



# ISAs FOR EVERY GENERATION

ISAs are a versatile and tax-efficient tool for saving and investing, offering benefits for every stage of life. Whether you're starting early with a Junior ISA, saving for your first home with a Lifetime ISA (LISA), growing your wealth with a stocks and shares ISA, or planning for intergenerational financial security, there's an ISA that fits your goals. Here's how ISAs can help different generations plan for the future.

## Cash ISAs: secure and accessible savings

Cash ISAs are a straightforward way to save with no investment risk, making them ideal for short-term goals or building an emergency fund.

- **Tax-free interest:** All interest earned is free from income tax, helping your savings grow faster.
- **Low risk:** Your money is protected, and there's no risk of loss due to market fluctuations.
- **Who it suits:** Perfect for those who prioritise security and easy access to their savings.

## Junior ISAs: investing for their future

Junior ISAs are designed to help parents and grandparents save for children under 18. By starting early, you can take advantage of compound growth to build a significant fund for your child's future.

- **Tax-efficient savings:** Contributions (up to £9,000 per tax year) grow free of income tax and capital gains tax.
- **Future milestones:** Funds can be used for education, a first home, or other important milestones once the child turns 18.

- **The power of starting early:** For example, investing £50 a month from birth could grow into a significant fund by the time the child reaches adulthood, depending on investment performance.

## Lifetime ISAs: your first step to a home or retirement

Lifetime ISAs (LISAs) are ideal for young adults saving for their first home or retirement. They offer a government bonus that can make a real difference to your savings.

- **Government bonus:** For every £4 you save, the government adds £1 (up to a maximum bonus of £1,000 per year, with a £4,000 annual contribution limit).
- **Flexible use:** Funds can be withdrawn penalty-free for a first home deposit (on properties up to £450,000) or accessed tax-free at age 60 for retirement.
- **Age eligibility:** LISAs are available to savers aged 18–39, making them a great choice for those starting their financial journey.

## Stocks and shares ISAs: growing your wealth over the long term

Stocks and shares ISAs offer a way to invest for medium- to long-term goals, providing growth potential that cash ISAs may not match.



- **Investment benefits:** Your returns are free from income tax and capital gains tax.
- **Diversification:** Invest in a mix of funds, shares, and bonds to manage risk while seeking growth.
- **Staying the course:** Market fluctuations are normal, but staying invested over the long term can help smooth out the highs and lows.
- **Who it suits:** Ideal for savers comfortable with investment risk and looking to build wealth over 5+ years.

## Intergenerational wealth planning: building financial security across generations

ISAs can play a valuable role in intergenerational financial planning, helping families support one another while minimising tax liabilities.

- **Gifting opportunities:** Parents and grandparents can contribute to Junior ISAs or gift money for an adult child's ISA contributions, helping them build financial stability.
- **Shared family goals:** ISAs can help fund education, home deposits, or other significant family milestones.



### Speak to your adviser

No matter your life stage or financial goals, ISAs offer powerful tools for building a secure future.

To find the right ISA strategy for you or your family, speak to your financial adviser for tailored guidance.

### Important information:

The value of investments can go down as well as up, and you may not get back the full amount you invested. Past performance is not a guide to future performance, and past performance may not necessarily be repeated. Tax benefits depend on personal circumstances and current tax rules, which could change in the future. Information provided is for guidance only and does not constitute financial advice. Tavistock Investments Plc is authorised and regulated by the Financial Conduct Authority.