

7 IDEAS FOR '27

Green Party proposals for Budget 2027

- 01** A €2.5 billion Fossil Fuel Inflation Fund
- 02** A €100 million levy on data centres
- 03** Reverse the public transport fare increases
- 04** State funding for childcare wages, passed on as lower fees
- 05** Phase out the Student Contribution Charge by 2030
- 06** A National Tree Project: greening our towns and cities
- 07** A fair investment account that never taxes losses

INVEST THE SURPLUS FOR THE FUTURE

Ireland is one of the few countries in Europe with a budget surplus. How the Government uses it in Budget 2027 will decide whether families are better protected the next time energy prices spike, or the next time corporation tax receipts fall.

On current plans, we are ready for neither. The Summer Economic Statement shows spending rising by 5.9% this year, despite warnings from the Irish Fiscal Advisory Council. The public finances depend heavily on corporation tax paid by a small number of US firms in just two sectors, and would be in deficit without it. Meanwhile the Government is promising tax cuts with no long-term plan to bring down the cost of living. This is McCreevy economics all over again: spending all available money, with nothing set aside for the future.

This budget should set out a multi-year plan to put aside a growing share of excess corporation tax, so that day-to-day spending is protected if those receipts dry up.

That means investing more in infrastructure that strengthens our competitiveness, providing households with energy saving measures that lower the cost of living permanently, and putting more into Ireland's climate and nature sovereign wealth funds.

This budget should stick to the schedule on the carbon tax, to help move Ireland off fossil fuels and fund the transition for households and agriculture. Another postponement of the carbon tax increase only kicks the can down the road and undercuts much-needed funding for a just climate transition.

THE SEVEN PROPOSALS THAT FOLLOW DEAL WITH THE PRESSURES FAMILIES FACE THIS WINTER, WHILE LEAVING IRELAND LESS EXPOSED TO THE NEXT SHOCK.

1

A €2.5 BILLION FOSSIL FUEL INFLATION FUND

€2.5bn

once-off, to permanently reduce our dependence on imported fossil fuels

Irish households are paying the price for our dependence on imported fossil fuels. Attacks on oil and gas infrastructure in the US-Iran conflict and the war in Ukraine continue to push prices up, and there is no end in sight to either.

We've had four energy shocks in two years. Nearly 13% of the population were at risk of poverty in 2025 according to CSO SILC data. Families can expect higher energy bills right across 2027. Last year's Budget contained no energy credits, and a record number of households are now in arrears on their energy bills.

We have a once-in-a-lifetime opportunity to use part of the temporary surplus to permanently reduce that dependence.

WHAT WE PROPOSE

A once-off €2.5 billion Fossil Fuel Inflation Fund in Budget 2027. It would pay for:

Targeted energy credits over winter 2026-27, for the households who need them most, such as those with a combined income under €85,000

A major increase in support for home retrofits and solar panels during 2027

Measures to help families replace oil heating systems with renewable ones

Help for households to switch to electric vehicles

The credits would protect families from the worst of this winter's price rises. The retrofits, solar panels and EVs would keep bills lower in the years after, cut our emissions, and give us the security of homegrown energy.

So far, the Government's response to rising energy costs has been once-off measures focused on fossil fuels, with almost no investment in the alternatives. **Budget 2027 is the moment to change that.**

2

A €100 MILLION LEVY ON DATA CENTRES

23%

of Ireland's electricity is now used by data centres, projected to rise to 30%

Data centres now use 23% of Ireland's electricity and are projected to rise to 30%. Households are paying for much of the grid investment needed to serve them.

Over the last five years, data centres added an average of €360 to household bills. From October, the CCPC says every household will pay €41.25 a year towards building, maintaining and upgrading the electricity network.

Rapid proliferation of data centres, and the scale of their energy use is hugely out of balance with the rest of the country. The Government has built an energy model that holds grid capacity for data servers while families face rising network charges. The companies creating that demand should pay towards it.

WHAT WE PROPOSE

A levy on the electricity and gas used by data centres. The electricity levy would be €0.011 per kWh, based on the system Virginia introduced in July, and would raise about €84 million a year at current consumption. We would go further than

Virginia and apply a levy to gas as well, bringing the total to around €100 million.

Large non-power users consumed almost 8.9 TWh of gas in 2025, but there is no public figure for how much of that went to data centres. The Commission for Regulation of Utilities has warned that very large new users, mainly data centres and power generators, could have a major impact on Ireland's gas security.

The money raised would be aimed at grid improvements needed because of data centre growth. **Until the grid has more capacity, the Government should also pause the construction of new data centres.**

3

REVERSE THE PUBLIC TRANSPORT FARE INCREASES

€250

extra a year for someone taking a 90-minute Leap fare every working day

From January, fares on buses, trains, Luas and DART will rise by an average of 15%. In Dublin, the 90-minute Leap fare goes from €2 to €2.30, and some short-hop fares rise by a third. For someone making that journey every working day, that is about €250 extra a year.

This is happening in the middle of a cost-of-living crisis, and just as public transport is carrying more people than ever. In 2022, the Greens in government brought in the first fare reduction in Ireland since 1947: 20% off for everyone, and half-price fares for students and young people. Journeys rose from 290 million in 2019 to 363.5 million in 2025. The NTA has admitted that these fare increases will lead to lower user numbers with no improved or additional services.

With motorways full and congestion at record levels, the Government should be encouraging people onto public transport and expanding services. Instead, it has made it more expensive to leave the car at home. The increase will cost far more in congestion and emissions than it raises in fares.

Over the summer the Government spent hundreds of millions protecting some sectors from rising fuel costs. Bus and rail passengers are being asked to pay more on every journey.

WHAT WE PROPOSE

Budget 2027 should provide **€70 million to the National Transport Authority to reverse the proposed increases in full.**

4

STATE FUNDING FOR CHILDCARE WAGES, PASSED ON AS LOWER FEES

€300m

extra in Budget 2027, and the same again in 2028 and 2029

Wages are by far the biggest cost for childcare providers, and the main reason fees stay so high. Low pay is also why so many childcare professionals leave the sector, making it harder for services to hold on to staff and places.

WHAT WE PROPOSE

The State should start paying a share of childcare workers' wages directly. We are asking for an extra €300 million in Budget 2027, and the same again in Budgets 2028 and 2029. The proposal builds on one put forward by SIPTU, the early years union, earlier this summer.

Over the three budgets, the money would go to providers to meet their staff costs and to fund pay increases each year. In return, providers would sign a legal agreement to pass the savings directly on to parents. Fees would come down in September 2027, 2028 and 2029.

Parents would pay less.

Childcare workers: because the State would be funding wages, it could set better rates of pay and keep more good people working in childcare.

Providers, especially smaller services, would have far more certainty about their biggest cost.

Before the last election, families were told childcare would come down to €200 a month. This proposal is a practical way to get there, and **Budget 2027 is the Government's chance to show it was serious about that promise.**

5

PHASE OUT THE STUDENT CONTRIBUTION CHARGE BY 2030

€2,500

Student Contribution Charge, abolished over four budgets

Young people have been hit as hard as anyone by the cost-of-living and accommodation crises, and many are still stuck in their childhood bedrooms.

Students face high rents and long commutes, and on top of that a €2,500 Student Contribution Charge. Students and their families are paying more today than they did in 2024. Early signals suggest Budget 2027 will offer them very little.

WHAT WE PROPOSE

Abolish the charge over four years, starting with Budget 2027 and targeting lower-income families first. Each year, the household income threshold for free fees would rise:

Budget 2027	€120,000
Budget 2028	€140,000
Budget 2029	€160,000
Budget 2030	Universal free fees

Thousands of families would see the benefit from next year, and everyone would know what to expect for the rest of their time in college.

The cost could be met from existing Capital Acquisitions Tax receipts. Inheritance and gift tax brought in about €582 million in 2021 and about €1.12 billion in 2025, an increase of €539 million in four years.

Directing a share of that money to third-level education would support young people at the point they start independent adult life, and ease the burden on working households. **Wealth that comes back to the State through inheritance tax would be reinvested in the people who will shape Ireland's future.**

6

A NATIONAL TREE PROJECT: GREENING OUR TOWNS & CITIES

10,000s

new trees to dramatically increase the canopy in our towns and cities

Everyone deserves to have nature on their doorstep. Parts of Dublin already have tree-lined streets, but many towns, suburbs and estates have hardly a tree between them.

The Green Party proposes a National Tree Project to plant tens of thousands of native trees, with the aim of a tree on every suitable street in Ireland. It would be funded through the Nature Restoration Fund.

Our weather is becoming more unpredictable because of climate change, and street trees are one of the simplest ways to cope with it. They shade footpaths and cool streets during heatwaves, clean the air, and soak up rainwater that would otherwise overwhelm drains. They are good for nature and good for our mental health

Some can even feed us: in Kilkenny, mini orchards have been planted all around the city.

None of this is new. Cities such as New York and Milan are already rolling out large-scale urban tree programmes, and Irish towns

and cities have just as much to gain.

The same hotter, drier summers are putting our uplands at risk. This summer's wildfires, including in the Wicklow Mountains, showed that we don't have the equipment or trained people to deal with several fires at once.

Coillte and the National Parks and Wildlife Service, two of the largest landowners in the State, do not have a single helicopter or plane between them. Budget 2027 should thus also fund a full audit of the State's wildfire capability, and in-house aerial capacity for both.

7

A FAIR INVESTMENT ACCOUNT THAT NEVER TAXES LOSSES

€175bn

held by Irish households in the bank, nine euro in ten earning next to nothing

Irish households have over €175 billion in the bank, and around nine euro in every ten sits in overnight accounts earning next to nothing – often losing money in real terms.

For most people the safest option would be a fund, spreading their savings across many investments. In Ireland that rarely makes sense. Funds are taxed at 38%, against 33% for shares bought directly. Deemed disposal brings a tax bill every eight years even when gains are unrealised. The system works for those who can afford tax advice and punishes everyone else.

The Tánaiste plans to introduce a personal investment account in 2027, and has pointed to Sweden's model, a flat annual tax on the total value of the account. That means a tax bill even when investments fall. If a bubble bursts, Irish households would be paying tax while losing money.

WHAT WE PROPOSE

An account modelled on Norway's *Aksjesparekonto* instead. Nothing would be taxed while money stays in the account. A normal return would be exempt, and

standard capital gains tax at 33% would apply only to real gains when they are taken out. **Nobody would ever be taxed on a loss**, and contributions would be capped.

The account should also do some public good. Tax relief would not apply to funds holding fossil fuel extraction, tobacco, weapons, or companies operating in illegally occupied territories. The default fund, which savers could change, would be low-cost and globally diversified, with its bond holdings directed to new green sovereign bonds, cost-rental and social housing, and community renewable energy.

LONG-TERM DECISIONS, LOWER COSTS

People want an Ireland where they can afford a decent home in the place they live, get to work without an hour in traffic, heat the house without dreading the bill, and know the precious natural environment will be protected for future generations.

What keeps getting in the way is short-term thinking in government.

It spends windfall tax as if it will last forever.

It cuts excise on diesel while putting up bus fares.

It leaves households paying for grid capacity built for data centres.

Each choice is about getting the Government through the week, and families pay for it later.

**THERE IS A BETTER WAY TO DO THIS, CENTRED
ON LONG-TERM DECISIONS TO PERMANENTLY CUT
THE COST OF LIVING IN IRELAND.**