

Increase in the ISA Allowance for the over 50's

At last something good about getting older!

From 6 October 2009, the ISA subscription limit will increase to £10,200 for anyone eligible to invest in an ISA who was born on or before 5 April 1960 (that is, who will be aged 50 or over during the current tax year).

Up to £5,100 of the new ISA allowance can be saved in a cash ISA with one provider. The remainder of the £10,200 can be invested in a stocks and shares ISA with either the same or another provider. Alternatively, the full £10,200 can be invested in a stocks and shares ISA with one provider.

Everyone else will be able to make similar contributions from April 2010. Those who have made contributions this year may make top ups to their current annual contributions to the new limit.

In the past we have not been great fans of ISAs due to the high costs associated with them and the inability to diversify within them effectively. Now, with a husband and wife being able to shelter up to £20,400 of assets from Capital Gains Tax each year, they are at last about to come into their own.

How FPC can help

Thanks to developments in technology in recent years we are now able to offer a cost effective solution via the FPC Managed Asset Platform. This gives FPC clients access to funds from across the whole of the market and allows us to design appropriate investment portfolios that suit clients varying needs. This means that not only can you now take advantage of the current increased annual allowances, you can also transfer current holdings from other providers to a more economic platform, using "Best in Class Funds".

If you would like to discuss taking advantage of your ISA allowances, please call Mark, Moira or Bernice and we would be pleased to help.

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