
STATUTORY INSTRUMENTS

1998 No. 1870

The Individual Savings Account Regulations 1998

[^{F1}Closure of mini-account or TESSA only account prior to the opening of the same type of account to be disregarded once

4B.—(1) Where—

- (a) an account investor, within the same year—
 - (i) subscribes to a mini-account or TESSA only account,
 - (ii) then closes it (“the closed account”), and
 - (iii) subsequently first subscribes to another account which has the same designation and type of component as the closed account, and
- (b) the closed account was (apart from under this regulation) exempt from tax under regulation 22(1),

the earliest account in that year to fall within the terms of sub-paragraph (a)(iii) (the “first later account”) shall be eligible for the relief in paragraph (2).

(2) The first later account shall be treated, as from the date of the first subscription to it mentioned in paragraph (1)(a)(iii)—

- (a) in the case of a mini-account, as complying with the conditions of regulation 4(1)(d)(ii), and
- (b) in the case of a TESSA only account, as complying with the conditions of regulation 5(1), in the same manner as the closed account.

(3) In this regulation, an account is closed where—

- (a) the account investor withdraws from the account all account investments, other proceeds in respect of such investments and cash, representing subscriptions to the account (and closure shall be treated as occurring at the date of such withdrawal), and
- (b) no further subscriptions to the account are made during the remainder of the year, after such withdrawal.]

Textual Amendments

- F1** Reg. 4B inserted (with effect in accordance with reg. 1(2)(b) of the amending S.I.) by [The Individual Savings Account \(Amendment No. 3\) Regulations 2002 \(S.I. 2002/3158\)](#), regs. 1(2), 4

Status:

Point in time view as at 08/01/2003. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the The Individual Savings Account Regulations 1998, Section 4B.