
STATUTORY INSTRUMENTS

2017 No. 466

**The Individual Savings Account
(Amendment No. 2) Regulations 2017**

New regulation 10A

21. After regulation 10 insert—

“Lifetime ISA qualifying individuals who may invest under a Lifetime ISA

10A.—(1) This regulation specifies the description of individual (“Lifetime ISA qualifying individual”) who may invest under a Lifetime ISA.

(2) A Lifetime ISA qualifying individual to whom paragraph (1) refers is an individual who—

- (a) is 18 years of age or over;
- (b) in relation to a current year payment is under 50 years of age;
- (c) in relation to a current year payment or a payment under paragraph (4)(c), has not made, and will not make, any such payment to any other Lifetime ISA in the year in which the payment is made;
- (d) has not exceeded the overall subscription limit in regulation 4ZA(1)(1) in that year;
- (e) has not exceeded the overall Lifetime ISA payment limit in regulation 4ZA(1A)(2) in that year; and
- (f) in relation to a current year payment or a payment under paragraph (4)(c), is resident in the United Kingdom or, if not so resident—
 - (i) is 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(3), or
 - (ii) is married to or in a civil partnership with a person mentioned in paragraph (i).

(3) Subject to paragraph (4), the following are current year payments—

- (a) a subscription of money;
- (b) a subscription of shares to which regulation 7(2)(h)(4) applies;
- (c) a subscription to which regulation 5D(5) applies;

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- (1) The subscription limit in regulation 4ZA(1) was most recently substituted by [S.I. 2015/608](#) and is amended by these regulations.
- (2) Regulation 4ZA(1A) is inserted by these Regulations.
- (3) Regulation 2 of [S.I. 1998/1870](#) defines ITEPA 2003 as meaning the Income Tax (Earnings and Pensions) Act 2003 ([2003 c. 1](#)); section 28(5) and (6) was amended by paragraph 102(2) and (3)(a) of Schedule 4 to the Commissioners for Revenue and Customs Act [2005 c. 11](#)).
- (4) Regulation 7(2)(h) was amended by paragraph 86 of Schedule 8 to the Finance Act [2014 c. 26](#) and [S.I. 2000/2079](#), [2008/704](#) and [2011/1780](#).
- (5) Regulation 5D was inserted by [S.I. 2012/1871](#) and amended by [S.I. 2015/869](#), [2015/941](#) and [2016/16](#).

- (d) an additional permitted subscription in accordance with regulation 5DDA(6);
 - (e) a replacement subscription in accordance with regulation 5DDB(7);
 - (f) an additional permitted subscription on closure of a Help to Buy ISA in accordance with regulation 5DDC(8); and
 - (g) a transfer of qualifying investments for a Lifetime ISA component from an account which is not a Lifetime ISA.
- (4) The following are not current year payments—
- (a) a defaulted Lifetime ISA subscription under regulation 5D(2)(a)(ia);
 - (b) a returned withdrawal under regulation 5D(2)(a)(ib); and
 - (c) the first or only transfer from a Help to Buy ISA (as described in regulation 5DDC(6)) to a Lifetime ISA in the year 2017-18 in an amount not exceeding the balance on the Help to Buy ISA as at 5th April 2017 plus accrued interest.”.

(6) Regulation 5DDA was inserted by S.I. 2015/869 and amended by S.I. 2016/16 and 2016/364.
(7) Regulation 5DDB was inserted by S.I. 2016/16 and amended by S.I. 2016/364.
(8) Regulation 5DDC was inserted by S.I. 2016/16.