
STATUTORY INSTRUMENTS

2020 No. 506

INCOME TAX

CAPITAL GAINS TAX

The Individual Savings Account (Amendment
No. 3) (Coronavirus) Regulations 2020

<i>Made</i>	- - - -	<i>13th May 2020</i>
<i>Laid before the House of Commons</i>	- - - -	<i>14th May 2020</i>
<i>Coming into force</i>	- -	<i>4th June 2020</i>

The Treasury, in exercise of the powers conferred by section 151 of the Taxation of Chargeable Gains Act 1992(1), sections 694, 695 and 701 of the Income Tax (Trading and Other Income) Act 2005(2) and paragraph 8 of Schedule 1 to the Savings (Government Contributions) Act 2017(3), make the following Regulations.

Citation and commencement

1. These Regulations may be cited as the Individual Savings Account (Amendment No. 3) (Coronavirus) Regulations 2020 and come into force on 4th June 2020.

Amendment of the Individual Savings Account Regulations 1998

2. The Individual Savings Account Regulations 1998(4) are amended as follows.

3. In the Schedule, after paragraph 5, insert—

“5A. Notwithstanding paragraph 5, the specified percentage in respect of the period beginning on 6th March 2020 and ending on 5th April 2021 is 20%.”.

(1) 1992 c. 12. Section 151 was amended by section 85 of the Finance Act 1993 (c. 34), paragraph 436 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005, section 40(6) of the Finance Act 2011(c. 11) and section 27(2) of the Finance Act 2016 (c. 24).

(2) 2005 c. 5. Section 694 was amended by section 40(2) of the Finance Act 2011. Section 695 was amended by paragraph 132 of Schedule 4 to the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 701 was amended by section 40 of the Finance Act 2008 (c. 9) and section 40(5) of the Finance Act 2011.

(3) 2017 c. 2.

(4) S.I. 1998/1870. The Schedule was inserted by S.I. 2017/466.

13th May 2020

Maggie Throup
Iain Stewart
Two of the Lord Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Individual Savings Account Regulations 1998 (S.I. 1998/1870).

They provide for the withdrawal charge in respect of a Lifetime ISA for the period beginning on 6th March 2020 and ending on 5th April 2021 to be reduced from 25% to 20%.

A Tax Information and Impact Note will be published on the HM Government website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.