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STATUTORY INSTRUMENTS

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**2009 No. 1550**

**INCOME TAX**

**The Individual Savings Account  
(Amendment) Regulations 2009**

<i>Made</i>	- - - -	<i>23rd June 2009</i>
<i>Laid before the House of Commons</i>	- - - -	<i>24th June 2009</i>
<i>Coming into force</i>	- -	<i>6th October 2009</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 694 and 701(5) of the Income Tax (Trading and Other Income) Act 2005<sup>(1)</sup> and section 151 of the Taxation of Chargeable Gains Act 1992<sup>(2)</sup>:

**Citation, commencement and effect**

1.—(1) These Regulations may be cited as the Individual Savings Account (Amendment) Regulations 2009 and shall come into force on 6th October 2009.

(2) Regulations 3(a) and 6 have effect (on and after 6th October 2009) for the tax year 2009-10 and succeeding tax years.

(3) Regulations 3(b) to 5 have effect (on and after 6th October 2009) for the tax year 2009-10, and shall cease to have effect on 6<sup>th</sup> April 2010.

(4) Regulations 7 to 9 have effect for the tax year 2010-11 and succeeding tax years.

**Amendments to the Individual Savings Account Regulations 1998**

2. The Individual Savings Account Regulations 1998<sup>(3)</sup> are amended as follows.

**Amendments having effect for the tax year 2009-10 (and in some cases succeeding tax years)**

3. In regulation 4(2) (general conditions for accounts and subscriptions to accounts)<sup>(4)</sup>—

(a) after “year is” insert “£7,200 unless”; and

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(1) 2005 c. 5; section 701(5) was inserted by section 40 of the [Finance Act 2008 \(c. 9\)](#).  
(2) 1992 c. 12; section 151 was amended by section 85 of the [Finance Act 1993 \(c. 34\)](#), section 64(2) of the [Finance Act 1995 \(c. 4\)](#) and paragraph 436 of Schedule 1 to the Income Tax (Trading and Other Income) Act 2005.  
(3) [S.I. 1998/1870](#); relevantly amended by [S.I. 2007/2119](#).  
(4) Regulations 4(2) to (4) were substituted by regulation 6 of [S.I. 2007/2119](#).

(b) for sub-paragraph (a) substitute—

“(a) the qualifying investor is 50 years of age or over, or is due to be aged 50 not later than 5<sup>th</sup> April 2010, where it is £10,200, or”.

4. In regulation 4(3) at the end add “, unless the qualifying investor is 50 years of age or over, or is due to be aged 50 not later than 5<sup>th</sup> April 2010, when he or she may invest £5,100 in the year 2009-10.”

5. In regulation 4(4), after “the qualifying investor” (where those words first appear) insert “(who is not aged 50 or over, or due to be aged 50 not later than 5<sup>th</sup> April 2010)”.

6. In regulation 10(2)(ca)(5) (qualifying individuals who may invest under an account) for “other” substitute “applicable”.

**Amendments having effect for the tax year 2010-11 and succeeding tax years**

7. In regulation 4(2)—

(a) for “£7,200” (as inserted by regulation 3(a)) substitute “£10,200”;

(b) in sub-paragraph (b), for “£3,600” substitute “£5,100”.

8. In regulation 4(3) for “£3,600” substitute “£5,100”.

9. In regulation 4(4)—

(a) in sub-paragraph (a) for “£3,600” (in both places it appears) substitute “£5,100”;

(b) in sub-paragraph (b) for “£5,200” substitute “£8,200”;

(c) in sub-paragraph (c) for “£7,200” substitute “£10,200”; and

(d) in the words succeeding sub-paragraph (c) for “£3,600” substitute “£5,100”.

23rd June 2009

*Bob Blizzard*  
*Tony Cunningham*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

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(5) Regulation 10(2)(ca) was inserted by regulation 14 of [S.I. 2007/2119](#).

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Individual Savings Account Regulations 1998 (S.I. 1998/1870: “the principal Regulations”). The main effect of these Regulations is to increase the ISA subscription limits for individuals who will be aged 50 or over not later than 5<sup>th</sup> April 2010, to £10,200 (annual overall limit) of which up to £5,100 can be invested in a cash ISA, with effect from 6<sup>th</sup> October 2009. Those limits will apply to all ISA investors (except those between the ages of 16 and 18 who may only invest in cash ISAs) from 6<sup>th</sup> April 2010.

Regulation 1 provides for citation, commencement and effect and regulation 2 for amendment of the principal Regulations.

Regulations 3 to 6 make the amendments for individuals who will be aged 50 or over (regulations 3(a) and 6 continue to have effect after tax year 2009-10, regulations 3(b) to 5 only apply to that tax year).

Regulations 7 to 9 bring in the same annual subscription limits from tax year 2010-11 onwards, for all ISA investors.

A Regulatory Impact Assessment on the effect of this instrument is available at <http://www.hmrc.gov.uk/ria/index.htm>