Irish Fiscal
Advisory Council

Irish Fiscal Advisory Council,
Whitaker Square (ESRI Building),
Sir John Rogerson's Quay,
Dublin D02 K138,
Ireland.

24 August 2026

Dear Minister Harris,

Under the Future Ireland Fund and Infrastructure, Climate and Nature Fund Act 2024, the Council is tasked with making an assessment of the economic or fiscal position of State. This assessment refers to the current year (2026) and subsequent year (2027).

The Council monitors economic and fiscal developments on an ongoing basis as part of its mandate. This includes examining the level of economic activity, best measured by modified Gross National Income and employment. The Council also continues to monitor general government revenue and expenditure. The Council has always considered general government measures to give the most comprehensive picture of the government's finances. The Council continues to monitor corporation tax receipts, given their size, volatility and concentration among a small number of foreign multinationals.

The Council assesses that there has not been a deterioration or a significant deterioration in the economic or fiscal position of the state. The Council does not foresee a deterioration or a significant deterioration in the economic or fiscal position of the state next year (2027). As a result, the Council does not recommend reducing or stopping contributions to the Future Ireland Fund or the Infrastructure, Climate and Nature Fund.

After 2027, under the Government's own fiscal forecasts, surpluses are forecast to decline. If this occurs, surpluses would be insufficient to finance planned contributions to the savings funds. This would mean some additional borrowing would be required to finance these contributions. This departs from the initial purpose of the funds, which was to save rather than spend, risky corporation tax receipts.

The Council believes that the State should be saving a greater share of risky corporation tax receipts. That means running larger surpluses than currently planned for future years. This would mean borrowing would not be required to make contributions to the Government's savings funds.

Signed

Seamus Coffey