

Direct ISA
Inherited allowance account

Your questions answered

**NS
&I**

Your questions answered

About the inherited ISA allowance

You inherit an additional tax-free ISA allowance if your spouse or civil partner dies, up to the total value of their ISA savings.

If they died on or before 5 April 2018, it is calculated on the total value of their ISA savings at the date they died. However, if they died on or after 6 April 2018, you have the choice of calculating your inherited ISA allowance on the total value of their ISA savings at the date they died or on the date their ISA savings stopped being exempt from UK Income Tax.

Their ISA savings stop being exempt from UK Income Tax as soon as:

- the administration of their estate is completed; or
- the account is closed; or
- three years after their death.

This one-off extra allowance doesn't affect your normal ISA allowance.

How do I use the allowance with NS&I?

You have a total inherited ISA allowance equal to the total value of all ISAs held by your spouse or civil partner. Where they held ISAs with more than one provider, you can use the allowance from each one separately. If you want to use one or more of your allowances with us, you can apply to open an NS&I Direct ISA inherited allowance account. Read on to find out more.

What is the NS&I Direct ISA inherited allowance account?

It is a cash ISA that we have set up specifically to accept deposits as part of an ISA allowance inherited from a deceased spouse or civil partner. Like our normal Direct ISA, it pays tax-free interest and can be managed online and by phone only. You can invest either one lump sum or a number of smaller deposits, up to the value of your inherited ISA allowance.

Once your account is open, you can make deposits any time until the expiry date shown on your welcome letter, or within 180 days of the date your spouse's or civil partner's estate is settled, whichever is later. There's more detail about this account, including the customer agreement (terms and conditions) in our key features leaflet. You can download one from [nsandi.com](https://www.nsandi.com), or call us and we'll send you one.

How do I apply for an account?

Download and print the Direct ISA inherited allowance application form from [nsandi.com](https://www.nsandi.com), or call us and we'll send you one. Complete the form and post it to us with your original marriage or civil partnership certificate, or a certified copy.

We'll ask you to tell us the following on the form:

- Your spouse's or civil partner's full name and their permanent address at the date of their death.
- Their date of birth and date of death.
- Their National Insurance number.
- The name(s) and address(es) of their ISA provider(s).
- The date of your marriage or civil partnership.

How can I make deposits into the account?

When your account is open, you'll be able to pay money in using your debit card at [nsandi.com](https://www.nsandi.com) or by calling us. If you're not already registered to use our online and phone service, we'll register you after you apply for your account.

Is there a time limit for using the allowance?

Yes, you must make your deposits no later than three years from the date your spouse or civil partner died or 180 days after their estate is settled.

Do I have to inherit the money to be eligible?

No, you are eligible for the inherited allowance regardless of whether or not you inherit the actual money from your spouse's or civil partner's ISA. And you don't have to wait for their ISA to be closed and repaid – you can open your inherited allowance account before this with your own money.

I live outside the UK – am I still eligible?

Yes. Unlike normal ISAs, you don't have to be resident in the UK for tax purposes to qualify for the inherited ISA allowance.

Can I transfer my account after opening it?

Yes, like a normal ISA you can transfer your inherited allowance account to any other ISA provider who will accept it. There's one important difference though: if you haven't used all of your allowance when you transfer the account, you won't be able to make further deposits with the new ISA provider.

Direct ISA inherited allowance account

Contact and help



Visit our website at nsandi.com



Phone us on **08085 007 007**

We're here in the UK every day except bank holidays. Calls from the UK are free. We may record your call to help us give you the best service.



Tweet us [@nsandihelp](https://twitter.com/nsandihelp)



Write to us at **NS&I, Sunderland SR43 2SB**

Need a different format?

Ask us for a version in:

- Braille
 - Audio tape
 - CD
 - Large print
-

Hard of hearing or speech impaired?

You can get in touch with us through the Text Relay Service: just dial **18001** from your textphone then enter our main phone number. Or call our Minicom service direct on **0800 056 0585**.