

FINANCIAL REGULATION ADVISORY

# SAVINGS AND INVESTMENTS ACCOUNTS

What providers need to know now



## 01 / AT A GLANCE

Ireland is moving towards introducing a national framework for savings and investment accounts (**SIAs**), following the European Commission's recent Recommendation encouraging EU Member States to establish (or enhance) SIA frameworks to make retail investing more straightforward and accessible for their citizens.

While several Member States already operate SIA regimes, Ireland currently does not have a domestic framework, meaning any Irish model will start from a relatively clean slate. The Minister for Finance indicated that the Government aims to introduce legislation in 2026, with SIAs expected to be available from 2027. However, key design choices, particularly around scope and taxation, remain unclear at this stage.



## 02 / IMPACT FOR FINANCIAL SERVICE PROVIDERS

For financial services providers, the direction of travel is important. The EU and domestic level focus on SIA frameworks represents an opportunity for Irish financial service providers to expand their businesses by offering SIA products in Ireland and elsewhere in the EU on a cross-border basis. The Banking and Payments Federation Ireland (**BPFI**) recently noted that the potential scale of an Irish SIA framework would be significant, estimating that €2 billion to €7 billion could be invested in the first year if the framework is designed in a simple, accessible and attractive way.

The Commission's Recommendation is designed to encourage broad retail participation across all age groups, along with market competition. Irish providers can, therefore, capitalise on this opportunity by expanding their retail client base and offering tailored financial products that meet the specific needs of individual investors. Firms that can deliver simple, transparent pricing and a seamless customer experience, both online and offline, will be well-placed to meet anticipated demand as the Irish framework takes shape.

## 03 / SIAs EXPLAINED

An SIA is an account provided by an authorised financial service provider to enable a retail investor to invest in a range of financial instruments, such as shares, bonds or funds, in a simple and accessible manner. It is designed to complement everyday bank or savings accounts and allow individuals to have full control over their investment choices. Simplified tax rules and attractive tax incentives are ordinarily applied to SIAs, allowing retail investors to retain a greater portion of their earnings and increase their wealth.

## 04 / WHY THE COMMISSION IS PROMOTING SIAs

The Commission is encouraging Member States to establish SIA frameworks as part of its efforts to advance the Savings and Investments Union (**SIU**). The Commission considers that SIAs can contribute to the development of the SIU through two complementary strands:

- **Improving the financial well-being of EU citizens:** Although EU citizens have one of the highest savings rates globally, many do not get the most from their savings due to low financial literacy, complex investor journeys and fragmented markets that restrict competition and choice. This limits opportunities to invest savings in ways that deliver higher returns and build wealth.
- **Delivering wider economic benefits:** While SIAs afford individuals with benefits and easy access to investment opportunities in EU capital markets, they also have positive knock-on effects for the wider economy. The Commission considers that greater citizen participation in capital markets can help to finance businesses and support economic growth and job creation across the EU, in line with its SIU objectives.

For more information on the SIU, see [here](#).

## 05 / EU BLUEPRINT: KEY DESIGN FEATURES FOR SIAs

The Commission's Recommendation provides Member States with a 'blueprint' for establishing SIA frameworks, drawing on existing best practices across the EU. The Recommendation outlines the key features that SIAs should have to maximise their uptake and help achieve the objective of boosting retail investor participation in EU capital markets.

While Recommendations issued by the Commission are non-binding and do not have legal consequences, they offer guidance on the interpretation or content of EU law or on policy direction (as is the case here).

**The Commission's Recommendation encourages Member States to design SIA frameworks that encompass the following key features:**

### A wide array of providers:



A wide range of authorised financial services providers (such as investment firms and credit institutions) should be able to offer SIAs. Member States should allow SIAs to be provided by financial service providers appropriately authorised in any Member State and allow them to offer and provide services in connection with an SIA under the same conditions and requirements as providers established in their territory.

### Simplicity:



To allow the seamless buying and selling of instruments within an SIA, providers should offer a simple, secure, reliable and easily accessible user experience for investors, both online and offline.

### No minimum investment requirements:

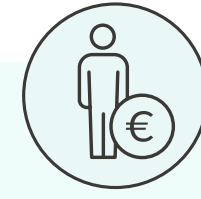


There should be no minimum investment requirements to open an SIA, i.e. no minimum investment amount or requirement to make regular payments into the SIA. This is to encourage participation across all age groups, regardless of whether they can invest small or large amounts.

### Possibility to hold multiple accounts:



Investors should be allowed to open multiple SIAs, including with different providers.



### Proportionate costs and portability:

The cost and fees associated with opening and operating an SIA should be fair, proportionate, transparent and easy to understand. The costs of transferring investments between SIAs, whether with the same or different provider, should be limited to administrative costs and investors should not be faced with cumbersome processes when transferring their investments or switching provider.



### Optional associated investment advice:

Unless specifically required under EU legislation, holders of SIAs should not be required to receive financial advice when investing through an SIA. The Commission explains that retail investors should have the option of choosing between investment services that provide investment advice and execution of orders, and services that only consist of execution or reception and transmission of client orders, where investment decisions are made independently by retail investors.



### Broad investment choices:

SIAs should offer access to a wide range of financial instruments and allow investors to diversify their portfolios across asset classes, issuers, manufacturers, economic sectors, geographies and risk profiles. The Commission recommends that investors have access to a minimum 'basket' of instruments from a broad range of issuers, which includes shares, bonds and units or shares of UCITS funds. Member States can also consider the inclusion of other financial instruments as part of the minimum 'basket', provided they are appropriate for retail investors (such as units or shares of ELTIFs and retail AIFs).



### Tax incentives:

Tax incentives should be simple for retail investors, providers and tax administrations to understand and apply. SIAs and assets held in SIAs should benefit from at least the most favourable tax treatment available to income from any asset class or to an investment product or account. The Recommendation outlines multiple options for tax incentives, including tax deductions, tax exemptions, tax deferrals, uniform tax rates or a combination of these measures.



### Exclusion of highly risky or complex products:

Certain highly risky or complex products should not qualify to be held in an SIA, e.g. some derivatives and crypto assets other than those qualifying as financial instruments eligible to be held in an SIA. SIAs should provide investors with better access to investment opportunities in line with their risk profile and appetite and financial goals.



### Simplified taxation process:

Streamlined tax procedures should be introduced so that tax compliance is simple and easy for investors. Where possible, automated tax systems should be utilised. The Recommendation encourages Member States to put in place a framework enabling SIA providers to collect tax on behalf of the retail investor and/or share relevant data with the tax authority for pre-filling an investor's tax return.

## 06 / IRELAND'S EMERGING APPROACH

### 6.1 Irish framework: Current signals and indicative timeline

At the first Annual Savings and Investment Forum in March this year, the Minister for Finance announced that the Government is in the early stages of developing a legislative framework for 'personal investment accounts' (i.e. SIAs) that is "robust, consumer focused and aligned with international best practice".

The Minister confirmed that the Government intends to introduce the legislative framework in 2026 and to allow accounts to be offered from 2027. He also provided the following limited information on the Government's plans:

- the SIA would be a simple, one-stop option for individuals
- the SIA would be accessible, tax efficient, easy to administer, transparent on fees and portable across borders where possible

- the framework would feature an annual flat-rate tax (that is likely to be set in the budget later this year)
- the flat-rate tax would be applied to the value of assets held in the account above a tax-free threshold
- the flat-rate tax could potentially serve as the sole form of taxation on investments made through the SIA
- all investments made within the SIA would receive consistent tax treatment
- SIA providers would be required to administer the tax to help remove complexity for investors
- the views of relevant experts, international best practices and the needs of Irish households will be considered during the design phase

To date, the Government has not provided any further detail, and it remains unclear what form the domestic SIA framework will ultimately take, including its scope and the precise operation of any proposed tax regime.

It will be interesting to see if the Government will specify the Commission's particular objectives as part of the framework – Member States are recommended to encourage SIA providers to offer investment options enabling investors to support strategic EU priorities such as the digital, green and social transitions, and the strengthening of EU security and defence.

### 6.2 Tax landscape: key challenges for providers

Recent [consumer research](#)<sup>1</sup> by the Central Bank of Ireland (**Central Bank**) (**Central Bank Research Paper**) cites lack of knowledge or understanding as a key barrier to retail participation in capital markets. However, taxation is likely to be one of the most challenging aspects of SIAs, so the Government will need to apply a clear, consistent and simple tax regime to SIAs, with a particular focus on capital gains tax. Unfortunately, there will

<sup>1</sup> 'Retail Investor Participation in Ireland – Consumer Research and Analysis (December 2025)'

be uncertainty for financial service providers as long as the tax treatment for SIAs remains unclear.

Notably, the Minister for Finance has indicated that the Irish SIA framework will form part of a broader review of retail investment taxation. There is little detail on what the reforms will look like, but the Minister noted the following points on taxation:

- The tax treatment of retail investments was considered as part of a broader review into the funds and asset management sector in Ireland, which culminated in the 'Funds Sector 2030' report that was published in October 2024.
- In recognition of the importance of encouraging retail investment, Budget 2026 provided for a reduction in the rate of taxation on returns from Irish and equivalent investment funds and Irish and certain foreign life assurance policies from 41% to 38%, which took effect from 1 January 2026.

- Budget 2026 also included a commitment to publish a retail investment tax roadmap in 2026, setting out the intended approach to simplify and adapt the tax framework to encourage retail investment, while retaining proportionate anti-avoidance protections. The roadmap, which will be published in the coming months, will take into consideration developments at EU level in respect of the SIU, including the Commission's Recommendation on SIAs and continue to draw upon best practice in other countries that operate successful savings accounts.

Interestingly, there have been reports that the Government is considering the removal of the mandatory tax payment on exchange traded funds (ETFs) known as 'deemed disposal'. Under deemed disposal, investors in ETFs pay a 38% exit tax every eight years, even if they have not disposed. Deemed disposal was introduced in 2006 to stop investors from indefinitely deferring tax on investment gains. However, it treats diversified investors more harshly than stock-pickers as profits on a speculative share are taxed at 33% and only when sold, yet a low-risk global ETF gets hit earlier and at a higher rate. Experts say that deemed disposal brings needless complexity, forcing investors to frequently calculate notional gains and pay tax on profits that have not yet been realised, meaning most savers will avoid ETFs entirely to avoid the inconvenience.

Notably, the BPFi recently called for the removal of the deemed disposal rule and a phased reduction in capital gains tax toward a more competitive range (e.g. 18% to 20% over five years) to ensure a successful SIA framework.




### 6.3 Existing frameworks in other jurisdictions

As the Irish Government has said it will consider international best practices during the design phase, it is likely to look to SIA frameworks already established in other EU Member States for guidance.

Member States that currently have SIA frameworks in place include Denmark, Estonia, Finland, France, Hungary, Italy, Latvia, Lithuania, Slovakia and Sweden. The specific features of these regimes vary quite significantly.

For example:

UK APPROACH	
<p>The UK's Stocks and Shares Individual Savings Account (ISA) is one of the most successful retail investment vehicles in the world, with over 15 million adult ISA accounts and 1.3 million junior accounts subscribed to in 2023 and 2024. Its success is largely attributable to its simplicity and transparency. Investors own shares or funds or ETF units directly, within a tax-advantaged wrapper. The account holder sees precisely what they own, what it is worth, and what fees they pay.</p>	

SWEDISH APPROACH	
<p>Sweden's investeringsparkonto (ISK) retail product is recognised as the blueprint for EU retail investment. The ISK is a standardised investment account with a flat annual tax on the account's value (calculated on a deemed return basis) rather than a tax on actual gains. The account is personal and cannot be jointly owned, although one may hold multiple ISKs. Minors may open an ISK with a legal guardian, allowing for early engagement with investments. The drivers of the success of the ISK include low costs, direct ownership of instruments and a simple tax treatment that does not penalise active engagement.</p>	

Recent media coverage suggests that the Government has moved away from plans to adopt a Swedish-type model, which was initially identified as the preferred choice. It has been reported that officials are now considering a “range of international experiences” from both EU and non-EU countries, and another country’s model will not be simply copied without having “reference to what will best fit the Irish experience”.

#### 6.4 Engagement with the Central Bank of Ireland

It is likely that the Government will engage extensively with the Central Bank during the design and implementation phases of the national SIA framework.

Findings in the Central Bank Research Paper could be reflected in the Government's plans, including, but not limited to, the need to satisfy the following "key factors for success":

- Providing greater availability and choice of suitable products, providers and delivery channels.
- Building greater knowledge and understanding of the role investment can play in securing long-term financial well-being through:
  - › access to multiple sources of high-quality information, advice and support
  - › education and enhancing financial literacy.

- Ensuring a robust investor protection regulatory framework that engender trust in capital markets.
- Establishing domestic structural measures concerning taxation and pensions.

The Central Bank believes these factors can contribute to increasing retail investor participation in Ireland by empowering investors to distinguish between speculative and unsuitable products and appropriate products that can assist them in meeting their financial goals, while maintaining their trust in capital markets and the consumer protection framework.

#### 6.5 Engagement with the BPFII

The BPFII recently published a report setting out its recommendations for the design and implementation of the Government's proposed SIA framework. The report was presented and discussed at a meeting between the Irish retail banks and the Minister for Finance to help

inform the framework, so we would expect the Government to implement many of the BPFII's recommendations.

Under the BPFII's recommendations, the SIA framework should offer:

- An account that is easy to open, understand and use. It should be accessible across common customer channels, include the ability to invest regularly and be designed around the reality that most people begin investing with modest amounts and build confidence over time.
- Broad, retail-appropriate investment options, without geographic restrictions or mandates that could constrain diversification. In practice, this means the account should accommodate core mainstream financial instruments such as UCITS funds, listed securities, cash, bonds, unit-linked insurance products and ETFs.
- Access to funds on request, recognising that while long-term investing is the goal, excessive restrictions can deter first-time investors

who may need funds for life events. If any holding incentives are considered, they should be clearly linked to additional benefits and designed in a way that does not undermine the core appeal of the product.

- Prudent annual contribution limits that balance encouraging participation with wider financial system considerations.
- Clear and attractive tax incentives based on an annual contribution threshold, so consumers can easily understand the benefit of long-term investing.
- A strong, coordinated financial education and public awareness programme, led jointly by Government, regulators and industry.

The BPFII acknowledges that sufficient time between the publication of the SIA framework and deployment is crucial for a successful launch and suggests a nine-month lead-in time as appropriate. We will have to wait to see if the Government will provide a longer lead-in time.

## 07 / PRACTICAL IMPACT FOR IRISH FINANCIAL SERVICE

Despite the overall net worth of Irish households more than doubling in the last decade, Ireland's retail investor participation (through listed equity, debt securities and investment funds) is widely recognised as low. The Central Bank Research Paper reports that Irish households hold a significant share (38%) of their financial assets in cash and bank deposits as of Q2 2025. The Irish Government would like to shift this dynamic by introducing a simpler, more consumer-friendly investment account framework.

For Irish providers, this gap creates an opportunity to engage a broader cohort of retail clients, particularly if the Irish framework follows the EU blueprint's emphasis on ease of access, fair and transparent fees, portability and a broad choice of eligible instruments. We understand that new entrants like Monzo, Bunq, Raisin and MoCo are targeting customers with high rates of cash and bank deposits for investment opportunities.

As such, the EU and domestic level focus on SIA frameworks represents an opening for

Irish financial service providers to expand their businesses by offering SIA products in Ireland and elsewhere in the EU on a cross-border basis.

### 7.1 Types of SIA providers

Given the Recommendation emphasises that SIAs are most successful where there is strong competition among financial service providers, Ireland is likely to permit a wide range of providers to offer SIAs to retail investors. However, this will only apply if providers have authorisation to offer an SIA and the investment services they intend to provide in connection with it, such as the reception and transmission of orders, execution of orders, safekeeping and administration of financial instruments, giving investment advice and/or portfolio management. Irish MiFID investment firms, credit institutions with appropriate MiFID permissions and UCITS management companies with relevant MiFID top-ups will be well-placed in this regard. These firms can offer a broad range of diversified low-cost UCITS and ETFs in addition to

a range of securities traded on regulated markets, thereby satisfying the Commission's objective of enabling investors to diversify their portfolios based on their risk profile and investment objectives.

### 7.2 Key legal and operational considerations for SIA providers

Providers that offer SIAs are likely to be expected to deliver a simple and accessible investor journey, with high-quality investment options and fair, competitive and transparent pricing. In doing so, providers will need to comply with applicable Irish and EU requirements (including under MiFID II) when designing, marketing and providing SIA products and related investment services. This will be the case whatever shape the Irish SIA framework takes.

For example, firms will be required to comply with detailed obligations on suitability and appropriateness assessments. For some SIA providers, this might include a further practical

build-out of suitability and appropriateness processes (and related governance, record-keeping and customer communications) across advised and non-advised channels. The suitability and appropriateness processes would be expected to be integrated into the digital account opening and transaction journey, ensuring that SIA portfolios are aligned to each investor's financial situation, investment objectives and risk profile on an ongoing basis.

Transparency of costs and charges will remain a key regulatory focus, including ease of comparability between providers and robust ex-ante and ex-post disclosures in line with MiFID II requirements. This means that costs and charges for opening and operating SIAs should be clearly stated and easy to understand for all parties. Although, it is worth noting that there are EU proposals underway to simplify some of the costs and charges disclosure obligations.

The Recommendation also places emphasis on portability and switching (with transfer charges limited to administrative costs) which could drive operational uplifts for firms that would need to make changes to support streamlined account and portfolio transfers (including cross-border). Providers may also need to build operational capabilities to support simplified tax compliance, including processes for collecting tax and/or reporting tax information to the Revenue Commissioner (or the relevant tax authority in the EU).

### **7.3 Consumer awareness campaigns**

We expect the Government to launch awareness raising campaigns to accompany the rollout of SIAs. The campaigns may be integrated with a financial literacy campaign, and the Government will likely request industry participation in the campaigns to emphasise impact and reach.

## **08 / WHAT HAPPENS NEXT**

### **8.1 EU monitoring and review**

The Commission will closely monitor the take-up of its Recommendation on SIAs and will report its findings to the Eurogroup in the context of its regular monitoring and exchanges on the SIU with Member States. Member States are encouraged to inform the Commission of measures taken to comply with the Recommendation and of the actual uptake of SIAs. The Commission will also take stock of implementation of its Recommendation in the context of the midterm review of the SIU strategy that is scheduled for 2027.

### **8.2 Ireland: Legislative pathway**

The Irish Government plans to introduce legislation in 2026 and to allow accounts to be offered from 2027. However, it is unclear if there will be an opportunity for stakeholder engagement or a public consultation in advance of, or coinciding with, publication of draft legislation. Furthermore, the Government could face challenges obtaining approval of the draft legislation during the legislative process, which could potentially delay the proposed launch in 2027.

## 09 / HOW CAN ALG HELP?

As the Government prepares to introduce legislation for SIAs, financial service providers should begin planning early to ensure they can bring SIA products to market efficiently. ALG's Financial Regulation Advisory Team is well positioned to advise financial service providers as the Irish SIA framework moves from policy announcement to legislation and market launch.

ALG has deep experience advising Irish and international financial service providers on MiFID II compliance. ALG can support providers across the full lifecycle so they are operationally ready when accounts may be offered from 2027. This includes gap analyses of existing MiFID II authorisations and permissions, product structuring, regulatory engagement, marketing, suitability and appropriateness obligations, cost and charges disclosures, and the design of digital onboarding and investment journeys.

We are actively monitoring developments at both EU and domestic level and are ready to help clients engage constructively with any forthcoming public consultation or stakeholder process and we can assist firms with anticipating how the final framework is likely to take shape.

Whether you are an established investment firm, a credit institution or a newer market entrant, our team can help you navigate the evolving regulatory landscape and position your SIA offering competitively. Please contact any member of the team below to discuss how we can support your preparations.

A photograph of the A&L Goodbody building, a modern glass-fronted structure. The company name 'A&L Goodbody' is displayed in large, illuminated blue letters on the upper part of the facade. The building is partially obscured by green foliage in the foreground. A thick teal diagonal line runs across the page from the bottom left towards the top right, passing behind the building image.

A&L Goodbody

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