
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Individual Savings Account Regulations 1998 by:

- increasing the age at which a cash ISA can be held from 16 to 18, except in relation to individuals who are 16 or 17 years old on 5th April 2024 (and who have not subsequently reached the age of 18) who can continue to have, apply for or transfer a single cash ISA account (regulations 2, 17(a)(i) and 19(b)(iii));
- updating definitions relating to certain investment funds (regulation 4);
- permitting an individual to subscribe to more than one ISA account of the same type in a tax year, allowing the partial transfer of subscriptions made in the current tax year and removing the requirement to make a fresh application to open an account that they already hold (regulations 5, 6, 7(a) and (b), 8, 9, 11, 12, 13, 15, 17(a)(ii) and (b), 19(a), (b)(i) and (ii) and (c) and 23(a) to (c));
- removing transitional provisions relating to the introduction of Lifetime ISAs in the tax year 2017/18, which are now obsolete (regulations 7(e), 10, 18, 23(e) and 25(a), (b) and (d));
- allowing certain investments to be held in an innovative finance account, where those investments are subject to a notice period that means they cannot be held in a stocks and shares account (regulations 7(c) and (d), 14, 16 and 24);
- removing a provision which allowed certain institutions based in EU member states to conduct business without being present in the United Kingdom (regulation 20);
- allowing HMRC to withdraw their approval of an account manager who has not acted as such within 18 months of being approved (regulations 21 and 22(b) and (c));
- correcting a typographical error in an earlier amendment (regulation 22(a));
- removing a requirement for an account manager to provide information about a transfer if they are transferring the account to themselves (regulation 23(d));
- providing that a first-time residential purchase will not qualify as a withdrawal from a Lifetime ISA if the purchase is funded by a loan from a person who is connected to the account investor (regulation 25(c)).

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