



For financial advisers only

Have you thought about JISA allowance – 2024/25 tax year – sample text

If you decide to use any of the following sample text, you must make sure that it meets your regulatory requirements. We don't accept liability for any consequences resulting from its use.

Here's an example of the kind of communication you could send to clients who have already used their ISA allowance and would like to use the available JISA allowance.

RTL391663 04/24

Dear <insert name>

I've noticed you've used your full allowance in your Aegon ISA for this year, but have you considered making use of the Junior ISA (JISA) allowance available for a child under the age of 18?

The 2024/25 JISA allowance is £9,000 a year for each child. Parents, friends and family can all save on behalf of the child as long as the total stays under the yearly limit. And the good news is Aegon also offers a stocks and shares JISA.

The value of investing in a stocks and shares JISA

You're already aware of the benefits of your ISA and a stocks and shares JISA is very similar. It also offers a tax-efficient way to invest, with any income or growth free of any liability to capital gains tax and income tax.

As you're probably aware historically, investing in stocks and shares has provided the potential for greater returns over the long term (more than five years) than keeping money in the bank – although of course, past performance isn't a reliable guide to what will happen in the future.

Just like with your ISA, it's important to remember that unlike money in the bank, investing in stocks and shares puts your money at risk. The value of your investment can fall as well as rise, and so the child could get back less than you invest.

Also, although there's no fixed term, as the value of investments can fall the JISA investment should be prepared to be held for at least five years – ideally longer. Once the child reaches 18 years old the JISA will become an Aegon ISA with the full adult allowance available to invest each tax year.

If you're investing in a JISA, remember that the child can't access the money until age 18.

Please remember that the favourable tax treatment of JISAs may not be maintained in the future and is subject to change. The benefit of the tax efficiency will depend on your individual circumstances.

If you want to make the most of the tax-efficient JISA allowance for child, please call us on <XXXX
XXX XXXX> and we'll be happy to help.

Yours sincerely

<Consultant Name>

<Company Name>
