



## **Slater Investments Limited Additional Permitted Subscription (APS) General Information Document and Frequently Asked Questions (FAQs)**

Please note the information provided below is designed to be used for informational purposes only and does not constitute advice or an instruction. If you are unsure of any information related to a potential Additional Permitted Subscription please contact your professional adviser.

The latest Key Investor Information Document and Prospectus for all Slater Funds are available free of charge from Slater Investments Limited and on the relevant Slater Fund page on our website ([www.slaterinvestments.com](http://www.slaterinvestments.com)). You are required to read the Key Investor Information Document (KIID) and Supplementary Information Document (SID) before making an investment.

This form was last updated 18/03/2024.

### **What is the Additional Permitted Subscription (APS) allowance?**

Where a person who has an ISA dies, their Spouse (or Civil Partner) at the time of death is entitled to invest the value of the Deceased's ISA into their own ISA. You, as the Spouse (or Civil Partner), do not need to actually inherit the ISA, nor do you necessarily need to transfer the ISA. If you have an ISA, it is simply an entitlement to top up your own ISA. This entitlement is referred to as the Additional Permitted Subscription (APS).

The APS allowance is an additional investment allowance and independent of the annual ISA allowance. The allowance is not dependent on inheriting the Deceased's ISA or any other assets – the APS is a right that you have as the Spouse (or Civil Partner) to make an additional investment into your own ISA.

The APS allowance is independent of the cash and investments held in your Spouse (or Civil partner)'s ISA(s). That means if

the cash and investments (which would include the ISA) are passed to another member of the family under a will, for example, you can still apply for an APS allowance and contribute using cash you already hold or separately inherit.

If you inherit assets from a Spouse (or Civil Partner)'s ISA(s), you can use them to subscribe to your APS allowance. If investments are held in the ISA(s) and you inherit them, you can transfer the investments to an ISA in your own name and use them to subscribe to your APS allowance.

### **Who is eligible for an APS allowance?**

As stated above, the APS allowance is only available to the eligible Spouse (or Civil Partner) of the Deceased.

At the date of death, an eligible individual would have been:

- Living with the Deceased;
- Married or in a civil partnership with the Deceased; and

- Not legally separated under court order, under a Deed of Separation, or in a situation where the marriage/civil partnership with the Deceased had broken down (separation due to a Spouse (or Civil Partner) being resident in a care home is not considered legally separated for the purpose of determining APS eligibility).

### **I have inherited an APS allowance, can I transfer it to another individual?**

No, the APS allowance is not something that can be transferred to another person; it is to be used solely by the Spouse (or Civil Partner) of the Deceased.

### **What if I inherit more than one ISA, or ISAs from different ISA Managers?**

Where the Deceased held multiple ISAs with different ISA Managers, there is an APS allowance in relation to each ISA. You may decide to combine them all together and invest in one ISA but you could keep them separate and invest with different ISA Managers.

### **How is an APS allowance calculated?**

Depending on when the death occurred, the APS is calculated differently. If the death was between 3 December 2014 and 5 April 2018, the APS is the value of the Deceased's ISA when they died. If the death was on or after 6 April 2018, the APS is the highest of: (a) the value at death; (b) the value at the end of the administration period; or (c) if the administration period is longer than 3 years, the value on the third anniversary of the death. The higher limits in (b) and (c) apply only if the surviving

Spouse (or Civil Partner) has not used any APS under (a).

There are no APS allowances available for deaths that occurred before 3 December 2014.

### **What time limits are there for using my APS allowance?**

An APS allowance must be used within three years of the date of death, or within 180 days of the completion of the administration of the estate, whichever is later.

However, if the contributions are to be made 'in-specie' – transferring the assets held within the Deceased's ISA rather than selling the assets and transferring the cash proceeds – these can be paid no later than 180 days after the assets were distributed to the surviving Spouse (or Civil Partner) by the personal representatives.

### **How do I find out the value of my APS?**

You will need to request the value of your APS allowances from each ISA Manager that holds your Spouse or (Civil Partner)'s ISA(s). They will be able to confirm the value of your APS allowances and you can then make subscriptions to an ISA to use the allowances. Once the APS allowance has been calculated you can transfer this to another ISA Manager.

### **Where can I use an APS allowance?**

You can use an APS allowance with any ISA Manager who offers APS ISAs. This could be where the Deceased held their ISA, where you hold your ISA or another ISA Manager. The APS rules are the same

for all APS ISA Managers, but all providers will have different application and documentation requirements. If you are using someone other than Slater Investments Limited as the APS ISA Manager please consult them for specific details relating to their application processes or speak to your professional adviser who will be able to help you with this process.

An ISA Manager doesn't have to allow APS subscriptions into ISAs. However, if they won't allow you to use your APS allowance with them they must allow you to transfer it to another ISA Manager of your choice.

The APS allowance must be used with the Deceased's ISA Manager if the existing assets are to be transferred 'in-specie' - without selling them - to the Spouse (or Civil Partner)'s ISA.

In-specie contributions can only be made to the ISA Manager who already holds the assets, so the Spouse (or Civil Partner) will need to open a new ISA if they don't already have one with that ISA Manager. In-specie contributions have to be made within 180 days of the Spouse (or Civil Partner) receiving the assets from the estate.

### **How can I use my APS allowance?**

You can subscribe your APS allowance with a one-off lump sum payment or with multiple subscriptions within the required time limits. Check with your ISA Manager if they have restrictions around this as some may only accept one lump sum payment. This may mean you could lose the remaining balance of your APS allowance

if you do not subscribe the full value of the APS allowance in the initial lump sum.

Once you have applied to use an APS allowance with an ISA Manager you must use all of it with that ISA Manager. You will not be able to transfer it to another ISA Manager once you have begun subscribing to it, however once you've subscribed, you can transfer your ISA balance to another ISA Manager under the normal ISA transfer rules. Slater Investments Limited's ISA Transfer Form is available on the Key Documents page of the company website ([www.slaterinvestments.com](http://www.slaterinvestments.com)).

### **Does the APS allowance affect my annual ISA allowance?**

No. APS allowances are independent of, and separate from, your annual ISA allowance. It can be used with your current ISA Manager or another one (assuming you meet all requirements of that provider).

### **Can I still use my APS allowance if I am not a UK resident?**

Yes, you can open an ISA and still use your APS allowance, but you will not benefit from the annual ISA allowance as well.

### **Where can I get further information?**

The HMRC helpline (0300 200 3300) will be able to respond to any detailed queries about dealing with the APS allowance or the Deceased's estate. HMRC also provides information and guidance on APS allowances on their website ([www.gov.uk](http://www.gov.uk)). You can also consult with a professional adviser.

## **Legal Disclaimer**

Slater Investments Limited cannot accept any responsibility for any inconvenience, loss, damage, or liability nor for any legal fees and costs incurred or caused as a result of any information provided in this document.

Slater Investments Limited does not provide financial advice. Please consult your professional adviser if you are unsure of any of your rights under, or eligibility for, an APS allowance.

Individuals should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, Slater Investments Limited strongly suggest that individuals consider taking professional financial advice. Tax treatment and the availability of allowances depends on the individual circumstances of the individual and may be subject to change in the future.