AMATINO
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# BUDGET 2026

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# Overview

Budget 2026 outlines a total package of €9.4 billion, including €7.9 billion in additional public spending and €1.5 billion in taxation measures.

The main focus areas are income supports, social welfare increases, housing, healthcare, and cost-of-living adjustments.

# 1. Taxation

- The standard rate income tax band is increased by €1,500 for all earners.
- The Personal, Employee, and Earned Income Tax Credits each increase by €100.
- The 2% Universal Social Charge (USC) band increases by €1,318, bringing the ceiling to €28,700.
- The minimum wage rises to €14.15 per hour from 1 January 2026.
- The Renters' Tax Credit continues until 2028.
- Mortgage Interest Relief is extended for two years.
- VAT on food, catering, and hairdressing services is reduced from 13.5% to 9% from July 2026.
- The 9% VAT rate on gas and electricity is retained until 2030.

# 2. Social Welfare

- All core weekly social welfare payments increase by €10.
- The Qualified Child Increase rises by €8 per week for children under 12, and by €16 per week for children aged 12 and over.
- A 100% Christmas Bonus will be paid to long-term social welfare recipients.
- The Fuel Allowance increases by €5 per week, and eligibility is widened.
- The Domiciliary Care Allowance rises by €20 per month, reaching €380.
- The Living Alone Allowance increases by €5 per week.
- Working Family Payment income thresholds increase by €10 per week.
- The Carer's Support Grant rises by €100, reaching €1,900.
- Disability and Illness Benefit payments for qualified adults will increase.
- Child Benefit is extended to include 18-year-olds still in full-time education.

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## 3. Pensions and Employment

- The State Pension increases by €10 per week.
- The new auto-enrolment pension scheme begins in January 2026 for employees aged 23–60 not already in a pension.
    - Employees, employers, and the State will contribute matching amounts.
- PRSI rates for employees and employers will each rise by 0.1% from October 2025.

## 4. Housing & Business

- Additional capital investment is allocated to housing and infrastructure projects.
- The Help-to-Buy scheme is extended.
- VAT on new-build apartments is reduced to 9% to support housing supply.
- The Research and Development (R&D) tax credit increases to 35%.
- Ongoing supports are provided for SMEs, digital innovation, and sustainability initiatives.

## 5. Education, Health and Energy

- The free schoolbooks scheme is extended to Junior Cycle students in secondary schools.
- Funding increases for special education, apprenticeships, and teacher supports.
- Additional investment is allocated to healthcare, including mental health and disability services.
- Continued energy credits and increased investment in renewable energy and infrastructure improvements.