

# Inherited ISA allowance

Your guide including the Inherited ISA  
Allowance Terms and Conditions.



Building Society

# We're here for you

We're so sorry to hear your partner has died. And we're here to help you in any way we can. This leaflet will tell you everything you need to know about your inherited ISA allowance, but if you have any questions, just ask.

Call into a branch, visit

**nationwide.co.uk** or phone us on **03457 30 20 11**.

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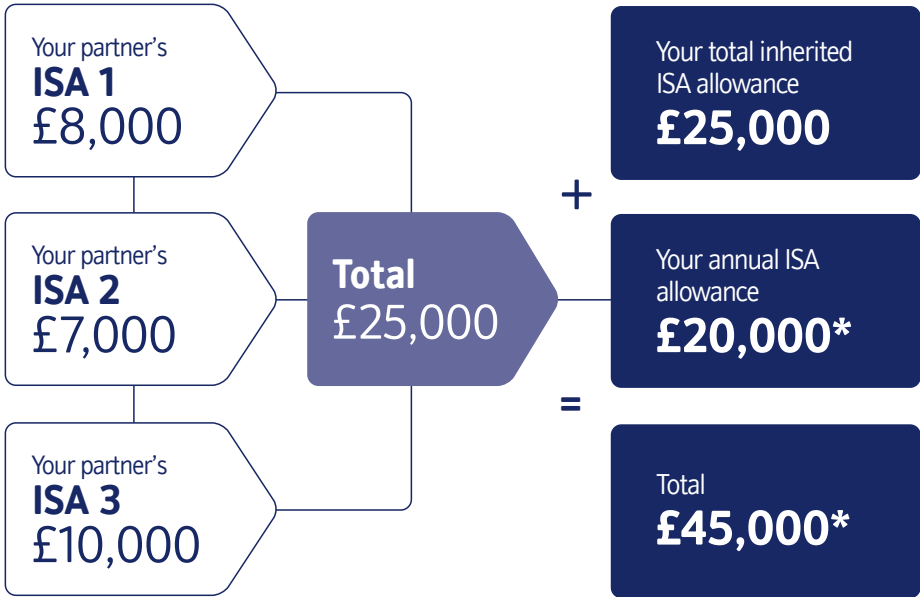
# What's an inherited ISA allowance?

If your husband, wife or civil partner has passed away and they had an ISA, you'll inherit their ISA allowance.

This is sometimes known as an additional permitted subscription (or APS), but we call it an inherited ISA allowance.

- The inherited ISA allowance doesn't mean the money that's in your partner's ISA, but the allowance that will be registered in your name.
- The allowance amount will be the same as the amount of money that was in all of your partner's ISAs. For example, if the value in the ISA was £25,000 then your new allowance will be an additional £25,000.
- **If your partner died on or before 5 April 2018**, your inherited ISA allowance will be the value of your partner's ISAs at the date of death.
- **If your partner died on or after 6 April 2018**, you can choose the value of your inherited ISA allowance based on either one of the following:
  - The balance of your partner's ISAs on the date they died; **or**
  - If the ISAs remained open after they died, the balance of the account on the earliest of these three dates: the date the administration of the estate is completed; the date the account is closed; or the third anniversary of the date they died.
- If you want to use your inherited ISA allowance with Nationwide, the amount you can use can only come from any ISAs your partner held with us. Sorry, but we can't accept any allowances from any other providers. However, you can use your allowance from Nationwide with other providers, if they'll let you.
- The allowance is available for three years after your partner has passed away, or 180 days after the administration of the estate has been completed, whichever is the later date. You can only put your own money into the account.

**Here's an example of how it works:**

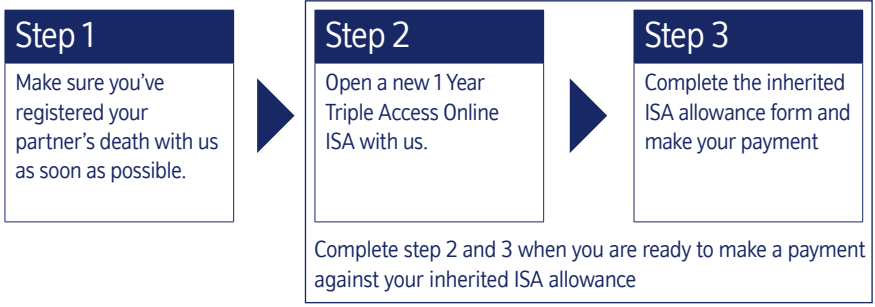


This doesn't affect your annual ISA allowance. You'll still have it on top of your inherited ISA allowance.

\*in this tax year

# How it works if you want to register your inherited ISA allowance with us

If your partner held cash ISAs with Nationwide and you've decided you want to use the inherited ISA allowance with us, then simply follow these steps.



## Step 1: Make sure you've registered your partner's death with us

What you'll need to do	What we'll do	Things to remember
<ul style="list-style-type: none"> <li>• Provide us with an original or a certified copy of your partner's death certificate. You can send this to us or bring it into a branch.</li> <li>• Remember to do this with any other ISA managers that your partner had ISAs with, too.</li> </ul>	<ul style="list-style-type: none"> <li>• We'll register your partner's death and let you know when we've done this.</li> <li>• We'll also let you know which accounts your partner held with us.</li> </ul>	<ul style="list-style-type: none"> <li>• Once you've done this, you'll know what ISAs your partner held with us. If you add up the amount of money held in all of their Nationwide cash ISA's on the relevant date (see above), this will be your new inherited ISA allowance that you will be registering with us.</li> </ul>

## Step 2: Open a new 1 Year Triple Access Online ISA with us

What you'll need to do	What we'll do	Things to remember
<ul style="list-style-type: none"> <li>Apply online at <a href="https://nationwide.co.uk/savings-accounts">nationwide.co.uk/savings-accounts</a></li> </ul>	<ul style="list-style-type: none"> <li>We'll open your account within 5 working days.</li> </ul>	<ul style="list-style-type: none"> <li>You can only use the inherited ISA allowance for your partners ISAs held with Nationwide.</li> <li>If your partner held ISAs with other ISA providers, you can ask them where you can use that part of your inherited ISA allowance.</li> <li><b>You can only pay into one cash ISA in each tax year. If you've already opened a cash ISA in the current tax year with another ISA provider, you'll need to transfer the ISA to Nationwide before you can use your inherited ISA allowance with us. Alternatively, you can wait until the new tax year to open your ISA for your inherited ISA allowance. Please bear in mind that if you do wait until the next tax year, you will not be able to subscribe to another cash ISA with another provider in the same tax year.</b></li> </ul>

## Step 3: Complete the inherited ISA allowance form and make your payment

What you'll need to do	What we'll do	Things to remember
<ul style="list-style-type: none"> <li>Fill out the form online at <a href="https://nationwide.co.uk/inherited-ISA">nationwide.co.uk/inherited-ISA</a>. If you want to make your payment using a cheque, you can do this in your local branch.</li> </ul>	<ul style="list-style-type: none"> <li>We'll pay the money in. You'll receive a letter confirming the payment has been made and any balance not used is lost.</li> </ul>	<ul style="list-style-type: none"> <li><b>Any allowance you do not use when you make your payment will be lost. For example, if you had an allowance of £25k and pay in £5k, you will lose the remaining £20k allowance.</b></li> <li>You can only make one payment from one source i.e. a transfer from one Nationwide account, or one cheque.</li> <li>The money must belong to you.</li> </ul>

### How long will it take?

When you pay your money in using a transfer request, we'll make sure the money's there by the end of the next working day. If you pay it in using a cheque, the money will be paid in after the cheque has cleared. Clearing times can vary. To see how long your cheque will take to clear, please visit [nationwide.co.uk/cheque-calculator](https://nationwide.co.uk/cheque-calculator)

# After you've made your payment

You can operate your account like any other ISA with Nationwide, including:

- transferring to another ISA manager
- making deposits and withdrawals (in line with the terms and conditions of the account)
- closing the account.

## Your questions answered

### **Can I apply to use my inherited ISA allowance?**

Yes, if your partner passed away on or after 3 December 2014. You'll need to have been married to, or in a civil partnership with, your partner when they passed away. You need to have been living together and must not have been separated under a court order; under a deed of separation, or in circumstances where your marriage or civil partnership had broken down and the separation was likely to become permanent.

### **Should I apply to use my inherited ISA allowance?**

You might want to think about it as it could mean you're paying less tax on your savings.

### **How do I let you know my partner has passed away?**

Before registering your inherited ISA allowance, make sure you've registered your partner's death with us and, if they held ISAs with other ISA managers, contact them, too. You can let us know by writing to us or coming to see us in branch, and we'll need to see an original or a certified copy of their death certificate.

### **What information will I need to give you to use my inherited ISA allowance?**

You'll need to complete a form for your new inherited ISA allowance. This will ask you for information including:

- account number and sort code of the new 1 Year Triple Access Online ISA
- the date of your marriage or civil partnership
- your partner's date of birth and the date they passed away
- your partner's permanent residential address at the time they passed away
- yours and your partner's National Insurance number.

### **Can I transfer my inherited ISA allowance from another ISA manager?**

No - we only accept the inherited ISA allowance from cash ISAs that were held with Nationwide.

### **What if my partner had accounts with different ISA managers?**

You'll need to contact them directly. We can only accept the inherited ISA allowance for Nationwide cash ISAs.

### **What if I want to register my allowance with another ISA manager?**

You'll need to contact the other ISA manager who'll manage this for you.

### **How can I manage my allowance?**

You can only make one payment against your inherited ISA allowance with Nationwide. Any allowance you do not use at the time of making the payment will be lost. If you have money in more than one place, you could move the money into one account held with Nationwide in your name. Once all the money has been consolidated, you can transfer it to the ISA. If you want to do this, please remember there are time limits that apply when making your payment to utilise your inherited ISA allowance.

### **Can I pay money from my personal ISA towards my inherited ISA allowance?**

Money held in ISAs already benefit from the tax relief that ISAs provide. To make the most of your inherited ISA allowance, you could look to use money you don't currently hold in an ISA.

### **Do all my partner's ISAs count towards my new inherited ISA allowance?**

Cash ISAs, stocks and shares ISAs, innovative finance ISAs and Lifetime ISAs all count towards your allowance. The only one that doesn't count is a Junior ISA. Remember, for your inherited ISA allowance with Nationwide our calculation is based on your partner's cash ISAs held with Nationwide only.

### **Are there any time limits on my inherited ISA allowance?**

Your allowance is available for three years after your partner has died. If the administration of the estate takes longer than this to complete, we'll just need to see some evidence so we can still let you put money in (up to the inherited ISA allowance limit).

You'll be able to do that until 180 days after the administration of the estate has been completed. To find out what you can use as evidence, just call us on **03457 30 20 11**.

### **What will happen after my 1 Year Triple Access Online ISA has matured?**

You will still be able to make your one payment against your inherited ISA allowance as long as you're within the time limit.

### **What if my partner had a Nationwide stocks and shares ISA?**

The stocks and shares ISA will be held with a different ISA manager, so you can't use the inherited ISA allowance with Nationwide.

## **Inherited ISA Allowance**

### **Our Terms and Conditions**

These terms and conditions are specific to your inherited ISA allowance. They form part of your cash ISA terms and conditions, so you need to read these along with the other documents that make up your agreement.

These terms and conditions have priority over anything that's said differently in another part of your agreement, including the terms and conditions that are specific to the cash ISA product you need to use for your inherited ISA allowance.



# 01

## About your inherited ISA allowance

### What is an inherited ISA allowance?

This is an amount which you may be able to pay into an ISA and is in addition to your 'annual ISA allowance'. Your 'annual ISA allowance' is the amount the Government sets as the maximum you can pay into an ISA in each tax year. Using an inherited ISA allowance is also referred to as making an additional permitted subscription.

### Who can you inherit an ISA allowance from?

You may be able to inherit the ISA allowance from a person who has died. We'll refer to this person as the 'deceased' in these terms and conditions.

For you to inherit their ISA allowance, the deceased must have:

- been your spouse or civil partner
- died on or after 3 December 2014
- been living with you at the date of their death, and
- had one or more ISAs.

You and the deceased must not have been separated:

- under a court order
- under a deed of separation, or
- in circumstances where your marriage or civil partnership had broken down and the separation was likely to become permanent.

Even if you don't inherit the ISA, you still inherit an ISA allowance based on the value of the deceased's ISA. These terms and conditions relate to the use of the inherited ISA allowance and not any money from the deceased's ISAs you may have also inherited.

### How is the amount of your inherited ISA allowance calculated?

The amount of your inherited ISA allowance is equal to the total value of all the ISAs which the deceased had. This doesn't include the value of any Junior ISA the deceased had.

If the deceased had ISAs with more than one ISA manager (such as a building society or bank), you may be able to choose what to do with your inherited ISA allowance:

For each ISA, you can either:

- use the inherited ISA allowance with the ISA manager it was with, or
- pay in money up to the value of your inherited ISA allowance with a new ISA manager.

We don't accept inherited ISA allowances in respect of ISAs held with other ISA managers. This means the amount of your inherited ISA allowance with us is equal to the total value of any cash ISAs (excluding any Junior ISA) the deceased held with us.

**Please note:** if the deceased took out a stocks and shares ISA through us, it will be held with another ISA manager. This means that the inherited ISA allowance from this stocks and shares ISA cannot be used with us.

## **When is the amount of your inherited ISA allowance calculated?**

If the deceased died before 6 April 2018, the amount of your inherited ISA allowance is calculated at the date of death.

If the deceased died on or after 6 April 2018, you have the choice to calculate the amount of your inherited ISA allowance on either:

- the date of death, or
- if the ISA remained open after the date of death, the earliest of:
  - the date the administration of the deceased's estate is completed
  - the third anniversary of the date of death, or
  - the date of closure of the deceased's ISA.

If the deceased had more than one ISA, you must use the same approach for all of them when calculating the total value of your inherited ISA allowance with us.

If you've used your inherited ISA allowance using the value on the date of the deceased's death, you can't choose to recalculate the value using another method at a later date.

## **02**

### **How to use your inherited ISA allowance**

#### **What type of account do you need?**

To be able to use your inherited ISA allowance with us, you must first open a new Nationwide cash ISA product that can be used for this purpose. This applies even if you already have an open cash ISA product with us.

You can find details of the cash ISA products we currently have available to use your inherited ISA allowance on [nationwide.co.uk](https://www.nationwide.co.uk) or by asking in branch.

#### **How long do you have to use your inherited ISA allowance?**

To use your inherited ISA allowance, you have to have paid money into your new account opened with us for this purpose by the later of:

- three years after the date of the deceased's death, and
- 180 days after the administration of the deceased's estate has been completed.

If the deceased died between 3 December 2014 and 5 April 2015, the date of death for this purpose will be taken as 6 April 2015.

We'll assume that the time to make the payment ends three years after the date of death unless you tell us that the longer period applies.

#### **How can you make the payment in respect of your inherited ISA allowance?**

You can only make one payment into your new account in respect of your inherited ISA allowance. Your payment must not be higher than your inherited ISA allowance with us.

**Please note:** If your payment is less than your inherited ISA allowance with us, the remaining balance of that allowance will be lost. You won't be able to use the remaining balance of your inherited ISA allowance with us or with another ISA manager.

When you're ready to make your payment, you'll need to complete a payment instruction form. You can do this online at [nationwide.co.uk](https://www.nationwide.co.uk) or in branch.

Your payment can be made by internal transfer from another savings account or current account you have with us. You cannot make the payment from another cash ISA.

If you go to a branch, you can also make the payment by cheque.

You cannot make your payment using any other methods, including any other methods that your cash ISA product normally allows.

### **What if you change your mind?**

When you open your new cash ISA product with us, you'll have a 14-day period in which to cancel your account. You can find out more about this in the 'Closing your account' section of 'Our Cash ISA Terms and Conditions'.

If you make the payment in respect of your inherited ISA allowance and choose to cancel your account within this 14-day period, we'll return your money and you won't be treated as having used your allowance. You may then choose to use your inherited ISA allowance by opening a new cash ISA product with us or by moving your allowance to another ISA manager, as long as you still have time to do so.

## **03**

### **After you've used your inherited ISA allowance**

#### **What if I take out money paid into my cash ISA in respect of my inherited ISA allowance?**

The terms and conditions for your cash ISA product will set out how you can take money out of your account.

If you take out money paid into your cash ISA in respect of your inherited ISA allowance, you can pay the same or a lower amount back into the same cash ISA product or into a different cash ISA product you have with us, as long as you do so in the same tax year. The amount you pay back in won't count towards your annual ISA allowance.

You can transfer your cash ISA, including money paid in respect of your inherited ISA allowance, to another ISA manager. If you do this, you'll no longer be able to replace any money relating to your inherited ISA allowance that was taken out before the transfer.

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## Just ask in branch

Call **03457 30 20 11**

Visit **[nationwide.co.uk/savings](https://nationwide.co.uk/savings)**

You can receive this document and others like it in Braille, large print or on audio CD.

Just call **03457 30 20 11** or visit your local branch if you'd like us to arrange this for you.

If you have any hearing or speech difficulties and use a **textphone**, you can call us via BT Text Relay, Dial **18001**, followed by the phone number you want to ring.



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this leaflet please recycle it.

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The tax information in this leaflet is based on our understanding of current tax legislation and HM Revenue & Customs practice, both of which may change. The value of the tax relief mentioned will depend on your circumstances.

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