

## **Consumers left in the lurch over ISA rule changes**

Nine in ten adults in the UK (90%) are unaware of any changes to the ISA rules for the forthcoming tax year or how it could benefit them according to new research by Selftrade, the online broker.

17 million Brits already have an ISA. Nearly a third of ISA holders surveyed (29%) admitted that they have no idea about the new regulatory changes, meaning they could miss out on the chance to maximise on their investments.

With the end of the current tax year looming, Selftrade asked a representative sample of over 2,000 GB adults if they were aware of the changes to the ISA rules and what they are.

### **Key Findings**

- More than one in three people (35%) say they are aware there are changes but are unsure what the changes are and are unsure whether one can invest more or less money.
- Hopeful Brits are overestimating how much they can invest into an ISA once the rules change on the 6<sup>th</sup> April – more than one in four (27%) think the limit is increasing to £7,500, not the correct £7,200.
- The eldest generation are the most clueless when it comes to the new changes in the rules – 39% said they knew the rules are changing but admitted they are unsure how much they are changing and one in three (32%) believe incorrectly that the subscription limit is increasing to £7500, instead of the correct limit of £7,200.
- Men are twice as likely to know the new changes in the ISA rules, with 13% knowing correctly that they will integrate maxi & mini ISAs and

allow transfers from previous year's cash ISAs to a stocks and shares one, compared to only 7% of women.

- Only one in 20 (5%) people living in the Midlands knew the correct changes. This compares to the financially aware Scots - two in seven (15%) claimed to know the changes, and just 16% admitted they knew nothing of the new rules.

**Stephen Barber, Head of Research at Selftrade commented:**

“It is concerning that the government’s message about ISA rule changes has not got through to the investing public. ISAs are a key element in the UK investor’s armoury, providing a tax efficient shelter. And with the clock ticking for this year’s allowance, it’s use it or lose it time.”

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FD Consumer Dynamics

For more information on Selftrade visit their website - [www.selftrade.co.uk](http://www.selftrade.co.uk)

The research was carried out by YouGov amongst a GB representative sample of 2,187 people in March 2008. Additional research is available on request.

<b>Region</b>	<b>% aware of the correct rule changes</b>	<b>% aware there are changes but unsure what these are</b>
Scotland	15%	39%
London	12%	35%

East Anglia	12%	38%
Wales	12%	30%
North East	10%	26%
South	10%	37%
West Country	9%	33%
Yorkshire	7%	38%
Lancashire	7%	40%
Midlands	5%	29%

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