
STATUTORY INSTRUMENTS

2011 No. 1780

**The Individual Savings Account
(Amendment No. 2) Regulations 2011**

Amendments to the Individual Savings Account Regulations 1998

19. After regulation 12 insert—

“Conditions for application to open an account that is a junior ISA account

12A.—(1) An application (“junior ISA application”) to open a junior ISA account with an account manager may only be made if the account will be held by an eligible child immediately following the opening of the account.

(2) An eligible child may hold—

- (a) only one account set up as a cash account; and
- (b) only one account set up as a stocks and shares account.

(3) For the purposes of paragraphs (2) and (7), an account holding an amount of less than one penny shall be disregarded.

(4) A junior ISA application may be made by a person who—

- (a) is over 16, and
- (b) in relation to the junior ISA account to be opened pursuant to the application is—
 - (i) a person who has parental responsibility in relation to the eligible child who will hold the account; or
 - (ii) the eligible child who will hold the account.

(5) A junior ISA application must be made to an account manager in a statement and must fulfil the conditions specified in paragraphs (6), (7) and (8).

(6) A junior ISA application must specify the eligible child as being the beneficial owner of the account investments under that account.

(7) A junior ISA application must contain a declaration by the applicant that—

- (a) the application is made to open a junior ISA account;
- (b) the information provided in accordance with paragraph (8) is true;
- (c) the child who will hold the account opened pursuant to the application is not an “eligible child” within the meaning given in the Child Trust Funds Act 2004(1);
- (d) the child who will hold the account opened pursuant to the application is—
 - (i) resident and ordinarily resident in the United Kingdom,

- (ii) a person who has general earnings from overseas Crown employment subject to United Kingdom tax within the meaning given by section 28 of ITEPA 2003(2),
 - (iii) married to or in a civil partnership with a person mentioned in paragraph (ii),
or
 - (iv) a dependant of a person mentioned in paragraph (ii);
 - (e) the applicant is the person who, upon the opening of the account, will be the registered contact in relation to the account;
 - (f) the application is to open a stocks and shares account or cash account, as the case may be;
 - (g) in the case of a stocks and shares account, the applicant—
 - (i) has not subscribed, and will not subscribe, to any other stocks and shares account that is a junior ISA account held by the same eligible child, and
 - (ii) is not aware of any other stocks and shares account held by the eligible child that is a junior ISA account;
 - (h) in the case of a cash account, the applicant—
 - (i) has not subscribed, and will not subscribe, to any other cash account that is a junior ISA account held by the same eligible child, and
 - (ii) is not aware of any other cash account held by the eligible child that is a junior ISA account;
 - (i) as far as the applicant is aware, the applicant has not subscribed amounts to the account (or any other account) that, when aggregated with other subscriptions, exceed the overall subscription limit in regulation 4ZB(1) (subscriptions to accounts opened in accordance with this regulation) in relation to the eligible child who will hold the account in the year in which the junior ISA application is made; and
 - (j) the applicant will not knowingly subscribe amounts to the account that, when aggregated with other subscriptions, exceed the overall subscription limit in regulation 4ZB(1) applicable from time to time (subscriptions to accounts opened in accordance with this regulation) in each successive year following the year in which the junior ISA application is made.
- (8) A junior ISA application must contain—
- (a) the applicant’s full name,
 - (b) the address of the applicant’s permanent residence, including postcode,
 - (c) the full name of the eligible child,
 - (d) the date of birth of the eligible child,
 - (e) where the applicant is not the eligible child, the address of the eligible child’s permanent residence, including postcode,
 - (f) the eligible child’s national insurance number if the child—
 - (i) is 16 or over, and
 - (ii) has been issued with a national insurance number,
 - (g) the authorisation specified in paragraph (9).

(2) 2003 c. 1; section 28 was amended by paragraphs 101 and 102 of Schedule 4 to the Commissioners for Revenue and Customs Act 2005 (c. 11).

(9) The authorisation specified by this paragraph is authority given by the applicant to the account manager (on behalf of the child who holds the account where appropriate)—

- (a) to hold the subscriptions, account investments, interest, dividends and any other rights or proceeds in respect of those investments and cash;
- (b) to make on behalf of the child any claim to relief from tax in respect of account investments; and
- (c) to make a record in writing in accordance with paragraph (11) where that paragraph requires the account manager to do so.

(10) An account manager must not accept a junior ISA application if the account manager has reason to believe that the applicant has given untrue information in the application.

(11) Where the junior ISA application is not in writing, or the account manager operates a record system under which all original written applications are not retained—

- (a) the account manager must, immediately after receiving the application, record in writing on behalf of the applicant, the declaration required by paragraph (7) and authorisation required by paragraphs (8)(g) and (9);
- (b) the account manager must notify the applicant of the contents of the written record within 5 business days of making it; and
- (c) the written record (as amended by any corrections notified to the account manager by the applicant within 30 days of the notification mentioned in sub-paragraph (b)) shall be treated as the applicant's declaration required by paragraph (7) and authorisation required by paragraphs (8)(g) and (9).

(12) An application furnished by an applicant under this regulation shall be regarded as in writing if it is furnished—

- (a) by telephonic facsimile transmission containing the signature of the applicant, or
- (b) by electronic communication containing an electronic signature of the applicant.

(13) Where an account manager is required by paragraph (11) to make a record in writing—

- (a) a record shall be regarded as being a written record if it is produced by electronic means;
- (b) the notification of the contents of the record by the account manager to the applicant required by paragraph (11)(b) may be sent to the applicant by telephonic facsimile transmission or by electronic communication.

(14) In this regulation—

“electronic communication” includes any communication conveyed by means of an electronic communications network;

“electronic signature” has the meaning given by section 7(2) of the Electronic Communications Act 2000(3).”