

Ireland 2026 –

# BRIDGING ECONOMIES, LEADING CHANGE

Pioneering Prosperity in the  
Transatlantic Relationship



BUDGET 2026 SUBMISSION



AMERICAN  
CHAMBER of COMMERCE  
IRELAND

# Executive Summary

Ireland has, in recent decades, developed into a location of choice for inward investment and for people, and their families, to live and work. Now, the opportunity exists for Ireland to make key policy and investment decisions to ensure it remains an attractive place for businesses to invest and grow, and for talent to come, stay, and build careers. In an ever-changing geopolitical environment, the global battle for investment and talent is becoming increasingly more competitive. In this context, it is important that vital decisions are taken to ensure Ireland enhances its offering to drive continued growth and deliver a more prosperous future for our people, communities, and economy.

Many factors which impact Ireland's competitiveness are within Ireland's control. Ensuring investment is made, and capacity for growth is delivered, in key areas including infrastructure, energy, research, development and innovation, talent and skills, and digital and cyber security will be paramount in ensuring Ireland is best placed to leverage the opportunities of the future.

As a key bridge between the United States and the European Union, and by maintaining a pro-business ecosystem, Ireland can remain a destination of choice for FDI, and ensure its economy retains a central role in the global operations of multinationals across a broad range of sectors, securing its place in their global supply chains.

In this regard key recommendations from AmCham for Budget 2026 include:

## Bridging the Infrastructure Gap

- Ensure annual updates and reviews of housing targets occur to make sure targets are reflective of needs both in the private purchase and rental markets for both current and future demand.
- Introduce measures to support the triaging of applications for critical infrastructure projects.
- Provide clarity with regard to timelines for planning applications given the importance of such timelines for investor confidence.
- Provide a multi-annual funding model for Uisce Éireann to ensure the funding model is in coordination with capital investment schedules, and to better support the efficient delivery of long-term projects.
- Prioritise the delivery of critical road and rail infrastructure including MetroLink, Dart+ and essential projects to support balanced regional development.

## Bridging the Energy Gap and Leading on the Green Transition

- Enhance existing electricity grid capacity to avoid energy opportunity costs.
- Develop a clear long-term strategy to position Ireland as a net energy exporter, with clearly defined, progressive targets.
- Publish and implement a new National Ports Policy to support infrastructural development.
- Develop and implement renewable energy storage infrastructure and investments, including battery storage and green hydrogen strategies.
- Deliver a private wires policy framework as a matter of urgency.

## Leading on Talent Attraction and Skills

- A policy focus on attracting and retaining world-class researchers and educators to support Ireland's tertiary education sector, which will be beneficial in terms of talent development for future skills needs and industry-academia collaboration.
- Inform the development of skills in line with innovation and change with the on-going mapping of skills needs, with a focus on identifying emerging areas of talent demand.
- Expand the range of apprenticeships available, informed by industry skills gaps, for instance in data and digital, artificial intelligence and machine learning, and engineering, with a focus also on strategic roles including supply chain management and cyber security.

- Expand roles eligible for Employment Permits and continue to review and expand the Critical Skills Occupations List in a timely and reactive manner.
- Introduce a 'Trusted-Entity Self-Certification' scheme to alleviate processing times in terms of immigration and increase talent acquisition efficiency.
- Provide an annual dedicated budget for new medicines with a view to supporting innovation and delivering an uninterrupted supply of medicines, providing for the approval and reimbursement of such medicines to deliver the best possible outcomes for patients.

## Leading on Research, Development & Innovation

- Increase the R&D tax credit rate to 35% and amend Section 766 TCA 1997 to create a new subcontracting cap of 100% of internal R&D spend, allowing related party subcontracting costs where conditions are met.
- Develop a multi-annual, cross-departmental research investment plan to enhance infrastructure, support university-industry collaboration, and establish Ireland as a global leader in key research areas.
- Increase support for PhD programmes through higher stipends, industry co-funding incentives, and clearer IP ownership structures to attract and retain top research talent.
- Expand programmes which foster collaboration between multinationals, researchers and academia.
- Prioritising the publication and implementation of the updated National Digital and A.I. Strategy

## Leading on Taxation

- Reduce the personal tax burden on employees to support the attraction and retention of talent.
- Introduce standalone Digitalisation and Decarbonisation Tax Credits, each at a rate of 35%, to support businesses investing in advanced digital technologies and in carbon-reduction initiatives
- Ensure Revenue has the necessary resourcing to provide clear timelines, consistent engagement, and prompt closure of audits and queries to support business certainty.
- Extending the geographic scope of the participation exemption so as not to confine the exemption to dividends received from EU / EEA / tax treaty countries only, given that this approach is out of step with international norms.
- Introduce a branch exemption, with the provision of a clear timeline for the implementation of such a regime.
- An increase to the maximum tax-free annual amount which can be invested in Approved ProfitSharing Schemes from the current €12,700.
- The extension of the current income tax exemption for Approved Profit-Sharing Schemes to include USC and employee PRSI.

## Leading on Digital Transformation and Cyber Security

- Deliver a comprehensive and coordinated digitalisation of public services accompanied by an action plan with KPIs and key milestone investments necessary to facilitate the strategy.
- Support the development of digital procurement with the development of a partner-led cloud framework, informed by the Consip model in Italy, and develop a consultation and engagement strategy to work with industry as a strategic partner in terms of digital procurement.
- Protect and enhance Ireland's position as a digital regulatory hub within the EU.
- Provide adequate resourcing and investment to the National Cyber Security Centre (NCSC), ComReg, and all regulatory and relevant bodies to ensure the significant presence of cyber competencies within each body.
- Ensure cyber security commitments and systems are kept under constant review to ensure necessary adaptations are made to respond to emerging, malicious threats and to ensure critical services are adequately protected.
- Deliver formalised benchmarking processes for cyber security to ensure Ireland meets and maintains global best practice standards.





# President's Foreword



As competition for inward investment grows on the global stage, Ireland's role as the bridge between the US and the European Union provides a unique opportunity for Ireland to seize emerging economic advantages. Building upon strong foundations, Ireland can act as a world-leader across numerous sectors, leading change and pioneering prosperity at the heart of the transatlantic relationship.

The transatlantic relationship stands as the largest economic partnership in the world. With smart policy and investment decisions, Ireland can further enhance its role as a key conduit between two of the world's largest economies.

Competitiveness must be at the fore of all policy and investment decisions. Ireland has benefited from being a small, globalized economy, however, this also presents challenges in insulating Ireland from changes in the international economic system. Measures to protect Ireland's competitive edge will be essential in securing and growing Ireland's economy in the years ahead. Such measures include addressing the cost of doing business, the regulatory and administrative burden, protecting Ireland's position as a regulatory hub within the EU, and providing the infrastructural capacity for future growth. The commitment within the Programme for Government to deliver an Action Plan on Competitiveness and Productivity will be crucial in this context in enhancing Ireland's competitiveness on the world stage, and ensuring Ireland is resilient in the face of global challenges. This is of particular importance in the context of Ireland being a primary regulatory hub within the EU and being prepared for future regulatory changes.

In our 2026 Budget submission entitled '*Ireland 2026: Bridging Economies, Leading Change*', the American Chamber of Commerce Ireland (AmCham) sets out our priorities to ensure Ireland remains a preeminent destination for inward investment in an ever-changing world, while ensuring we maintain Ireland's attractiveness as a place for talent to live. In this Budget submission, AmCham has outlined the smart investment and policy decisions we believe will best prepare Ireland to leverage the opportunities of the future in talent attraction, research and development, digital, and energy in the years to come.

Ireland has many strengths upon which it can build to attract the next wave of FDI and support the growth of the 970 US operations in Ireland, which directly employ over 210,000 in Ireland and indirectly support a further 169,000 jobs. In an AmCham member survey, 63% of respondents identified Ireland's highly educated and skilled talent pool as our country's main competitive advantage. Ireland is ranked first in the world for attracting and retaining talent, the OECD have identified Irish workers as being the most productive in the world.

With the correct policy decisions to support business and talent, Ireland can enhance its offerings and ensure it maintains its competitive advantage in the global battle for investment and skills. The opportunity exists to make sure Ireland is best positioned to grasp and leverage the opportunities of the future and to strengthen our innovation ecosystem with the delivery of investment which both addresses current needs and caters for Ireland's future growth.

**Liz Cunningham**

2025 President, American Chamber of Commerce Ireland

# Bridging the Infrastructure Gap

In enhancing Ireland's competitiveness on the global stage, the delivery of vital infrastructure projects is paramount. When it comes to infrastructure, it is vital that Ireland caters for the needs of business and people in the short-term but also takes a long-term view to ensure it has the capacity to support business and population growth into the future. Through the delivery of road projects, transport and energy infrastructure, and housing and community amenities, Ireland can ensure it remains a foremost destination for inward investment, and a great place to live.

## Housing

Housing has consistently been identified by AmCham members as the leading issue that Ireland needs to resolve to facilitate future growth and investment. In a recent AmCham member survey, 32% of respondents identified housing as the number one challenge for Ireland to overcome to support expansion of their Irish operations. Additionally, 98% of respondents to recent AmCham surveys indicated that the availability of residential accommodation presents a challenge for their employees.

Given the importance of attracting and retaining talent, and that the future of investment is as much about where people want to live as where businesses wish to locate, the delivery of housing solutions will be key to enabling economic growth. Further, it is of the utmost importance that housing targets are reflective of current and future needs and are in line with the CSO's projected growth of the population to 5.6 – 5.8 million people by 2030. As such, housing targets must be regarded as a floor for delivery rather than a ceiling.



In delivering housing solutions to bridge the infrastructure gap, AmCham recommends:

- Implement policies to deliver the Government's goal to facilitate 300,000 homes by 2030.
- Ensure a continued focus on, and delivery of, housing under the 'Housing for All' plan.
- Ensure annual updates and reviews of housing targets occur to make sure targets are reflective of needs both in the private purchase and rental markets for both current and future demand.
- Review and amend planning regulation to ease the route to market for developments in order to increase housing supply.
- Examining new and innovative methods of housing delivery to support cutting-edge housing solutions and ensure the most efficient methods of delivery are utilised.





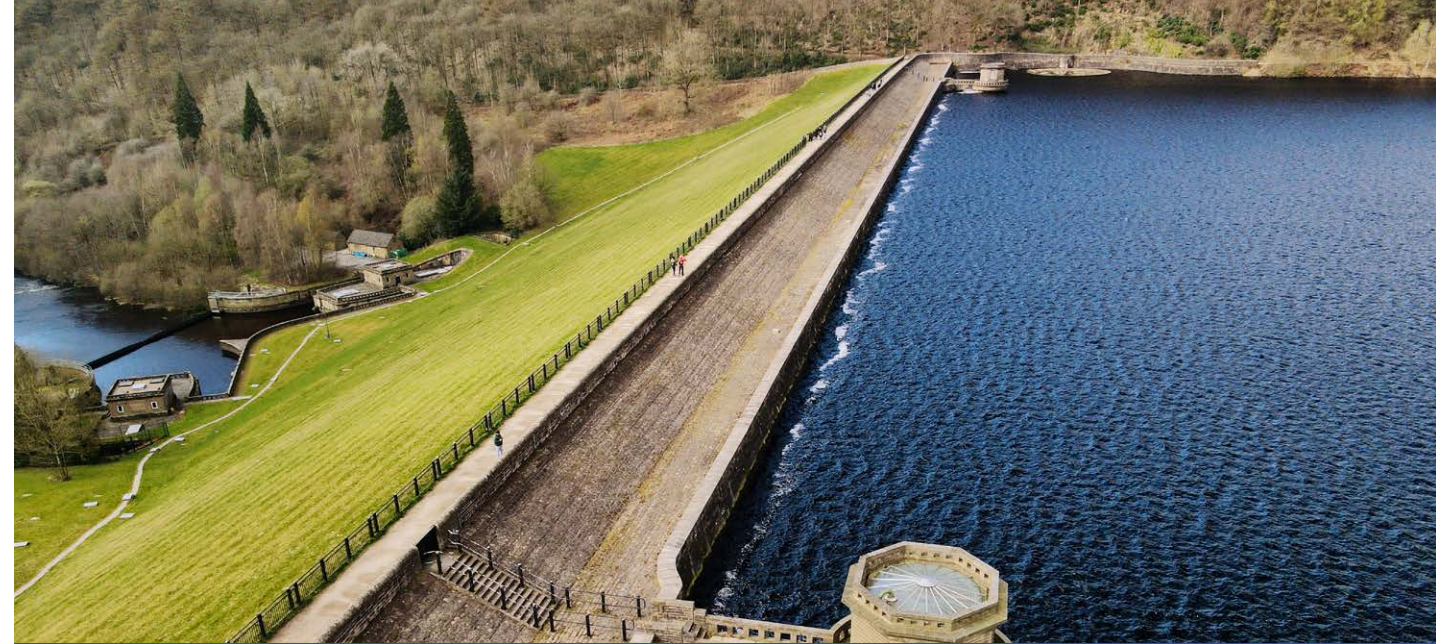
# Planning

In advancing measures to bridge the infrastructure gap, planning reform must be a key component to support the delivery of essential projects. Measures should be taken to build upon the progress and momentum of legislation such as the Planning and Development Act 2024. The implementation of necessary reforms within the planning system will support the efficient and effective delivery of infrastructure projects, including in the areas of housing and renewable energy.

AmCham acknowledges the commitment within the Programme for Government to “*establish a new procedure for large developments above 100 units where a developer can meet local authority planners and Uisce Éireann on site to iron out issues at pre-planning stage.*” Introducing innovative solutions to address planning impediments and backlogs is of the foremost importance in supporting Ireland’s future growth and its competitiveness for investment on the global stage. This is of the utmost importance given that certainty of timeframe and process, not certainty of outcome, is essential in terms of decision-making for business when it comes to investing.

**In advancing planning reform to bridge the infrastructure gap, AmCham recommends:**

- Implement measures to allow for the prioritisation of critical infrastructure projects.
- Introduce measures to support the triaging of applications for critical infrastructure projects.
- Provide clarity with regard to timelines for planning applications given the importance of such timelines for investor confidence.
- Streamline consenting regimes to support the delivery of vital infrastructure.
- Deliver greater digitalisation of the planning processes to support streamlining.
- Ensure adequate resourcing is provided to the Land Development Agency, An Coimisiún Pleanála and all planning bodies, while ensuring resourcing is also supported within local authorities.
- Ensure the necessary levels of resourcing are in place within the planning system to address backlogs, reduce decision times and support certainty of timeframe and process with regard to planning applications.
- Ensure centralised oversight for the delivery of strategic infrastructure projects.



# Water and Wastewater

To ensure Ireland can provide for the future delivery of housing, and for future business growth, it is vital that water and wastewater needs are met and that additional capacity is provided. This will be key in enhancing Ireland’s attractiveness for FDI into the future, and in empowering Ireland to meet its housing and infrastructural needs.

AmCham acknowledges the commitment within the Programme for Government to “*invest additional capital in Uisce Éireann to support reaching our new housing targets*” and to “*prioritise water and waste water infrastructure to deliver the capacity to facilitate housing development in our towns and villages.*” This is essential given, for instance, that projections have outlined that the Eastern and Midlands Region will need a 34% increase in water supply by 2044. The delivery of vital water and wastewater infrastructure is critical in terms of facilitating sustainable development with regard to inward investment, business development and population growth.

**In enhancing Ireland’s water and wastewater infrastructure, AmCham recommends:**

- Provide the necessary resourcing and capital investment for the delivery of vital projects.
- Provide a multi-annual funding model for Uisce Éireann to ensure the funding model is in coordination with capital investment schedules, and to better support the efficient delivery of long-term projects.
- Deliver the ‘*Water Supply Project Eastern and Midlands Region*’ and the ‘*Greater Dublin Drainage Project*’.
- Enable the triaging of vital water and wastewater projects within the planning system given their importance for the delivery of housing and business growth.





# Transport

Transport infrastructure, alongside connectivity, is a key driver of economic growth. In bridging the infrastructure gap and enhancing Ireland’s competitiveness, investment in transport solutions and infrastructure is important, particularly in providing the capacity for future business and population growth. Transport connections are important for supporting economic expansion, and they impact the ability to attract and retain talent. A recent AmCham member survey highlighted that 100% of respondents said the further enhancement of Ireland’s public transport infrastructure is important to supporting their business operations in Ireland. Supporting advancements in public transportation, airport connectivity, road infrastructure, and rail development are key measures that will enhance Ireland’s competitiveness and strengthen its position as a destination of choice for inward investment into the future.

Transport infrastructure is essential in supporting people as they travel to and from work, school and university and it plays a vital role in enabling businesses to efficiently move goods. As an island nation on the periphery of Europe, Ireland depends on air and sea connectivity to connect with other markets. Air connections support the enterprise ecosystem and expand opportunities for Irish companies seeking international growth. Strong transport links are integral for resilient supply-chains, and amid an ever-changing geopolitical landscape, Ireland must invest in transport infrastructure to remain a key destination for FDI and business into the future.

## In enhancing Ireland’s transport infrastructure, AmCham recommends:

- Ensure Dublin Airport has the capacity to provide for future growth in terms of passenger numbers to support future investment.
- Amend the Regional Airports Programme to bring it in line with EU guidelines allowing any airport with under 3 million passengers to receive funding to support the inclusion of Shannon Airport and support critical infrastructure development and sustainable initiatives, further supporting the growth of new connections and routes from Shannon.
- Advance balanced air connectivity by supporting Ireland’s regional airports, including Cork, Donegal, Kerry, Knock and Shannon is vital for providing Ireland’s regions with significant access to global markets.
- Ensure Ireland is positioned as a competitive location for sustainable aviation fuel (SAF) imports, given the existence of concerns surrounding production capacity within the EU.
- Deliver storage and blending facilities for SAF to support both imports and domestic industry.
- Prioritising the delivery of MetroLink and Dart+.

# Balanced Regional Development

Driving regional development will be key to Ireland’s competitiveness into the future. Ireland’s regions have already proven to be hugely attractive for inward investment. In 2024, there were 474 US operations in relational location, employing 119,000 people directly and indirectly supporting a further 95,000 jobs. With strategic investment decisions to further regional development, huge potential exists to enhance the attractiveness of Ireland’s regions for FDI and bridge the regional infrastructure gap. This will also support the indigenous ecosystem, further supporting clusters across regional locations, fostering further innovation into the future.

## In supporting balanced regional development, AmCham recommends:

### South/Mid-West:

- The Cork Commuter Rail Programme.
- Implementation of the Cork Metropolitan Area Transport Strategy.
- The Cork Northern Distributor Road.
- The Limerick Distributor Road.
- Luas Cork.
- The M20 between Cork and Limerick.
- The N19 upgrade.
- The Shannon Airport Rail Link and enhanced public transport links to Shannon Airport.

### West:

- Reconsideration of the Galway ring-road.
- The establishment of a sustainable public transport solution for Galway with a particular focus on access to Parkmore Industrial Zone.

### North-West:

- Development of the A5 route between Derry and Dublin, to ensure regional and international connectivity.



Recent  
Amcham  
Survey

- 100%** *of respondents said:* further enhancement of Ireland’s public transport infrastructure is important to supporting their business operations in Ireland
- 31%** *of respondents said:* their employees could get public transport to all of their sites in Ireland
- 33%** *of respondents said:* their employees could get public transport to some locations but not all
- 96%** *of respondents said:* reaching 100% capacity Ireland’s airports and ports would be a concern for continued growth and investment in Ireland







# Bridging the **Energy** Gap and Leading on the **Green Transition**

The delivery of energy infrastructure and actions to lead on the green transition will be pivotal in ensuring Ireland remains competitive in attracting inward investment into the future. Results from a recent AmCham member survey highlighted the importance of this, with 100% of respondents indicating that the security of Ireland's energy grid is important to maintaining US investment in Ireland. Further, 96% stated that Ireland and the EU meeting their sustainability targets is important in maintaining Ireland's competitiveness for business.

Great opportunity exists for Ireland with regard to the potential to generate renewable energy. This potential provides Ireland with the ability not just to bridge the infrastructure gap but to be a world leader in green energy. With an ambition to be energy self-sufficient, and subsequently an exporter of renewable energy, key policy and investment decisions must now be taken and delivered upon to transform this goal into reality and to cater for future business and population growth. However, it is essential that action is taken in the short-term to address current energy needs and ensure security of energy supply.

## In leading on energy and the green transition, AmCham recommends:

- Enhance existing electricity grid capacity to avoid energy opportunity costs.
- Develop a clear long-term strategy to position Ireland as a net energy exporter, with clearly defined, progressive targets.
- Develop a long-term offshore wind strategy through which Ireland can realise its renewable energy potential.
- Implement reviews of the planning system with regard to renewable energy projects to create efficiencies that align with national targets.
- Address the delays in the planning system through prioritising renewable energy projects.
- Publish and implement a new National Ports Policy to support infrastructural development.
- Provide for clear planning guidelines for the development of the solar energy sector in Ireland.
- Develop and implement renewable energy storage infrastructure and investments, including battery storage and green hydrogen strategies.
- Deliver a private wires policy framework as a matter of urgency.
- Amend the Electricity Regulation Act to facilitate the use of private wires.
- Develop and implement a National District Heating Strategy.
- Enact legislation and regulatory measures to support to roll out of district heating in Ireland.
- Develop a dedicated unit within the NCSC to mitigate cyber-security risks to Ireland's energy supply.



# Leading on **Talent** Attraction and **Skills**

Ireland's highly educated and skilled talent pool represents our country's main competitive advantage in terms of attracting inward investment and supporting business growth. AmCham members, in response to a member survey, identified the greatest skills gaps they face as being in digital and data, engineering, and machine learning and artificial intelligence (A.I.).

In terms of bridging the skills gap, skills-based education, investment in third-level institutions, and the broadening of apprenticeship avenues will be beneficial in ensuring Ireland remains a destination of choice for inward investment and business growth. Further, supporting lifelong learning and micro-credentials into the future, will support the agility of Ireland's talent pool, ensuring future skills needs can be met.

In ensuring talent are supported in achieving their full potential, and that Ireland's talent pool is best prepared to grasp the opportunities of the future, Government must make smart policy and investment decisions which further support Ireland's talent pool as its main competitive advantage.

In bridging the skills gap and leading on skills for the future, AmCham recommends:

- A policy focus on attracting and retaining world-class researchers and educators to support Ireland's tertiary education sector, which will be beneficial in terms of talent development for future skills needs and industry-academia collaboration.
- Inform the development of skills in line with innovation and change with the on-going mapping of skills needs, with a focus on identifying emerging areas of talent demand.
- Enhance investment in Ireland's higher education institutional infrastructure to ensure it meets the needs of the education sector.
- Ensure a continued focus on upskilling and lifelong learning.
- Implement further measures to increase participation and close the gender gap in STEM programmes, with an enhanced focus on STEM studies in primary and secondary education settings.
- Expand the range of apprenticeships available, informed by industry skills gaps, for instance in data and digital, A.I. and machine learning, and engineering, with a focus also on strategic roles including supply chain management and cyber security.
- Ensure continued data and implementation reviews are carried out in relation to apprenticeships in order to maintain consistent apprenticeship programme results that support the growth of apprenticeships in Ireland.
- Inform the enhancement and advancement of the apprenticeship model in Ireland through continued engagement and dialogue with European partners.
- Utilise a proportion of the National Training Fund surplus to support upskilling and lifelong learning to address skills gaps.







## Immigration and Visas

The attraction and retention of talent is a key priority for AmCham members. With 2.8 million people at work in Ireland, the labour market is tight but skills needs remain. As such, it is important that Ireland remains an attractive location for international talent. Ireland's immigration system, for these individuals and their families, represents our country's 'first impression' and it is essential that this provides a positive experience for talent moving to Ireland to live and work.

**In ensuring Ireland remains an attractive destination for key international talent, AmCham recommends:**

- Support the development of a faster, streamlined migration system in Ireland with in-built interim measures.
- Expand roles eligible for Employment Permits and continue to review and expand the Critical Skills Occupations List in a timely and reactive manner.
- Prioritise the continued development of a future-focused, skills-based migration system that addresses skill gaps and shortages.
- Develop and implement a single migration application process.
- The development of a digital one-stop-shop for the migration process, from a Department of Justice perspective, to include consolidating the existing migration portals.
- Introduce a 'Trusted-Entity Self-Certification' scheme to alleviate processing times and increase talent acquisition efficiency.
- The development and implementation of an expedited Business and Employment Visa service for high demand sectors as a matter of priority and, in the longer term, rolling this out generally so that Ireland aligns with other countries in terms of having a Visa expedite service.
- Continued focus on reducing current Business and Employment Visa processing times through increased investment and resourcing pending any expedited Visa service being introduced.

## Leading on Healthcare

Healthcare will remain essential in supporting a growing population for Ireland. As such, it is vital that Ireland's healthcare system prioritises preventative health and bringing care closer to the patient, with a view to delivering better patient outcomes. Enhancing the Irish healthcare system, ensuring greater efficiencies, and implementing policies which have a positive long-term health impact will ensure Ireland remains an attractive place for people to live and work.

Further, in terms of healthcare innovation, given Ireland's population size and the presence of many US MedTech leaders, Ireland can leverage the significant opportunities which exist in this space. When it comes to new technologies in healthcare Ireland is an attractive testbed for the rollout of these new innovations. Harnessing these opportunities would allow Ireland to become a global leader in healthcare innovation and healthcare as a digital service. This would further support Ireland as an attractive location for healthcare and MedTech research and development.

**With regard to healthcare, AmCham recommends:**

- Implement measures to attract and retain world-class clinicians as a matter of priority.
- Deliver measures to ensure Ireland is an attractive location for clinical research.
- Advance a fully digitalised healthcare system to bring care closer to the patient and enhance patient outcomes.
- Provide an annual dedicated budget for new medicines with a view to supporting innovation and delivering an uninterrupted supply of medicines, providing for the approval and reimbursement of such medicines to deliver the best possible outcomes for patients.







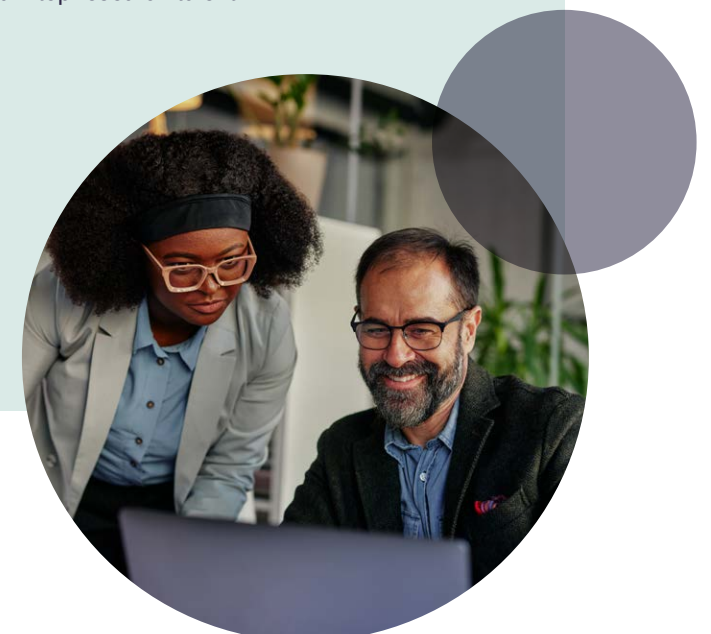
# Leading on Research, Development & Innovation

Ireland has a unique opportunity to position itself as a global centre for research excellence by 2050, building on the strong presence of US multinationals, thriving industry clusters, and a highly skilled talent base. To achieve this ambition, Government must take a strategic, long-term approach that strengthens collaboration between academia and industry, expands research infrastructure, and supports the full research lifecycle, from talent development to innovation deployment. A robust research ecosystem, backed by talent development, including an increase in PhD graduates, competitive tax incentives and clear IP frameworks, will ensure Ireland remains a leader in advanced research domains such as A.I., life sciences, and digital manufacturing, enhancing its global competitiveness and FDI offering.

In a recent AmCham member survey, when asked what would be most beneficial to enhancing Ireland's R&D ecosystem, 49% of respondents said enhancement of the R&D tax credit and 22% identified improved collaboration between industry and academic institutions. Further, 11% of respondents stated that greater availability of PhD researchers and high-level research talent was needed, while 11% also outlined the need for increased incentives for private sector research. Enormous opportunities exist, and the decisions taken now can leverage these opportunities to place Ireland at the vanguard of RD&I for the decades to come and make Ireland a destination of choice within the EU for research investment.

## In leading on RD&I, AmCham recommends:

- Enhance the R&D tax credit (detailed recommendations outlined in the next section).
- Develop a multi-annual, cross-departmental research investment plan to enhance infrastructure, support university-industry collaboration, and establish Ireland as a global leader in key research areas.
- Implement initiatives to attract and support a greater number of individuals to pursue doctoral studies.
- Increase support for PhD programmes through higher stipends, industry co-funding incentives, and clearer IP ownership structures to attract and retain top research talent.
- Implement measures, on a cross-departmental basis, to support early career researchers with key challenges, including childcare and housing.
- Expand programmes which foster collaboration between multinationals, researchers and academia.
- Prioritising the publication and implementation of the updated National Digital and A.I. Strategy



# Leading on Taxation

As a small economy, Ireland relies heavily on inward investment and has, historically, been very successful in attracting large multinational companies to locate here. Recent global economic and political uncertainty means that there is increased competition for investment as companies navigate changing realities. Ireland must adapt and it is now more important than ever that Ireland is considered an attractive and competitive location for inward investment. Attracting investment is multi-faceted and tax is an important component. Many countries are investing in new tax incentives to attract new investment.

With modernisation of the Irish tax code and the enhancement of its offering, the opportunity exists for Ireland to remain a destination of choice for inward investment and business growth.

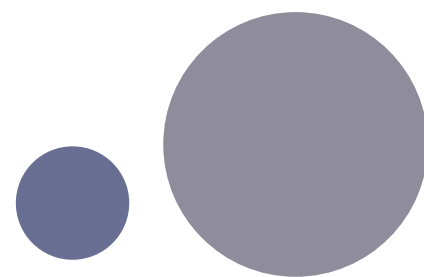
## Personal Taxation

Given the importance of talent in attracting investment and supporting business growth, Ireland's personal taxation regime is important in ensuring the country's future success in attracting inward investment. Future investment will be heavily influenced not just by where businesses wish to locate, but also where people want to live. As such, measures to address the high personal taxation burden in Ireland would be beneficial in ensuring Ireland can attract and retain talent into the future. This will best position Ireland to leverage FDI opportunities in the years ahead. Further, tax policies to attract key in-demand individuals to Ireland are beneficial in supporting long-term investment, driving, R&D, and making Ireland a destination of choice for critical leadership functions that are central to strategic direction, which are of strategic importance in terms of business growth and driving growth in core business teams. It is important that key incentives are modernised and protected given the benefit they can bring to Ireland.

It would also be beneficial to examine benefit-in-kind measures, which can form a key part of remuneration packages, to address circumstances whereby individuals who are eligible for such employer-paid benefits do not avail of them due to their treatment as taxable income.

### In relation to personal taxation, AmCham recommends:

- Address the personal tax burden on employees to support talent attraction and retention.
- Protect, broaden and modernise competitive personal tax policies designed to attract key in-demand individuals to encourage talent to move to Ireland.
- Examine benefit-in-kind measures to support the uptake of employer-paid benefits.



# Share-Based Remuneration

Enhancing the share-based remuneration environment would be beneficial in improving Ireland's competitiveness in the attraction and retention of key talent. Further, changes in relation to share-based remuneration would have a positive impact in reducing administrative complexities and the compliance burden for business.

### In the context of share-based remuneration, AmCham recommends:

- Increase the maximum tax-free annual amount which can be invested in Approved Profit-Sharing Schemes from the current €12,700, which has remained relatively unchanged since the mid-1990s.
- Extend the current income tax exemption for Approved Profit-Sharing Schemes to include USC and employee PRSI.
- Maintain the employer PRSI exemption in its current form.
- Extend the benefits of tax qualification to non-qualified schemes, fostering inclusivity without increasing the administrative burden for companies.
- Streamline reporting requirements, especially for companies not issuing qualified shares, to reduce the administrative burden on businesses.
- Consolidate of tax benefits for both forms of share schemes, simplifying compliance related activities while maintaining periodic audits to ensure rule adherence.

## R&D Tax Credit

The R&D tax credit is a cornerstone of Ireland's innovation ecosystem. To attract high-value investment and enable Ireland to remain a top-tier location for research, the credit must evolve in line with global competition. This includes expanding the credit to reflect the realities of modern R&D operations, such as permitting related party subcontracting, recognising agency staff as internal R&D resources, and enhancing the credit rate to incentivise deeper investment. These changes, alongside simplified administration and targeted supports for digital and green innovation, will enable Ireland to lead in the next era of global research. AmCham has submitted a detailed response to the recent Department of Finance consultation on the R&D tax credit in which key the key recommendations below are echoed.

### In relation to the R&D tax credit, AmCham recommends:

- Amend Section 766 TCA 1997 to create a new subcontracting cap of 100% of internal R&D spend, allowing related party subcontracting costs where conditions are met.
- Recognise agency staff working under a company's control and direction as internal R&D expenditure, reflecting the realities of modern R&D projects and supporting high-value STEM employment in Ireland.
- Increase the R&D tax credit rate to 35%, keeping Ireland's offering globally competitive and encouraging long-term R&D investment, job creation, and skills development.



# Acquisition of Intangible Assets

In addition to the R&D tax credit another cornerstone of Ireland's innovation ecosystem is the availability of tax relief on expenditure incurred on the acquisition of certain qualifying intangible assets (S.291A).

There can be significant interaction between this relief and the investment in R&D by companies in Ireland. For example, if the acquired intangible asset is at an early stage in the R&D lifecycle then the company would likely need to continue to develop the asset until any resulting product can be launched.

The available relief on the acquisition of qualifying intangible assets is extremely beneficial but there are certain unnecessary restrictions in the rules (for example the requirement to ringfence the relief against future income from the asset or other assets on which IP amortisation has been claimed on) which can create a barrier for companies taking the risk of acquiring certain intangible assets especially if they are at an early stage in the R&D lifecycle (and there is risk the assets will not be successful).

Similar restrictions do not exist in other countries with comparable rules. In addition, the separate trade restrictions create a significant compliance and administrative burden for all companies who claim the relief as they need to split their business results for tax purposes only.

**In relation to the acquisition of Intangible Assets, AmCham recommends:**

- Removal of the separate trade restrictions in the acquisition of intangible assets rules under S.291A.
- Remove restrictions on the use of excess IP allowances forward and treat them consistently with regular trading losses.

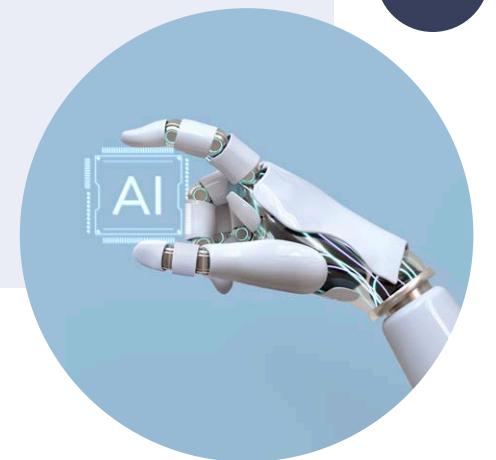


# Digitalisation and Decarbonisation Tax Credits

To future-proof Ireland's competitiveness and support its innovation and climate goals, AmCham recommends the introduction of two targeted tax credits: a Digitalisation Tax Credit and a Decarbonisation Tax Credit, each at a rate of 35%. These standalone credits would support businesses investing in transformative digital and sustainable initiatives. The Digitalisation Tax Credit would incentivise the adoption of advanced technologies such as A.I., cyber security, and automation, while the Decarbonisation Tax Credit would drive investment in green technologies, energy efficiency, and carbon reduction. These credits would position Ireland as a global leader in innovation.

**With regard to digitalisation and decarbonisation tax credits, AmCham recommends:**

- Introduce standalone Digitalisation and Decarbonisation Tax Credits, each at a rate of 35%, to support businesses investing in advanced digital technologies (such as A.I., automation, and cyber security) and in carbon-reduction initiatives (such as energy efficiency and green technologies), ensuring Ireland remains globally competitive and aligned with its innovation and climate objectives.



# Group Relief for Tax Losses Forward

AmCham recommends amending Ireland's tax loss rules to allow qualifying groups to claim group relief for carried-forward losses, provided all eligibility conditions are met. Currently, group relief is restricted to current year excess losses. Expanding this relief to include carried forward losses—subject to proportionate safeguards—would support business continuity and incentivise future investment.

To ensure balance, the relief could be capped so that no more than 50% of the claimant company's income in the current year may be sheltered.



# Tax Code Simplification

The simplification of Ireland’s tax code represents a key opportunity for Ireland to ensure it remains competitive for inward investment and FDI. In supporting enterprise, it is important that the administrative and compliance burden is addressed, given its significant increase in recent years. In protecting Ireland’s competitiveness in the global investment landscape, it is important that the Irish tax code meets the needs of modern-day business.

With regard to Ireland’s tax code, AmCham recommends:

- Advance the simplification of Ireland’s tax code.

# Tax Treatment of Interest

A comprehensive overhaul of Ireland’s interest deductibility regime would be beneficial to ensure alignment with international best practices and maintain Ireland’s competitiveness as a location for US investment. The current framework is fragmented, overly complex, and burdensome for businesses, particularly due to layers of legacy rules and recent legislative changes such as anti-hybrid and interest limitation rules.

Reforming this area would reduce administrative burdens, provide clarity and certainty to businesses, and ensure Ireland remains a leading, attractive destination for global FDI.

In terms of the tax treatment of interest, AmCham recommends:

- Introduce a simplified, elective interest deductibility regime to replace Ireland’s current fragmented system and enhance competitiveness for US investment.
- Providing a timeframe for the completion of the review and implementation of legislative change.



# Revenue

As Ireland competes globally for investment, the efficiency, clarity, and consistency of its tax administration play a central role in maintaining competitiveness. Investment should be increased in Revenue’s operational capabilities, particularly in simplifying administrative processes, improving audit timelines, and ensuring consistent interpretation of tax legislation.

A modern, responsive, and digitally enabled Revenue service will support business certainty, reduce compliance burdens, and enhance Ireland’s attractiveness as a base for US investment. Proportionate, risk-based auditing, paired with transparent communication and ongoing digital transformation, will reinforce investor confidence in Ireland’s tax system.

With regard to Revenue, AmCham recommends:

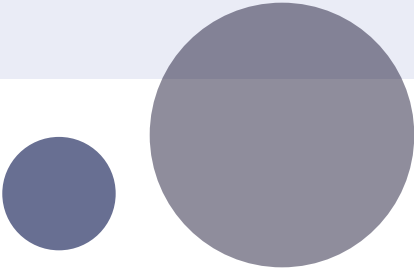
- Ensure Revenue has the necessary resourcing to provide clear timelines, consistent engagement, and prompt closure of audits and queries to support business certainty.

# Participation Exemption Regime

The introduction of Ireland’s dividend participation exemption represents a positive step towards simplifying the corporate tax framework and enhancing Ireland’s competitiveness. However, certain aspects of the regime are restrictive and makes it less attractive to investors. The geographic scope should be extended as confining the exemption to dividends received from EU/EEA/ tax treaty countries only is out of step with international norms. Clarity and consistency in related areas, including the treatment of recently acquired subsidiaries and capital gains on share disposals, will be critical to maximising the effectiveness of the regime.

With regard to the participation exemption regime, AmCham recommends:

- Extending the geographic scope of the participation exemption so as not to confine the exemption to dividends received from EU / EEA / tax treaty countries only, given that this approach is out of step with international norms.
- Amending the “five-year” look back rule and the definition of “relevant subsidiary” to remove the barriers to qualification.





## Branch Exemption Regime

Given the introduction of the participation regime for foreign dividends in Budget 2025, accompanied by a commitment to examine the introduction of a branch exemption, it is important that this is now advanced, and a clear timeline is provided by the Government for implementation.

With regard to a branch exemption regime, AmCham recommends:

- Introduce a branch exemption, with the provision of a clear timeline for the implementation of such a regime.



# Leading Digital Transformation and Cyber Security

Given the crucial role Ireland plays as a digital regulatory hub within the European Union, enhanced by the significant presence of US MNCs here, huge opportunities exist for Ireland to lead in the areas of A.I., cyber, data and digital. In supporting Ireland's role as a regulatory hub, ensuring a balanced, consistent and responsible regulatory system is essential. It is important, in this context, that Ireland has a focus on driving innovation and the adoption of new and emerging technologies, solutions, services and products. This will be ever-more important in ensuring Ireland is a digital leader on the global stage given the pace of change in digital technologies and services.

With a focus on digital innovation and adoption, enhancing digital infrastructure and skills, and supporting the digitalisation of public services, Ireland can enhance its competitiveness as a location in which businesses can invest and grow. Indeed, 40% respondents to a recent AmCham member survey indicated that the adoption of A.I. or emerging technologies represents the greatest opportunity for their business in Ireland in the next 5 years, while 20% said the development of new products or services provided the greatest opportunity. Ireland, with smart investment and policy decisions, must ensure it is best placed to grasp the opportunities of the future in digital, data, cyber and A.I..

## In relation to Ireland's digital competitiveness, AmCham recommends:

- Deliver a comprehensive and coordinated digitalisation of public services accompanied by an action plan with KPIs and key milestone investments necessary to facilitate the strategy.
- Implement a public-cloud first policy, supporting a digital-first approach when a public service is being upgraded or introduced.
- Support the development of digital procurement with the development of a partner-led cloud framework informed by the Consip model in Italy.
- Develop a consultation and engagement strategy to work with industry as a strategic partner in terms of digital procurement.
- Protect and enhance Ireland's position as a digital regulatory hub within the EU.
- Leverage the industry expertise present in Ireland to inform technical consideration of future regulation at EU level, informed by the experience of Irish regulators.
- Ensure the proactive development of positioning on key EU legislative proposals, areas of A.I., cyber, data, digital and advanced/digital manufacturing, given the strategic importance of such areas for Ireland.
- Deliver an independent assessment of the skills, competencies, digital capacity and related funding required to deliver on Ireland's ambition as a key regulatory hub within the EU, in key areas such as financial services, data and digital.
- Complete the rollout of the National Broadband Plan.
- Support the uptake of high-speed fibre broadband through measures which would view internet access in a similar manner to other essential services for the purposes of VAT.

## Cyber Security

In supporting digital transformation and innovation in Ireland, it is critical that cyber security is given foremost consideration given that is a prerequisite for digitisation and digital adoption and innovation. cyber security is fundamental in terms of protecting both people and businesses in Ireland in terms of their current services and operations, and ensuring they are best placed to avail of future opportunities in the digital space.

Cyber security plays a crucial role in supporting inward investment and business growth. This is particularly the case of global supply chains where Ireland is a key location, and also with regard to Ireland's reputation as an investment location. Cyber security challenges can impact on all of society, on individuals, families, communities and business, and any cyber attack can have an adverse impact not just on the services people receive, but on a country's reputation on the global stage. As such, it is essential that the necessary investment and resources are put in place for Ireland to provide the highest standards of cyber security, particularly for crucial infrastructure and services, and to support Ireland as a location for digital innovation into the future.

## With regard to Cyber Security, AmCham recommends:

- Provide adequate resourcing and investment to the National Cyber Security Centre (NCSC), ComReg, and all regulatory and relevant bodies to ensure the significant presence of cyber competencies within each body to ensure cyber security is to the fore given the speed of digitalisation across all services.
- Ensure cyber security commitments and systems are kept under constant review to ensure necessary adaptations are made to respond to emerging, malicious threats and to ensure critical services are adequately protected.
- Deliver talent retention measures to ensure cyber skills are in place in the NCSC, and all relevant bodies, to ensure resilience against talent attrition.
- Ensure resourcing for cyber security within relevant bodies is supported with expertise from fields including law enforcement, incident response and diplomacy, with additional resourcing from backgrounds including behavioural sciences, geopolitics and psychology.
- Provide the necessary training for key bodies to ensure adequate cyber security management and support the detection and prosecution of cybercrime.
- Support companies of all sizes, but particularly SMEs with regard to future legal and regulatory changes as they relate to cyber security, through awareness raising campaigns and direct engagement.
- Deliver formalised benchmarking processes for cyber security to ensure Ireland meets and maintains global best practice standards.
- Ensure the strengthening of international relationships are prioritised to support deeper collaboration on cyber security to inform Irish approaches with international best practice as governmental, agency and public body levels.







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