

Three-fold Purpose of Pilot

1. To provide a secure basic income for artists/performers for the life of the pilot; to relieve some financial stress; and enable them to focus on their art and maximise their achievements in their chosen field.
2. To develop/adjust the UBI model in the light of ongoing evaluation in order to maximise its effectiveness in achieving the above objectives, without unduly increasing overall expenditure on the pilot.
3. To assess the implications of the pilot for:
 - Possibly turning the pilot into a permanent scheme for artists/performers, and/or
 - Extending the pilot across society.

Outline of the UBI Model

- a) Eligibility for the UBI pilot;
- b) The payments to be made to artists under the pilot scheme;
- c) The implications for other Social Welfare entitlements;
- d) The income tax / PRSI / USC that will be payable by artists;
- e) Implications for spouses and co-habiting partners;
- f) The number of participants and the likely Exchequer cost;
- g) The evaluations that will be carried out;
- h) Legislative changes;
- i) Governance of the pilot scheme;
- j) Proposed timeline;
- k) Conclusion.

Eligibility

Derived from the Social Welfare Scheme for Professional Artists on Jobseeker's Allowance

- Aged over 18 and under 66
- Meet the [habitual residence condition](#)
- Be a member of one of the listed [certifying professional organisations](#) (see below) and provide a certificate or declaration from a professional body as to your status as a professional artist
- Be registered as self-employed with Revenue
- At least 50% of your income must be derived from your work as a professional artist in the previous year.

Recognised professional disciplines and certifying organisations

Artform	Professionals	Certifying Organisations
Visual Arts	Visual artists	Visual Arts Ireland
Theatre	Actors Costume Designers Theatre Directors Set Designers Stage Designers	Actors Equity / SIPTU
Literature	Writers	Irish Writers Centre
Music	Musicians, including traditional, popular and folk	Musicians Union of Ireland / SIPTU
Dance	Dancers Choreographers	Dance Ireland
Opera	Composers	Musicians Union of Ireland / SIPTU
Film	Actors Screen Writers Film Directors	Actors Equity / SIPTU Writers Guild of Ireland Screen Directors Guild of Ireland
Circus	Street Performers	Irish Street Arts, Circus and Spectacle Network

UBI Payments

- Secured for the duration of the pilot: suggest 4 years
- €203 per week
- UBI is withdrawn from high earners...
gradually, as market income grows from €170,000 to €250,000

Eligibility retained for other Social Welfare entitlements

- Back to school clothing and footwear
- Carer's payment (supplement over UBI)
- Child payment
- Death benefit and bereavement
- Maternity/Paternity/Adoption (supplement)
- Domiciliary care allowance
- Free travel
- Fuel allowance
- Household benefits package
- Mortgage interest supplement
- One-parent family payment (supplement over UBI)
- Other working age income supports
- Redundancy and Insolvency
- Rent supplement
- Respite care grant
- School meals
- Treatment benefits
- SWA Exceptional/Urgent Needs
- Working age Employment Supports, including Unemployment Supplement

Income Tax/PRSI/USC: Become a Single Composite Tax

KEY ELEMENTS:

- UBI will be included in Total Income and be part of the tax base.
- Initial tax rate will be very low and will not be levied when only income is UBI.
- Once Total Income exceeds UBI, tax will apply and the rate of tax will increase progressively in accordance with Total Income.
- Maximum effective tax rate (i.e. $\text{tax} \div \text{market income}$) will be 50%.
- No tax credits or allowances, incl. Artists' Exemption.
- Participants will be credited with Class A PRSI contributions.

Examples

Current system

Market income	€5,000	€10,000	€15,000	€20,000	€30,000	€40,000
Income Tax/PRSI/USC	€0	€0	€120	€1,378	€4,553	€8,343
Net Income	€5,000	€10,000	€14,880	€18,622	€25,447	€31,657

Proposed UBI pilot for artists/performers:

Market income	€5,000	€10,000	€15,000	€20,000	€30,000	€40,000
UBI	€10,593	€10,593	€10,593	€10,593	€10,593	€10,593
Composite Income tax	€2,695	€4,810	€6,407	€8,172	€12,205	€16,909
Net income	€12,897	€15,783	€19,186	€22,421	€28,388	€33,684

Difference: UBI pilot minus Current system

UBI pilot-Current	€7,897	€5,783	€4,306	€3,779	€2,941	€2,027
--------------------------	--------	--------	--------	--------	--------	--------

Implications for Spouses and Co-habiting Partners

- For spouses and co-habiting partners who are artists/performers, they can apply to participate in the pilot.
- If they are not in the pilot, the implications will be as follows:
 - For Social Welfare entitlements, spouses and co-habiting partners will be treated as dependent adults.
 - For Income Tax, PRSI, USC, they will pay contributions based on their own income.
 - They will benefit from the single person tax credit and the employee (or earned income) tax credit.
 - They will also be able to avail of other tax credits and allowances.
 - There will not be joint Income Tax assessment.

Number of Participants and Exchequer Cost

Option 1: All eligible applicants are included in the Pilot

- On-line applications will be invited from eligible artists/performers.
- Confirm that they will facilitate research of the pilot.
- If 14,200 eligible participants apply and are accepted into the pilot, the annual Exchequer cost will be c. €27m.
- A key benefit of this option is that all artists/performers will be able to avail of the advantages of UBI.

Option 2: Limit the number of participants to, say, 3,000:

- On-line applications will be invited from eligible artists/performers.
- Confirm that they will facilitate research of the pilot (whether or not they are selected).
- Applicants who fulfil the criteria will be selected based on the date and time of application. Quotas for age and gender can be applied so that the pilot is representative.
- If the pilot has 3,000 artists/performers, the annual cost will be c. €5.3m.
- A key benefit of this option is that comparisons are possible between those artists/performers on UBI and those artists/performers who are not.

Evaluations of the Pilot

Formative evaluation:

Identifies operational improvements that can be made quickly within the financial envelope, e.g. administration, anomalies in entitlement, unforeseen circumstances etc.

Summative evaluation:

Focuses on impacts, e.g.

- Total Income (level and security);
- Market income;
- Need to work outside the sector;
- Ability to develop art/performance;
- Ability to plan ahead;
- Level of stress;
- Health;
- Wellbeing (aspects not covered above such as capacity to participate, contribution to local community etc.).

Data will be gathered from administrative records, surveys, interviews. Annual cost: €150,000 to €200,000.

Legislative Changes

- It is likely that some legislative changes will be required to facilitate the pilot.
- These will be identified by the Revenue Commissioners and the Department of Social Protection.
- They will be included in the Finance Bill and the Social Welfare Bill as required.

Governance of the Pilot: Organisation

- The pilot will be administered by a dedicated unit within the Revenue Commissioners.
- The pilot will be overseen by a Steering Group, chaired by a person such as Claire Duignan (Chair of the Arts and Culture Recovery Task Force), representing the following organisations (may be adjusted as agreed):
 - Department of Media, Tourism, Arts, Culture, Sport and the Gaeltacht
 - National Campaign for the Arts Irish Theatre Institute
 - Department of Finance Revenue Commissioners
 - Department of Social Protection Low Pay Commission
 - ICTU Social Justice Ireland.
- The secretariat will be provided by the Department of Media, Tourism, Arts, Culture, Sport and the Gaeltacht.

Role of the Steering Group

- To draft the scope and rules of the pilot for approval by the Minister of Media, Tourism, Arts, Culture, Sport and the Gaeltacht and Government;
- To oversee the implementation of the pilot;
- To agree adjustments to the operation of the pilot;
- To commission research of the pilot;
- To produce an annual report on the operation of the pilot and research findings.

Establishing the Steering Group is the first thing that needs to be done.

Proposed Timeline: 2021

- The pilot *could* go 'live' on **1 January 2022**. Following are some key milestones for going live on that date:

May 2021

- The Steering Group is appointed and commences work.

May-July 2021

- This proposal is discussed/modified by the Steering Group and a Memorandum goes from the Minister of Media, Tourism, Arts, Culture, Sport and the Gaeltacht to Government by the end of July.

August-October 2021

- The Revenue Commissioners and the Department of Social Protection prepare legislative amendments that will be required in the Finance Bill and Social Welfare Bill.
- Revenue establish a Unit to implement the pilot and commence IT preparations. The Steering Group oversees all preparations for the pilot, including publicity and the engagement of researchers to evaluate the pilot.

November-December 2021

- Applications are invited from artists/performers and their eligibility is assessed.

Proposed Timeline: 2022-2023

January-December 2022

- The pilot is up and running. Minor modifications are considered and agreed by the Steering Group if indicated by formative evaluations.
- The Steering Group prepares an Annual Report to include the results of evaluations.

January-December 2023

- As for the previous year. Summative evaluation will have access to full-year data.

Proposed Timeline: 2024 and following

Further research is carried out into the implications of extending UBI across the society, using the results of the evaluations. Such additional research will include:

- Total Income (level and security);
- Market income;
- Ability to develop skills;
- Ability to plan ahead;
- Level of stress;
- Health
- Wellbeing (aspects not covered above such as capacity to participate, contribution to local community etc.).

The research will also cover other areas, including:

- The Exchequer implications of extending UBI across society;
- The likely impact on labour supply;
- The distributional consequences.

Conclusions

- In Ireland, there have been many studies, papers, seminars and much speculation as to how basic income would work and what the effects of basic income might be. Ultimately, the biggest element in these activities has been conjecture.
- Like the novice swimmer tip-toeing around the edge of the swimming pool wondering: Will I drown? Will it be cold? Will I float? Will I be good at this? The only way to find out is..... to enter the water!
- The proposed UBI pilot for artists/performers provides the first opportunity in Ireland to find out the answers to many of the questions which have been speculated about over a long period.

Early and considered implementation of the pilot will be key to getting the answers.

The background features a series of overlapping, curved, semi-transparent shapes in shades of teal and white, creating a sense of depth and movement. The shapes are arranged in a way that suggests a circular or spiral pattern, with the teal elements appearing as bands or segments within a larger white structure.

Questions?



SOCIAL
JUSTICE
IRELAND

working to build a just society

Thank You