



## Child Trust Fund to JISA transfers

***At long last it has become possible to transfer Child Trust Funds to Junior ISAs.***

One of the first acts of the coalition in May 2010 was to announce an end to the Child Trust Fund (CTF), with no government payments to newborns after 2 January 2011. In November 2011, Junior ISAs (JISAs) were launched as a replacement, but crucially there were no government payments involved.

Children eligible for CTFs (born between 1 September 2002 and 2 January 2011) could not invest in JISAs, which left them – and their parents – in something of a limbo land, as the focus of financial service companies was on the new product, JISAs.

It is a fitting end to this story that one of the final acts of the coalition government was to pass two pieces of legislation which, since 6 April 2015, have allowed a CTF to be transferred into a JISA. If you have a child (or grandchild) with a CTF, a transfer may well be worth considering. CTFs started life in 2004 with very low contribution limits and both their charging structure and investment choice reflected this. Although contribution limits have increased and now match the £4,080 annual figure for JISAs, the old structures have tended to stay in place. A transfer to a JISA could therefore cut costs and broaden investment options. To find out more, please contact us.

*The value of your investment can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance. Investing in shares should be regarded as a long-term investment and should fit in with your overall attitude to risk and financial circumstances. The value of tax reliefs depends on your individual circumstances. Tax laws can change.*