

European Commission Publishes Recommendation on Savings and Investment Accounts

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On 30 September 2025, the European Commission (the **Commission**) published its **recommendation** on Increasing the Availability of Savings and Investment Accounts with Simplified and Advantageous Tax Treatment (the **Recommendation**). The Recommendation forms an integral part of the Commission's Savings and Investment Union **strategy** to enhance financial opportunities for EU citizens and businesses (the **Strategy**), which was unveiled on 19 March 2025. The Recommendation is addressed to member states of the European Union (**EU**) (**Member States**) and relates to the establishment of frameworks for savings and investment accounts (**SIAs**) with the aim of increasing the availability of SIAs and promoting greater retail investor participation in capital markets.

Background

EU citizens have one of the highest savings rates in the world, with the Commission reporting in March 2025 that over €10 trillion was held in savings. However, savers often do not get the most out of their savings due to factors such as insufficient financial literacy, complex investor journeys and fragmented financial services markets resulting in a lack of competition and limited choices.

Retail investments in capital markets can contribute to better financial outcomes for EU citizens as well as providing EU businesses with more funding, leading to opportunities to grow, innovate and create jobs. Increasing the EU investor base could also help finance strategic EU priorities, including the digital, green and social transitions, and the strengthening of EU security and defence (should retail investors choose to allocate their investments accordingly).

SIAs are accounts offered by financial institutions and services providers, such as investment firms and banks, which allow retail investors to invest in capital markets instruments. As further outlined below, these may include UCITS (including

exchange-traded funds (**ETFs**)), European long-term investment funds (**ELTIFs**) and retail alternative investment funds (**AIFs**).

While SIA frameworks have already proven successful in some Member States, in others they have either not yet been established or lack the features and incentives required to make them attractive to investors. The Recommendation provides Member States with a European blueprint for SIA frameworks, outlining the key characteristics that they should have in order to maximise uptake of SIAs. If implemented, the Recommendation should help to achieve the objective of boosting retail participation in capital markets, including increasing demand for investment in UCITS (including ETFs), ELTIFs and retail AIFs.

Key Recommendations

Costs associated with SIAs

The Commission has recommended that Member States should ensure that the possible costs and fees associated with the opening and operation of an SIA are fair, proportionate, transparent and easy to understand. It has also recommended that the costs of transferring assets from one SIA to another (whether offered by the same provider or a different provider) are proportionate and limited to necessary administrative costs that are clearly stated in the terms and conditions of the SIA.

Scope of Assets in SIAs

The Commission has recommended that Member States should ensure that SIAs provide access, at a minimum, to shares, bonds and shares or units in UCITS (including ETFs) from a broad range of issuers. Other financial instruments, such as units or shares of ELTIFs and retail AIFs may also be eligible to be held in an SIA. The Commission has recommended that highly risky assets such as crypto assets should be excluded (subject to certain exceptions).

Member States should encourage providers to offer the widest array of investment options available on the market, so that retail investors can diversify their portfolios across asset classes, geographical regions, issuers, asset managers, financial instrument manufacturers and risk profiles.

Simplicity and Transparency of SIAs

The Commission has recommended that Member States should ensure that SIAs provide a simple, reliable, secure and easily accessible experience for retail investors, both online and offline. The principles of simplicity, reliability, security and accessibility should be consistently applied across all user interfaces.

Tax Considerations

The Commission has recommended that Member States ensure that comprehensive information on the tax treatment of assets held in SIAs is made available in a way that is easily accessible and understandable for retail investors and financial services providers that intend to offer SIAs. In addition, they should ensure simple tax compliance procedures for SIA account holders by putting in place a framework enabling SIA providers to offer services that encompass: (a) the collection of tax on behalf of the SIA account holder; and/or (b) the sharing of all relevant data with the tax authority of the Member State of the tax residence of the SIA account holder so that it can be used to pre-fill the tax return of the account holder in question.

To encourage the uptake of SIAs, it has been recommended that Member States introduce tax incentives and ensure that SIAs and assets held in SIAs are given at least the most favourable tax treatment available to any other asset classes or investment products in their respective jurisdictions.

Implementation and Reporting

The Commission has encouraged Member States which do not currently have SIA frameworks in place to implement such frameworks with the characteristics identified in the Recommendation. Where such frameworks are already in place, they should be assessed to ensure alignment with such characteristics. Member States have been encouraged to regularly evaluate the effectiveness of the measures taken to implement the Recommendation and to exchange best practices regarding the design of SIAs with other Member States. The Commission will review progress in this regard as part of its midterm review of the Strategy, which is due to be published in 2027.

Further Information

Should you have any queries in relation to this matter, please get in touch with any of the below contacts or your usual contact in Dillon Eustace for assistance.

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