Scale Ireland welcomes €1 billion Investment Programme, CGT reduction & reforms to the R&D Tax Credit

6th October 2026: Scale Ireland strongly welcomes Budget 2027 as **'a strong budget for Irish scaling companies and entrepreneurs'.** The independent not-for-profit representative organisation, the largest for the Irish tech sector, welcomes the following:

- **Establishment of a €1 billion investment programme** to be operated by Ireland Strategic Investment Fund in conjunction with Enterprise Ireland over 3 years;
- **2% reduction in the Capital Gains tax rate** from 33% to 31%;
- **Enhancement of the R&D Tax Credit** including an increase in the year one payment from €87,500 to €105,000, increase to subcontracting limits from 15% to 20% or from €100,000 to €200,000, as well as reforms to the science test for the R&D tax credit for certain clinical trials; Also introduction of a new enhancement for qualifying R&D wage costs; Simplification measure to improve recognition of the R&D tax credit for preliminary tax purposes.
- **Allocation of €3 million to Enterprise Ireland to establish Start-up Ireland** and also continued support for Research Ireland from the National Development Plan to attract international researchers.
- **Employer PRSI threshold will rise** from €552 to 600 pw for 2027
- Extension of existing schemes - Employment Investment Incentive; the Start-Up Capital Incentive; the Start-Up Relief for Entrepreneurs; and the Relief for Investment in Innovative Enterprises.

The CEO of Scale Ireland, Martina Fitzgerald, said: "*This budget is a strong endorsement of Irish tech start-up and scaling companies. The new €1 billion investment programme, to be run by ISIF, will help to tackle Ireland's structural scaling funding gap. We hope the 2% reduction in the CGT rate - the first cut to CGT in almost three decades - will help incentivise increased investment in our sector. We also welcome the further enhancement to the R&D Tax Credit Scheme which will directly benefit companies."*

The Chair of Scale Ireland, Brian Caulfield, said: *"The new Scaling investment programme is very welcome and timely given the significant shortfall in scaling funding here. We look forward to working with ISIF and Enterprise Ireland to ensure the investment is allocated as soon as possible to help Irish enterprises scale globally. We hope this will leverage additional institutional investment in the sector. We also welcome the reduction in CGT - this is an initial step to accelerate investment into Irish innovation."*

Furthermore, Scale Ireland welcomes the new investment accounts which in future phases the government has committed to review supporting additional investment into early-stage start-up companies.

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For further information, contact Noel Rock.