

Individual Savings Accounts – ISA's

An ISA is a flexible tax-free investment wrapper with an annual subscription limit according to the type of ISA it is.

In 2016/17 the subscription limits are:

Cash and Stocks & Shares ISA's - £15,240 (rising to £20,000 in 2017/18)

Flexible ISA - £15,240 (rising to £20,000 in 2017/18)

Junior ISA - £4,080

Help to Buy ISA - After an initial deposit of up to £1,000, this can be followed by up to £200 per month towards your first home. The government will then boost your savings by 25%. There is a bonus of up to £3,000 which will be paid when you buy your first home (conditions apply).

Lifetime ISA - to be introduced in 2017/18 for those aged between 18 and 40. Contributions will be restricted up to £4,000 per year before the age of 50 and the government will pay a bonus of 25%. Withdraw money before you turn 60 and you will lose the government bonus and any interest/growth, plus a 5% charge.

For more information about how each ISA works, what conditions apply, and what kind of things you can invest in please contact us at any time.