

**2009 No. 1550**

**INCOME TAX**

**The Individual Savings Account (Amendment) Regulations  
2009**

<i>Made</i>	- - - -	<i>23rd June 2009</i>
<i>Laid before the House of Commons</i>		<i>24th June 2009</i>
<i>Coming into force</i>	- -	<i>6th October 2009</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 694 and 701(5) of the Income Tax (Trading and Other Income) Act 2005(a) and section 151 of the Taxation of Chargeable Gains Act 1992(b):

**Citation, commencement and effect**

1.—(1) These Regulations may be cited as the Individual Savings Account (Amendment) Regulations 2009 and shall come into force on 6th October 2009.

(2) Regulations 3(a) and 6 have effect (on and after 6th October 2009) for the tax year 2009-10 and succeeding tax years.

(3) Regulations 3(b) to 5 have effect (on and after 6th October 2009) for the tax year 2009-10, and shall cease to have effect on 6<sup>th</sup> April 2010.

(4) Regulations 7 to 9 have effect for the tax year 2010-11 and succeeding tax years.

**Amendments to the Individual Savings Account Regulations 1998**

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

**Amendments having effect for the tax year 2009-10 (and in some cases succeeding tax years)**

3. In regulation 4(2) (general conditions for accounts and subscriptions to accounts)(d)—

(a) after “year) is” insert “£7,200 unless”; and

(b) for sub-paragraph (a) substitute—

“(a) the qualifying investor is 50 years of age or over, or is due to be aged 50 not later than 5<sup>th</sup> April 2010, where it is £10,200, or”.

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(a) 2005 c. 5; section 701(5) was inserted by section 40 of the Finance Act 2008 (c. 9).

(b) 1992 c. 12; section 151 was amended by section 85 of the Finance Act 1993 (c. 34), section 64(2) of the Finance Act 1995 (c. 4) and paragraph 436 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005.

(c) S.I. 1998/1870; relevantly amended by S.I. 2007/2119.

(d) Regulations 4(2) to (4) were substituted by regulation 6 of S.I. 2007/2119.

4. In regulation 4(3) at the end add “, unless the qualifying investor is 50 years of age or over, or is due to be aged 50 not later than 5<sup>th</sup> April 2010, when he or she may invest £5,100 in the year 2009-10.”

5. In regulation 4(4), after “the qualifying investor” (where those words first appear) insert “(who is not aged 50 or over, or due to be aged 50 not later than 5<sup>th</sup> April 2010)”.

6. In regulation 10(2)(ca)(a) (qualifying individuals who may invest under an account) for “other” substitute “applicable”.

#### **Amendments having effect for the tax year 2010-11 and succeeding tax years**

7. In regulation 4(2)—

(a) for “£7,200” (as inserted by regulation 3(a)) substitute “£10,200”;

(b) in sub-paragraph (b), for “£3,600” substitute “£5,100”.

8. In regulation 4(3) for “£3,600” substitute “£5,100”.

9. In regulation 4(4)—

(a) in sub-paragraph (a) for “£3,600” (in both places it appears) substitute “£5,100”;

(b) in sub-paragraph (b) for “£5,200” substitute “£8,200”;

(c) in sub-paragraph (c) for “£7,200” substitute “£10,200”; and

(d) in the words succeeding sub-paragraph (c) for “£3,600” substitute “£5,100”.

*Bob Blizzard  
Tony Cunningham*

23rd June 2009

Two of the Lords 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: “the principal Regulations”). The main effect of these Regulations is to increase the ISA subscription limits for individuals who will be aged 50 or over not later than 5<sup>th</sup> April 2010, to £10,200 (annual overall limit) of which up to £5,100 can be invested in a cash ISA, with effect from 6<sup>th</sup> October 2009. Those limits will apply to all ISA investors (except those between the ages of 16 and 18 who may only invest in cash ISAs) from 6<sup>th</sup> April 2010.

Regulation 1 provides for citation, commencement and effect and regulation 2 for amendment of the principal Regulations.

Regulations 3 to 6 make the amendments for individuals who will be aged 50 or over (regulations 3(a) and 6 continue to have effect after tax year 2009-10, regulations 3(b) to 5 only apply to that tax year).

Regulations 7 to 9 bring in the same annual subscription limits from tax year 2010-11 onwards, for all ISA investors.

A Regulatory Impact Assessment on the effect of this instrument is available at <http://www.hmrc.gov.uk/ria/index.htm>

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(a) Regulation 10(2)(ca) was inserted by regulation 14 of S.I. 2007/2119.

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STATUTORY INSTRUMENTS

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£4.00