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STATUTORY INSTRUMENTS

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**2017 No. 466**

**The Individual Savings Account  
(Amendment No. 2) Regulations 2017**

**Regulation 21**

**26.**—(1) Amend regulation 21 (transfers relating to accounts other than junior ISA accounts)<sup>(1)</sup> as follows.

(2) In paragraph (1)—

- (a) in paragraph (c) of the definition of “the current year’s subscriptions” for “income)” substitute “income and any government bonus”;
- (b) in paragraph (b) of the definition of “the previous years’ subscriptions” for “income)” substitute “income and any government bonus”;
- (c) after the definition of “the previous years’ subscriptions” insert—  
““subscriptions” includes all payments made into a Lifetime ISA.”.

(3) In paragraph (4)—

- (a) omit “or” at the end of sub-paragraph (b), and
- (b) after sub-paragraph (c) insert—  
“, or  
(d) a Lifetime ISA (if the account investor is 18 or over),”.

(4) In paragraph (4C)—

- (a) omit “or” at the end of sub-paragraph (b),
- (b) at the end of sub-paragraph (c) insert—  
“ or  
(d) a Lifetime ISA to a Lifetime ISA,”; and
- (c) after “remaining permitted subscriptions insert “ or qualifying additions”.

(5) In paragraph (4CA) for “Regulation 12(1) does” substitute “Regulations 12(1) and 12B(1) do”.

(6) In paragraph (4D) for “12” substitute “12 or 12B, as the case may be,”.

(7) In paragraph (4DA)—

- (a) after sub-paragraph (ca) insert—  
“(cb) a Lifetime ISA (whether or not in a bulk transfer of accounts) is transferred to a Lifetime ISA held with the transferee immediately before the time when the transfer is made;”, and
- (b) in sub-paragraphs (d), (e) and (f) after “accounts) to” insert “a Lifetime ISA,”.

(8) In paragraph (4DB) at the end insert—

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(1) Regulation 21 was amended by [S.I. 2007/2119](#), [2009/1994](#), [2011/1780](#), [2012/1871](#), [2014/1450](#) and [2016/364](#).

“This paragraph does not apply to a Lifetime ISA.”

(9) After paragraph (4DC) insert—

“(4DCA) In the case of a Lifetime ISA, where the account is transferred in a bulk transfer of accounts which is not a transfer described in paragraph (4DA)(cb) a payment by the account investor to the account after the transfer may only be made (unless permitted by paragraph (4DE)) after the account investor has made an application to the transferee in relation to the account in accordance with regulation 12B (with any necessary modifications where appropriate to reflect the fact that the account has been transferred in a bulk transfer of accounts).”

(10) In paragraphs (4DE), (4DF) and (4DI) insert after “12”, wherever it appears, “or 12B”.

(11) In paragraph (4DE)(c) and (4DF)(b) at the beginning insert “except in relation to a Lifetime ISA,”.

(12) In paragraph (4DI) after “(4DB)(a)” insert “or (4DCA), as the case requires,”.

(13) In paragraph (6)—

(a) in sub-paragraph (b)(i) for “or innovative finance account” substitute “, an innovative finance account or a Lifetime ISA”,

(b) after sub-paragraph (b) insert—

“(ba) where the transfer is as described in regulation 10A(4)(c), that the amount being transferred is in respect of a Help to Buy ISA and is as described in that regulation (and in this case paragraph (6)(b)(i) and (iii) to (v) is not to apply).”, and

(c) at the end(2) insert—

“and

(d) as regards an account or any part of an account transferred pursuant to paragraph (2) which is a Lifetime ISA—

- (i) the date on which that Lifetime ISA was first opened and for the purposes of a payment made in accordance with regulation 5D(2)(a)(ia) or (ib), a Lifetime ISA opened for the purpose of receiving the payment is to be treated as being the same Lifetime ISA from which the money the subject of the payment originated;
- (ii) the date of the first qualifying addition to the account in the year of transfer;
- (iii) the amount of any government bonus that has accrued, but not been claimed, at the date of the transfer,
- (iv) the number allocated to the account by the transferor;
- (v) any government bonus already paid within the current year;
- (vi) the total amount of qualifying additions to the Lifetime ISA during the period from the beginning of the year in which the transfer takes place to the date of transfer, with separate entries for a Help to Buy transfer under regulation 10A(4)(c) and any other qualifying additions;
- (vii) details of qualifying additions to the Lifetime ISA for which a claim has not been made with separate entries for a Help to Buy transfer under regulation 10A(4)(c) and any other qualifying additions;

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(2) Sub-paragraph (c) was revoked by [S.I.2007/2119](#).

- (viii) confirmation of whether or not there has been a withdrawal for a first-time residential purchase, for which information required under paragraph 9 of the Schedule and expected by the transferor has not been received;
  - (ix) if there has been such a withdrawal, an undertaking to pass on to the transferee any such information received without delay. ”.
- (14) After paragraph (6) insert—
  - “(6A) Where a Lifetime ISA is transferred, the transferee must before the time of the transfer give to the transferor a notice stating whether or not the account to which the investments are being transferred is a Lifetime ISA.
  - (6B) A Lifetime ISA of an account investor to which another Lifetime ISA of the account investor (“the original”) is transferred in accordance with this regulation is a successor to the original.”.