Budget Statement from the Finance Minister /u/waasup008 on behalf of the Government of the 12th Dail.

Ceann Comhairle,

This terms budget has been formulated quickly once again but despite that, there is no haste in its construction. Progressive Left Coalition have built on the weaknesses of the past and designed a budget that works for everybody. Those who have the widest shoulders bear the most but not anything beyond unreasonable.

Macroeconomic Summary

We predict a 4.5% GDP growth this year, following on from 4%, this is up from a projected 3.8%. The revision is due to stabilisation within the United Kingdom following the continuation of their brexit talks and the markets beginning to favour Irish production over British very slowly.

Unemployment is on the decrease down from 6.4% to 5%, we expect this to stay stagnant but it has proven the initiatives of this government with regards to reskilling and upskilling the workforce for a high tech, higher wage economy are working.

National debt continues to fall, we aim to clear it at the earliest possible date.

Taxation

Income Tax

We have added a new tax bracket for the more wealthy to help pay for the services we all enjoy. Those earning greater than €100,000 a year shall pay 50% income tax on all earnings exceeding that amount. We have removed income taxation for those on earnings less than €15,000 a year to assist lower income households. We have also revised all bands, giving the following structure.

€15,000 - €30,000 at 25%
€30,000 - €80,000 at 30%
€80,000 - €100,000 at 40%
€100,000+ at 50%

This creates a fair and easy to manage tax framework for which we can fund our public services on the basis of need.

We have given some bands a tax cut and ensured that taxation remains fair to all, we remain one of the lowest in terms of income tax per € in the world. The UK has much higher tax rates. We do not believe this is fair and our budget is a commitment to the balance between paying for our public services and not effectively bankrupting our citizens. We intended and have done this with actions that speak louder than words.

Corporation Tax

Corporation Tax has remained at the current rate.

Value Added Tax

This will remain at the current rate.

Capital Gains & Capital Acquisitions Tax

These will remain at the current rate.

Customs Tax & Excise Duty

These will remain at the current rate.

Carbon Tax

This will remain at the same rate, however yield has increased with GDP growth, we shall work further on energy subsidies for clean energy to promote a greener Ireland.

Stamp Duty

This will remain at the same rate, however yield has increased due to property prices continuing to increase at a steady rate. Home ownership continues to increase year on year. We have also introduced a enhanced rate for non domestic premises at 6%.

Land Value Tax

This tax has been very successful and we have seen those with higher value land paying their bit into the public finances, yield continues to grow, though the rate will be charged at 10% on the market value of the land concerned.

Single User Container Levy

To encourage responsible use of plastic bags, we shall be introducing a 10 cent plastic bag levy and a 20 cent levy on single use take out drinks containers, which is ring fenced for Green and Renewable energy. This is expected to fall at approximately 3.6% annually.

Expenditure

Net expenditure has decreased through removal of excessive money in the hands of the Treasury Department and removal of unaccounted for miscellaneous spending.

Capital Spending Projects

Healthcare

The biggest award in terms of spending increases has been to Health & Nutrition to begin the conversion of the current health system into a single payer system that will allow all to access healthcare on the basis of need and not the ability to pay, this is a cornerstone of this government's philosophy and we have effectively put our money where our mouth is here.

After the initial start on this project prior to the legislation passing we have revised the amount being spent to the correct amount to fit the project, assimilating the Health Service Executive money which will be defunct now the Health spending is where it should be with no wastage.

National Investment Fund

We have ring fenced €1bn per annum and €500m for a National Investment Fund and a Rainy Day Fund respectively, these will ease the burden of hard times and also ensure we can push additional investment where required and legislated.

Investment in Public Transport

We will be investing €2.5 billion in investing in our Public Transport and making it world class and fit for purpose. This Government has listened and will act.

Conclusion

I commend this budget to the whole of Ireland as a realistic, fair and sensitive approach to our finances that I urge everybody to get behind. We will invest in our services, we will ensure that nobody is left behind and we will ensure Ireland remains world class.

Believe in the budget, Believe in Ireland!

/u/Waasup008
Finance Minister