



# Help to Buy: ISA

## Key Features

Help to Buy: ISA is a UK Government led scheme to help individuals save towards buying their first home. The scheme is subject to the Help to Buy: ISA Scheme Rules which the UK Government may change from time to time. You can find a copy of the Scheme Rules at [www.helptobuy.gov.uk/isa](http://www.helptobuy.gov.uk/isa)

When you purchase your first home the UK Government will pay you a bonus of 25% of the closing balance e.g. bonus of £50 for every £200 of closing balance of your Help to Buy: ISA.  
(providing you meet the criteria stated below).

You can save a maximum of £1,200 in the first calendar month of subscription and £200 every month thereafter.

## Who can open and save in a Help to Buy: ISA with NatWest?

To save into a Help to Buy: ISA with NatWest you need to meet the following criteria:

- Aged 16 or over.
- Have a valid National Insurance number.
- Are resident in the UK for tax purposes or, if not so resident, either perform duties which are treated as being performed in the United Kingdom in accordance with the Income Tax (Earnings & Pensions) Act 2003, or are married to, or in a civil partnership with such a person.
- Have not subscribed, and will not subscribe, to another cash ISA in any tax year in which you subscribe to a Help to Buy: ISA – unless that cash ISA is held with NatWest. (We will add up how much has been saved across both your Help to Buy: ISA and regular cash ISA and provide HMRC with one combined ISA amount for the tax year – this is called a Portfolio ISA.)
- You do not own and never have owned any interest in land in or outside the UK which includes a building that can be used as a place of residence.
- You do not hold another Help to Buy: ISA – unless you are transferring it in full and closing it by moving it to NatWest.
- You have not subscribed and will not subscribe more than the overall subscription allowance in total to any combination of permitted ISAs in the same tax year – for the 2017/2018 tax year this is £20,000 (a tax year runs from 6 April in one year to 5 April in the following year).
- You have not received a bonus as part of the Help to Buy: ISA Scheme, unless that bonus has been repaid to the administrator appointed by the UK Government in the event that your home purchase falls through.

**Note:** Saving in a Help to Buy: ISA does not qualify you for any other product or service or any other Help to Buy: scheme.

## How much can I save in my Help to Buy: ISA?

You can save up to £1,200 in the month you first fund your account and then up to £200 per month thereafter. You can choose to pay up to these limits as a single payment or multiple payments within the same calendar month.

Example –

- You make your first subscription of £200 on 30 May 2017.
- In order to use the total initial funding limit, you only have until 31 May 2017 to add up to £1,000.

Interest earned on your Help to Buy: ISA counts towards your savings balance. The interest rate payable on a NatWest Help to Buy: ISA is variable and may change in the future.

Interest is paid tax-free which means it is exempt from UK income tax.

**Note:** Any interest you earn on another NatWest product cannot be paid directly into your Help to Buy: ISA.

## Can I make withdrawals from a Help to Buy: ISA?

Yes – the NatWest Help to Buy: ISA is instant access and you may withdraw funds if you wish to.

However, you will only be able to pay back in up to the monthly subscription allowance and by making withdrawal(s) you may reduce or take longer to save for your bonus payment.

Example –

- You have built up a balance of £2,000 and you make a withdrawal of £800.
- You wish to pay back in £800.
- As the maximum monthly deposit is £200 per month, it will take a minimum of four monthly payments to get your balance back to £2,000.

## How do I close my Help to Buy: ISA and claim my bonus?

- When you are ready to buy your first home you must close your Help to Buy: ISA by giving written notice to your branch, before claiming for your bonus. You can either post your written notice or hand it in. To preserve the tax free cover you can close and transfer your account to a non Help to Buy cash ISA.
- The bonus is claimed from the UK Government through the party acting on your behalf to purchase your property (your **conveyancer**). NatWest does not pay the bonus.
- The bonus will be paid on the balance of your Help to Buy: ISA on closure only (the last outstanding balance that is debited from your Help to Buy: ISA before the account balance goes to £0). If you make withdrawal(s) before requesting to close your account, this will reduce the value of the bonus you can claim.
- The UK Government will pay a bonus of 25% of your closing balance, payable towards the completion cost of buying your first home (this is not paid towards any deposit). The minimum bonus is £400 on a closing balance of £1,600 and the maximum bonus is £3,000 on a closing balance of £12,000. As an example, if you have a closing balance of £8,000, the UK Government will pay you a bonus of £2,000.
- Once we have received your request to close your Help to Buy: ISA we will transfer your funds to a non Help to Buy: ISA account, send you an account closing statement and an extra account closing document. You will need to provide your conveyancer with the extra account closing document to claim your bonus. We will send this to you within five business days of closing your account.
- You can claim for a bonus within 12 months of the account closing date.

## Are there any maximum property purchase prices?

- Yes – the maximum property price a bonus will be paid on is £450,000 in London and £250,000 elsewhere in the UK.
- Help to Buy: ISA may be used for shared and joint ownership properties. The property price is based on the full sale price of the property and not on the price of the share being purchased.

For further information, including details of addresses that are inside and outside London please visit [www.help2obuy.gov.uk/isa](http://www.help2obuy.gov.uk/isa)

## Can I transfer an existing cash ISA and/or Help to Buy: ISA into a NatWest Help to Buy: ISA?

- If you hold a Help to Buy: ISA with another provider and wish to transfer it to NatWest, then the existing Help to Buy: ISA must be transferred in full and closed.
- If you hold a cash ISA either with NatWest or another provider, you can transfer up to your monthly allowance into your Help to Buy: ISA from it.
- If you hold a cash ISA with another provider which you have subscribed to in the current tax year and your balance is more than your monthly Help to Buy: ISA subscription allowance, you can still transfer it to NatWest. You can transfer up to the monthly Help to Buy: ISA allowance to your NatWest Help to Buy: ISA and any amount above this will need to be transferred to a NatWest regular cash ISA. To do this, you will also be required to open a new cash ISA account if you do not already hold one.
- You can also transfer a cash ISA that has been subscribed to in a previous tax year. You can transfer up to the monthly allowance into a NatWest Help to Buy: ISA. This will be applied as previous tax year subscriptions and will not reduce your current tax year subscriptions. However, it will count towards the Help to Buy: ISA monthly allowance.
- For all ISA transfers to a NatWest Help to Buy: ISA, please complete a Help to Buy: ISA Transfer Request Form available at [natwest.com/isatransfer](http://natwest.com/isatransfer)

# Additional Information

## Cancelling your ISA

- You have a period of 14 days within which to cancel your account. The cancellation period begins on the later of the following of two dates:
  - (a) the date your account is opened;
  - (b) the first date on which you received a copy of the contractual documents.
- If you wish to cancel your Help to Buy: ISA, you must confirm your decision in writing addressed to your branch.
- If you cancel within the 14 days period, we'll return all the money in your account and any interest earned.
- If you don't cancel within 14 days, you'll remain bound by the terms of your agreement with us until your account is closed.

## Making a Complaint

If you want to complain about any of our products or services, we want to help. You can find out about our procedures for dealing with complaints by asking in any of our branches, calling us or going to [natwest.com](https://www.natwest.com)

If you still feel we haven't done enough after using our complaint procedure, you can talk to the Financial Ombudsman Service. You can ask in any branch or call us if you want to know more about them. Otherwise, write to: Financial Ombudsman Service, Exchange Tower, London E14 9SR. Call 0800 023 4567.

## Financial Services Compensation Scheme

The product(s) mentioned in this literature is/are covered by the Financial Services Compensation Scheme (FSCS).

The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations.

For further information about the compensation provided by the FSCS, refer to the FSCS website [www.fscs.org.uk](https://www.fscs.org.uk)

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. We are entered on the Financial Services Register and our registration number is 121878.

If you're in the Isle of Man, the Channel Islands or Gibraltar, not all the information in this booklet will be relevant to you.

