

# SAVING GATEWAY ACCOUNTS ACT 2009

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## EXPLANATORY NOTES

### COMMENTARY

#### *Section 16 Transfer of funds on account ceasing to be Saving Gateway account*

88. This section enables the Treasury to make regulations permitting the transfer of funds from an account that has ceased to be a Saving Gateway account to an investment plan, such as an Individual Savings Account (ISA), of a kind to be prescribed in regulations.
89. *Subsection (2)* enables regulations to be made setting out circumstances in which funds in an account that has ceased to be a Saving Gateway account may be transferred to a prescribed investment plan. Regulations may also set out the procedure to be followed when such a transfer takes place.
90. Regulations under *subsection (3)* may permit an account holder, or a former account holder, to request a certificate from their account provider specifying prescribed information.
91. The Government intends to amend the ISA Regulations 1998<sup>1</sup> to allow the transfer of the closing balance of a Saving Gateway account, and the associated maturity payment, to an ISA. The Government intends that this transfer will be outside the normal annual subscription limits for ISAs, providing that it takes place within a specified time limit and is accompanied by a certificate issued in accordance with regulations made under *subsection (3)*.

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<sup>1</sup> The Individual Savings Account Regulations 1998, SI 1998/1870