

Lifetime ISA

Lifetime ISAs were introduced on 6 April 2017 and are available to those aged under 40 on 6 April 2017. A Lifetime ISA must be opened between the ages of 18 and 40. A maximum of £4,000 per year can be invested and a Government contribution of 25% of the individual's contribution will be available until they reach age 50.

Tax free withdrawals will be available to put towards purchase of a first home or on being diagnosed as terminally ill with less than 12 months to live or from age 60 for retirement purposes. Withdrawal in other circumstances would result in the loss of the Government bonus and a 5% penalty, however the Government plans to consult on other circumstances in which tax free withdrawal could occur.

Further information can be found at <https://www.gov.uk/lifetime-isa>