



# Savings (Government Contributions) Act 2017

## 2017 CHAPTER 2

### 3 Income tax treatment of Government contributions under section 1 or 2

- (1) In Chapter 9 of Part 6 of the Income Tax (Trading and Other Income) Act 2005 (other exempt income), after section 775 insert—

**“775A Government bonus for savings account or other investment plan**

No liability to income tax arises in respect of a payment of, or in respect of, a government bonus under section 1 or 2 of the Savings (Government Contributions) Act 2017.”

- (2) Subsection (3) applies to a Lifetime ISA or Help-to-Save account which would be treated, by virtue of any of sections 564E to 564G of the Income Tax Act 2007, as an alternative finance arrangement but for the payment of a government bonus under this Act.
- (3) A Lifetime ISA or Help-to-Save account to which this subsection applies is to be treated, for the purposes of Part 10A of the Income Tax Act 2007, as an alternative finance arrangement.
- (4) In this section “alternative finance arrangement” has the meaning given by section 564A of the Income Tax Act 2007.

**Changes to legislation:**

There are currently no known outstanding effects for the Savings (Government Contributions) Act 2017, Section 3.