

Introduction

Ireland has a strong opportunity to accelerate the startup ecosystem developing right across the country, emulating the success achieved in FDI, accelerating indigenous innovation and bringing economic growth to the regions.

Ahead of the General Election, we analysed the manifestos of all of the major political parties (Fianna Fáil, Fine Gael, the Green Party, Labour and Sinn Féin) to see what commitments they are making to improve the environment for indigenous companies to scale.

The approach we have taken is to include only specific commitments. Vague statements of “ambitious strategies”, “establishing committees”, etc without specific commitments are not included. We have included the policy proposals as they appear in the party manifestos without comment as to their likely impact, positive or negative. We leave it to you to make that judgement in the light of this and the other factors that might influence your vote.

Perhaps the most surprising outcome of this analysis is how little attention most of the manifestos give to the development of indigenous enterprise. Many parties have, essentially, no specific policy focus or strategy for the development of Irish innovation-driven enterprises at this stage of the election.

During the election campaign the focus has largely been on how the parties will manage expenditure. However the conversation also needs to be about how we'll fund the services we need, and how our political leaders can shape a more sustainable economic model to finance the type of society we want to live in.

General Election 2020

In its [Startup Policy Manifesto](#), Scale Ireland called for Government action to better support innovation-driven startups, and published an [Open Letter](#) signed by over 300 startup founders, investors and ecosystem leaders across the country. Below are Scale Ireland’s General Election 2020 “asks” for political action on Startup Policy that we wish to see included in the next Programme for Government:

1.	Political Commitment (Q1 2020):	Startup Minister: appoint a Minister (of State) for Startups, SMEs and Digital Development, empowered with a cross-departmental mandate to champion Ireland’s startups within government and act as an ambassador for Ireland’s startup ecosystem abroad. National Startup Strategy: begin development of a national strategy to include specific policy actions to support innovation-driven startups to succeed and scale.
2.	Budget 2021 & Finance Bill 2020 (Q4 2020):	Build on the welcome, but limited, measures in Budget 2020 to support startups including KEEP Scheme, EII Scheme, R&D Tax Credit and CGT Entrepreneurs Relief.
3.	Action Plan: (2021-2025)	Implement the new National Startup Strategy.

Talent

To foster innovation, Ireland needs to create an environment that facilitates the development, attraction and retention of top-tier talent.

	Fianna Fáil	Fine Gael	Green Party	Labour	Sinn Féin
Income taxes	Increase standard rate band by €3,000. Entry point to top rate will be €38,500	Increase entry point for top rate from €35,300 to €50,000		Index income tax bands to inflation. Withdraw tax credits on high earners (>€100,000 p.a.)	Additional 5% tax on income above €140,000. Withdraw tax credits on high earners (>€100,000 p.a.)
	Introduce €600 rent tax credit				Abolish Special Assignee Relief Programme (SARP)
					Increase employers PRSI to 15.75% on salaries over €100,000
USC	Reduce 4.5% USC rate to 3.5%	Raise USC exemption threshold from €13,000 to €20,500		Will not raise USC	Abolish USC on income up to €30,000
Visas		Working group to consider improving mobility for work permit holders through sectoral permits			
Share Options	Review KEEP Scheme as part of commission on taxation		Promote share-based employment schemes to provide incentives to employees		
			Transfer of shares to employee cooperatives on a tax-free basis		
Education	Provide an additional €100m p.a. funding to 3rd level education				End 3rd-level fees
Other		"Returnships" programme to support people returning to the workforce			
		€300m Human Capital Initiative over 4 years			

Capital

Access to capital and the cost of capital are critical factors for the ability of high-growth startups to succeed and scale, particularly at the early stages of growth.

	Fianna Fáil	Fine Gael	Green Party	Labour	Sinn Féin
Investment Incentives	Increase annual EIIS investment limit from €250,000 to €1m		CGT exemption for returns from EIIS investments to encourage uptake		
Other			Extend Strategic Banking Corporation of Ireland's Future Growth Loan Scheme		Increase funding for Ireland's Best Young Entrepreneur programme from €2m to €6m
					Increase funding for InterTrade Ireland by 20%

Entrepreneurship

In order for innovation-driven enterprises to thrive, they need a strong entrepreneurial ecosystem, where successful founders are encouraged and incentivised to reinvest their expertise and capital in the next generation of startups.

	Fianna Fáil	Fine Gael	Green Party	Labour	Sinn Féin
Income Tax	Equalise Earned Income Tax Credit with PAYE Tax Credit	Equalise Earned Income Tax Credit with PAYE Tax Credit	Equalise Earned Income Tax Credit with PAYE Tax Credit	Equalise Earned Income Tax Credit with PAYE Tax Credit	Equalise Earned Income Tax Credit with PAYE Tax Credit
CGT	Reduce from 33% to 25% over the next 5 years	Review at each budget with objective of supporting innovation-driven enterprises	CGT roll-over relief for exit proceeds reinvested in Irish start-ups		
Entrepreneurs' Relief	Increase Lifetime Limit for Entrepreneurial Relief from €1m to €15m				
Other	Extend eligibility for Carers' Benefit to the self-employed	Expand Acorns Programme to support female entrepreneurs			
		Increased EI/LEO mentorship for female entrepreneurs			
		Small business tax package averaging €20m in each of the next 5 years			

Business Environment

The business environment in Ireland is broadly supportive but much needs to be done to simplify access to supports for early stage companies, increase participation in public procurement, etc.

	Fianna Fáil	Fine Gael	Green Party	Labour	Sinn Féin
R&D Tax Credit	Simplify administration to encourage take-up by small businesses including pre-approval mechanism	Simplify administration to encourage take-up by small businesses including pre-approval mechanism	Restructure to make them more accessible to small companies		
Other			Open IP policy within Ireland to encourage commercialisation of research		Establish a state-wide Irish Enterprise Agency at a cost of €35m
					Ireland Strategic Investment Fund to fund rural broadband hubs and shared workspaces