

JUNIOR ISA

Frequently asked questions

About this document

This document contains important information about our products and services. Customers tell us they understand this information better if they read it without any interruptions, so please take some time out to read it carefully in conjunction with our ISA Key Features and Terms and Conditions.

Who can open a Junior ISA?

A Junior ISA can only be opened by someone with parental responsibility for the child, i.e. a parent or guardian. This differs from Junior SIPPs, which have been a popular option with grandparents for some time. Grandparents are not able to open Junior ISAs for their grandchildren, but there is nothing stopping them from paying money into one that has been opened by the child's parent or legal guardian.

Once the parent or legal guardian has opened the Junior ISA, they become what is known as the 'registered contact'. This involves managing the account until the child reaches 18, or 16 if the child decides to manage the Junior ISA themselves.

Can you change the registered contact, i.e. the parent/legal guardian?

It is possible to change the registered contact at any time, but there can only be one person performing this role and, until the child reaches 16, the registered contact must always be a person with parental responsibility for the child.

Can anyone pay money into a Junior ISA?

Money can be paid into the Junior ISA by any person, subject to the annual limit of £9,000.

Can a cash Junior ISA and a stocks and shares Junior ISA be held at the same time?

A cash Junior ISA and a stocks and shares Junior ISA can both be held for the child at the same time, but only one of each type may be held. This makes it particularly important to keep a track of the rate of interest being offered on a cash Junior ISA. If the rate drops then it is not possible to subscribe to another cash Junior ISA and deal with the transfer of the existing cash Junior ISA at your leisure - the transfer must be completed first to avoid breaching the rule regarding holding two Junior ISAs of the same type at the same time.

Can you transfer a stocks and shares Junior ISA to a cash Junior ISA?

There are no restrictions on transferring the cash product to the stocks and shares product, or vice versa.

Can you transfer a Child Trust Fund to a Junior ISA?

Yes, a Child Trust Fund can be transferred to a Junior ISA. Child Trust Funds must be transferred as part of an application to open a Junior ISA.

What happens when the child reaches 18?

Once funds are in a Junior ISA they are pretty much locked away until the child reaches age 18. Upon the child's 18th birthday, the management of the account passes to them, and the Junior ISA becomes a 'normal' adult ISA.