



CHARTERED INDEPENDENT  
WEALTH MANAGEMENT



SMARTMONEY

Guide to

# Individual Savings Account Transfers

Looking to boost the funds in  
your tax-efficient account?

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# Guide to Individual Savings Account Transfers

Looking to boost the funds in your tax-efficient account?

Did you know you can transfer your Individual Savings Account (ISA) from one provider to another at any time? Transferring your ISA to another provider is easy and could boost the funds in your tax-efficient account – but it has to be done right. If you have accumulated a number of ISAs over the years, keeping them all in one place could give you better control and help you save money.

**T**here's a common misconception that you can't move your existing ISAs from one provider to another. Transferring your ISAs doesn't affect its tax-efficient status, but you should make sure that you don't have to pay penalties or give up valuable benefits.

If you want to switch from an existing ISA provider to a new one, you're perfectly within your rights to do so. Much like a mortgage, you shouldn't feel like you're saddled forever with your first ISA provider choice. Transferring your ISAs could allow you to widen your range of investment choices, as the range on offer can differ between providers.

## Easier to monitor and manage

Another reason to switch is that you could find you're better off because another provider is offering lower fees and charges. You may also want to move because you prefer to keep all your investments conveniently in one place, where they're easier to monitor and manage.

You can transfer your ISA from one provider to another at any time. You can also transfer from one type of ISA to a different type of ISA, for example, you can move money held in a Stocks & Shares ISA into a Cash ISA, or from a Cash ISA to a Stocks & Shares ISA. Similarly, money held in an Innovative Finance ISA can be transferred into a Stocks & Shares ISA or into a Cash ISA.



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## Save and invest early

### Do you know your new 2018/19 ISA allowance?

You can invest up to £20,000 tax-efficiently as follows:

|                         |         |
|-------------------------|---------|
| Cash ISA:               | £20,000 |
| Stocks & Shares:        | £20,000 |
| Innovative Finance ISA: | £20,000 |
| Lifetime ISA:           | £4,000  |

## Not all ISA providers accept transfers

Remember that not all ISA providers will accept transfers. Also, bear in mind that the ISA provider you are moving from might charge you for the transfer. If you transfer cash from an existing ISA into a Lifetime ISA, it will count towards your £4,000 Lifetime ISA allowance for the year and qualify for the government bonus, but will not count towards your overall ISA allowance (£20,000 in 2018/19). It is not advisable to transfer from a Lifetime ISA.

Transferring your ISAs won't affect their tax-efficient status, provided you follow the correct process. You might think that to make a transfer from one ISA to another, you'll need to close down your existing account, make a withdrawal, then open up a new account and pay in. But closing down your current

ISA means you'll immediately lose all the tax benefits, so never withdraw your savings to pay into a new ISA.

### Additional permitted ISA allowance

Instead, if you want to make a transfer, we'll contact your provider to inform them and manage the entire transfer process for you. Remember that tax rules can change in future, and their effect on you will depend on your individual circumstances.

If you are looking to transfer ISA tax benefits following the death of your spouse or registered civil partner, where an ISA holder dies, the survivor can now inherit their ISA tax benefits. This will be in the form of an additional permitted allowance equal to the value of the ISA at the holder's death and will be in addition to your own ISA allowance. ■

### The age at which you can open an ISA is as follows:

|                         |                         |
|-------------------------|-------------------------|
| Cash ISA:               | 16 or over              |
| Stocks & Shares ISA:    | 18 or over              |
| Innovative Finance ISA: | 18 or over              |
| Lifetime ISA:           | 18 or over but under 40 |

### Looking to make an ISA transfer?

We can make transferring existing ISAs simple and easy to help you reduce your administration and manage all of your investments in one place. Whether you're a novice or an experienced saver or investor, we'll help you get the most from your 2018/2019 ISA allowance – please contact us for more information.



IF YOU ARE LOOKING TO TRANSFER ISA TAX BENEFITS FOLLOWING THE DEATH OF YOUR SPOUSE OR REGISTERED CIVIL PARTNER, WHERE AN ISA HOLDER DIES, THE SURVIVOR CAN NOW INHERIT THEIR ISA TAX BENEFITS.



# Looking for a smart way to invest your money?

Tell us what you are saving for, and leave the rest to us. To review your situation or discuss the options available, please contact us for further information

**We look forward to hearing from you.**

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