STATUTORY INSTRUMENTS

2026 No. 248

INCOME TAX
CAPITAL GAINS TAX

The Individual Savings Account (Amendment) Regulations 2026

Made - - - -	*9th March 2026*
Laid before the House of Commons - - - -	*10th March 2026*
Coming into force - -	*6th April 2026*

The Treasury make these Regulations in exercise of the powers conferred by section 151(1) of the Taxation of Chargeable Gains Act 1992(**1**) and sections 694(3) and (5), 695, 695A, 696, 699(2) and 701 of the Income Tax (Trading and Other Income) Act 2005(**2**).

Citation and commencement

1. These Regulations may be cited as the Individual Savings Account (Amendment) Regulations 2026 and come into force on 6th April 2026.

Amendment of the Individual Savings Account Regulations 1998

2.—(1) The Individual Savings Account Regulations 1998(**3**) are amended as follows.

(2) In regulation 2 (interpretation), in paragraph (1), in sub-paragraph (b), after the definition of "recognised UCITS" insert—

""UK cryptoasset exchange traded note" means a debt security—

(a) which is traded on a trading venue or a market operated by a United Kingdom recognised investment exchange,

(b) which features no periodic coupon payments, and

(**1**) 1992 c. 12.
(**2**) 2005 c. 5. In these footnotes, "FA" followed by a year is a reference to a Finance Act of that year. Section 694 was amended by section 40(2) of FA 2011 (c. 11). Section 695 was amended by paragraph 132 of Schedule 4 to the Commissioners for Revenue and Customs Act 2005 (c. 11) ("the 2005 Act"). Section 695A was inserted by section 40(3) of FA 2011. Section 699(2) was amended by paragraph 132 of Schedule 4 to the 2005 Act.
(**3**) S.I. 1998/1870.

(c) whose return tracks the performance of an unregulated transferable cryptoasset, minus applicable fees, whether featuring delta 1, inverse or leveraged exposure or other exposure to the unregulated transferable cryptoasset being tracked.

In this definition, the expressions "debt security"(**4**), "trading venue"(**5**), "recognised investment exchange"(**6**) and "unregulated transferable cryptoasset"(**7**) have the meanings given in the Glossary of the Financial Conduct Authority Handbook as in effect on 8th October 2025(**8**);".

(3) In regulation 4 (general conditions for accounts and subscriptions to accounts)(**9**)—

(a) in paragraph (6), in sub-paragraph (b), in the words before paragraph (i), after "regulation 8A(2)(cb)" insert "or (cd)";

(b) in paragraph (7), in the words before sub-paragraph (a), after "regulation 8A(2)(cb)" insert "or for a stocks and shares component within regulation 7(2)(s)".

(4) In regulation 5DDA (additional permitted subscription to an account other than a junior ISA account)(**10**)—

(a) in paragraph (2), in sub-paragraph (e), in paragraph (v), after "regulation 8A(2)(cb)" insert "and (cd)";

(b) in paragraph (3A), after "regulation 8A(2)(cb)" insert ", (cd)";

(c) in paragraph (11), in sub-paragraph (b), in paragraph (iv), for "or (cb)" substitute "(cb), or (cd)".

(5) In regulation 7 (qualifying investments for a stocks and shares component)(**11**)—

(a) in paragraph (2)—

(i) at the beginning of sub-paragraph (b) insert "subject to paragraphs (2G) and (2H),";

(ii) after sub-paragraph (r) insert—

"(s) investments in a long-term asset fund(**12**).";

(b) after paragraph (2E) insert—

"(2F) Investments which immediately before 6th April 2026—

(a) were held under an innovative finance account(**13**), and

(b) were qualifying investments for an innovative finance component(**14**) falling under regulation 8A(2)(cc) as in force at that time,

(**4**) This definition can be accessed on the Financial Conduct Authority website at https://handbook.fca.org.uk/glossary/G3645c?timeline=true&date=08-10-2025.

(**5**) This definition can be accessed on the Financial Conduct Authority website at https://handbook.fca.org.uk/glossary/G2439?timeline=true&date=08-10-2025.

(**6**) This definition can be accessed on the Financial Conduct Authority website at https://handbook.fca.org.uk/glossary/G1034?timeline=true&date=08-10-2025.

(**7**) This definition can be accessed on the Financial Conduct Authority website at https://handbook.fca.org.uk/glossary/G3407u?timeline=true&date=08-10-2025.

(**8**) Paper copies of the defined expressions are available for inspection at: His Majesty's Revenue and Customs, 100 Parliament Street, London SW1A 2BQ.

(**9**) Paragraph (7) of regulation 4 was amended by S.I. 2010/2957, 2017/466 and 2024/350.

(**10**) Regulation 5DDA was inserted by S.I. 2015/689 and relevantly amended by S.I. 2016/364, 2016/977 and 2024/350.

(**11**) Regulation 7 was relevantly amended by paragraphs 86 and 145 of Schedule 8 to FA 2014 (c. 26), S.I. 1998/3174, 2000/2079, 2000/3112, 2001/3778, 2003/2427, 2004/2996, 2005/2561, 2005/3350, 2007/2119, 2008/704, 2008/3025, 2009/1994, 2011/1780, 2013/1743, 2014/1450, 2015/1370, 2019/689, 2020/30, 2023/264, 2024/1022 and 2025/733.

(**12**) "Long-term asset fund" is defined in regulation 2(1)(b) of S.I. 1998/1870.

(**13**) "Innovative finance account" is defined in regulation 4(1ZA) of S.I. 1998/1870.

(**14**) "Qualifying investments for an innovative finance component" is defined in regulation 8A of S.I. 1998/1870.

are to be treated, for as long as they are so held, as qualifying investments for a stocks and shares component(**15**) falling under paragraph (2)(s) and held under a stocks and shares account(**16**).

(2G) A UK cryptoasset exchange traded note is not a qualifying security for the purposes of paragraph (2)(b).

(2H) Notwithstanding paragraph (2G), investments which—

(a) immediately before 6th April 2026—

(i) were held under a stocks and shares account, and

(ii) were qualifying investments for a stocks and shares component by virtue of being UK cryptoasset exchange traded notes falling under the definition of qualifying securities in paragraph (2)(b), and

(b) ceased to be qualifying securities for the purposes of paragraph (2)(b) on the coming into force of paragraph (2G),

are to be treated, for as long as they are so held, as qualifying investments for a stocks and shares component.".

(6) In regulation 8A (qualifying investments for an innovative finance component), in paragraph (2)(**17**)—

(a) omit sub-paragraph (cc);

(b) before sub-paragraph (d) insert—

"(cd) investments in a UK cryptoasset exchange traded note;".

(7) In regulation 31 (returns of information by account manager)(**18**)—

(a) in paragraph (3), in sub-paragraph (d)—

(i) in the words before paragraph (i), for "(ca) or (cb)" substitute "(ca), (cb) or (cd)";

(ii) in paragraph (ia), after "regulation 8A(2)(cb)" insert "or (cd)";

(b) in paragraph (4)—

(i) in sub-paragraph (a), after paragraph (vii) insert—

"(viii) investments in a long-term asset fund,";

(ii) in sub-paragraph (d), in paragraph (iv), after "regulation 8A(2)(cb)" insert "or (cd)".

Gen Kitchen
Taiwo Owatemi
Two of the Lords Commissioners of His Majesty's Treasury

9th March 2026

(**15**) "Qualifying investments for a stocks and shares component" is defined in regulation 7 of S.I. 1998/1870.
(**16**) "Stocks and shares account" is defined in regulation 4(1)(a) and (b) of S.I. 1998/1870.
(**17**) Regulation 8A was inserted by S.I. 2016/364 and relevantly amended by S.I. 2016/977, 2023/264, 2024/350 and 2025/733.
(**18**) Regulation 31 was relevantly amended by S.I. 2000/3112, 2004/2996, 2005/2561, 2008/704, 2009/1994, 2014/654, 2014/1450, 2015/1370 and 2019/689.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Individual Savings Account Regulations 1998 by:

- allowing long-term asset funds to be held in a stocks and shares account (regulation 2(3));
- removing the provision that allows long-term asset funds to be held under an innovative finance account (regulation 2(6)(a));
- providing that long-term asset funds which were held under an innovative finance account immediately before 6th April 2026 are to be treated as qualifying investments for a stocks and shares component held under a stocks and shares account (regulation 2(5)(b));
- providing that UK cryptoasset exchange traded notes cannot be held under a stocks and shares account unless they were already held in a stocks and shares account immediately before 6th April 2026 (regulation 2(5));
- allowing UK cryptoasset exchange traded notes to be held under an innovative finance account (regulation 2(6)(b));
- making various consequential provision relating to long-term asset funds and UK cryptoasset exchange traded notes (regulation 2(3), (4) and (7)).

A Tax Information and Impact Note covering this instrument will be published on the website at https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins.