

No ISA – for clients who haven't previously invested in an ISA

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Dear <Client Name>

Make the most of tax-efficient investing with an ISA

With the cost of living challenges impacting us all, you'll want to make sure your savings are giving you the best possible return.

Putting money aside tax efficiently in an individual savings account (ISA) is an easy way to make it work that bit harder for you. So as someone who has already seen the benefits of investing in a pension, taking out an ISA could be a good way to help with your retirement planning.

You can invest up to £20,000 in a stocks and shares ISA or a cash ISA. Or you can mix and match by adding to both, as long as the total combined amount doesn't go over the annual allowance of £20,000.

It's a good time to look at making the most of this tax-efficient way to save as you won't pay income or capital gains tax on your ISA profits. And remember, if you don't use your ISA allowance, you lose it for this tax year which ends on 5 April 2024.

Any money invested in a stocks and shares ISA should be money that you don't need in the short term – typically the next five years. The value of your investment can however go down as well as up so you might not get back the amount you put in. Also, tax rules can change and the impact of taxation (and any tax relief) depends on your circumstances.

Do you need to take any action?

It's not just about ISAs. It's also important to consider how external factors such as reduced or frozen allowances, together with high inflation, could impact your finances and what action you could take before the end of the tax year.

So here are some common questions that I'm asked – that might help you consider if you need to take any action.

- Should I consider saving money into an ISA to make the most of this year's allowance?
- How much can I pay into my pension?
- Would it be a good idea to put a lump sum into my pension before the end of the tax year if I can afford to? Could it reduce the tax I need to pay?
- Would I need to pay capital gains tax if I decide to sell any of my assets?
- How much can I gift to my loved ones before I have to pay inheritance tax?

Relationship clients:

As we've discussed this previously, please treat this as a gentle reminder to take advantage of tax-efficient savings. If you're interested in talking more about how you could make the most of your ISA allowance, or any other allowances for that matter, before the end of the tax year on 5 April, please give me a call or email me. If I don't hear from you, I look forward to speaking to you at your next review, or any time before if you'd like help with something else or have any questions.

Other clients:

If you're interested in finding out how you could make the most of your ISA allowance, or any other allowances for that matter, before the end of the tax year on 5 April, please give me a call or email me.

Best wishes

<Adviser name>

<Adviser Firm Name>

<Business footer>