General Investment Account Guide

For the Tax Year 2025/26

A General Investment Account (GIA) offers a flexible investment solution without the limits or restrictions of tax-wrapped accounts, making it an essential component of a comprehensive wealth management strategy for investors who have maximised their tax-efficient allowances.

What is a General Investment Account (GIA)?

A General Investment Account is a flexible investment account that allows you to hold a wide range of investments without the contribution limits or restrictive access rules of tax-advantaged accounts.

Unlike ISAs or pensions which have annual contribution limits, a GIA has no ceiling on the amount you can invest, making it particularly valuable for individuals who have already utilised their annual ISA and pension allowances.

A GIA is a non-tax-sheltered investment account meaning any income or gains generated within a GIA are subject to UK tax.

What investments can be held in a GIA?

A GIA offers a comprehensive investment universe that includes:

- Shares in companies listed on recognised stock exchanges
- Government bonds (gilts)
- Corporate bonds
- Investment trusts
- Exchange Traded Funds (ETFs)
- Exchange Traded Commodities (ETCs)
- Unit trusts and OEICs (Open-Ended Investment Companies)
- Foreign stocks that are electronically held

This extensive range of investment options provides significant scope for portfolio diversification and customisation according to your specific investment objectives, time horizon, and risk tolerance.

Is there an investment limit?

Unlike ISAs and pensions which have strict annual contribution limits, a GIA has no maximum investment ceiling.

This makes GIAs an ideal solution for investors who require a flexible investment vehicle without contribution restrictions, have maximised their annual ISA allowance (£20,000 for 2025/26) and have reached their pension annual allowance or lifetime allowance limits.

Who is eligible?

A GIA can be opened by:

- Any UK resident aged 18 or over
- Trustees acting on behalf of trusts (including bare trusts, discretionary trusts, and other trust structures)
- Charities
- Limited companies and other corporate entities
- Joint applicants (typically up to four individuals)

If you lack capacity, an attorney or deputy can manage the account on your behalf.

Non-UK residents may be able to open a GIA depending on the provider's policies and cross-border regulations, though additional documentation and verification may be required.

Paying money into a GIA

Once your General Investment Account is open, you can make contributions at any time to suit your needs.

Payments can be made in cash by bank transfer, cheque, or direct debit. Both one-off lump sums and regular monthly contributions are permitted, giving you flexibility in how you build your investments.

Contributions to another person’s GIA are treated as outright gifts and may have inheritance tax implications.

Can I transfer existing investments into a GIA?

Most providers allow you to transfer existing investments into your GIA (known as an in-specie transfer), although this is subject to their specific terms.

You can transfer existing investments into a GIA through several methods:

- **Nominee Transfer** – Existing investments held in nominee accounts with other providers can typically be transferred directly without selling, avoiding potential Capital Gains Tax triggers.
- **Foreign Stocks Transfer** – Many GIA providers can accept transfers of foreign stocks held electronically by another stockbroker or investment manager.
- **Inter-Account Transfers** – Assets can often be moved between different GIAs, though this may represent a disposal for Capital Gains Tax purposes.
- **Paper Share Certificate Conversion** – Physical share certificates can be converted to electronic form and transferred into a GIA, though this service may incur additional charges.

The transfer process typically requires completion of specific transfer forms and may take several weeks depending on the assets involved and the cooperation of the transferring provider.

Can you make withdrawals from a GIA?

You can withdraw funds at any time, and a GIA offers complete flexibility for capital withdrawals:

- **Full Access** – You can withdraw any amount at any time, with no penalties, lock-in periods, or age restrictions.
- **Regular Withdrawal Facility** – Many providers offer automated regular withdrawal services delivering fixed monthly, quarterly, half-yearly, or annual payments to your nominated bank account.
- **Consolidated Natural Income** – You can elect to have all dividends, interest, and other investment income automatically consolidated and paid out to your bank account on a regular schedule.
- **Partial Withdrawals** – You can withdraw specific amounts while leaving the remainder invested.

This flexibility makes GIAs particularly suitable for investors who prioritise liquidity and may need access to their capital at short notice or on a regular basis.

Why choose a General Investment Account?

A General Investment Account (GIA) offers unmatched flexibility, making it ideal for investors seeking additional investment options once their annual ISA and pension allowances are used. There are no contribution limits, so you can continue building your portfolio without artificial caps.

Unlike pensions or other tax-advantaged wrappers, GIAs provide unrestricted access to your money. You can withdraw or add funds at any time, making them suitable for evolving financial needs or unexpected expenses.

A GIA also opens the door to a broader universe of investment opportunities, including assets not eligible for ISAs. This allows for more tailored portfolio diversification across risk levels, time horizons, and financial goals.

While GIAs are not tax-sheltered, they still provide and support efficient tax planning. Investors can offset capital gains with losses, make use of annual allowances, and transfer assets between spouses to manage their overall tax exposure strategically.

GIAs are also a practical solution for trusts and corporate investment accounts, offering a straightforward way to manage and grow capital. Unlike ISAs and pensions, which are restricted to individuals, GIAs can be opened and held in the name of a trust or company. This makes them ideal for organisations or trustees looking to invest surplus funds while maintaining control and flexibility over how those assets are allocated and accessed.

What are the tax implications of a GIA?

Unlike tax-advantaged wrappers such as ISAs or pensions, investments within a GIA are subject to standard taxation rules:

- **Income Tax** – Dividends and interest received from investments in your GIA are subject to Income Tax based on your marginal rate. For the 2025/26 tax year, the Dividend Allowance is £500, and interest is covered by the Personal Savings Allowance (£1,000 for basic rate taxpayers, £500 for higher rate taxpayers).
- **Capital Gains Tax (CGT)** – When you sell investments within your GIA at a profit, gains above your annual CGT allowance (£3,000 for the 2025/26 tax year) will be subject to CGT at 18% for basic rate taxpayers or 24% for higher or additional rate taxpayers.
- **Inheritance Tax** – Assets held within a GIA form part of your estate for Inheritance Tax purposes, though various exemptions and reliefs may apply depending on asset types and circumstances.

It is important to note that the taxation of GIA investments can be managed efficiently through various strategies.

Managing Tax Liabilities Within a GIA?

While GIAs do not offer the tax-free benefits of ISAs, there are effective strategies, that can reduce your overall tax exposure while continuing to grow your investments efficiently.

Using your annual Capital Gains Tax allowance (£3,000 for 2025/26) is a key starting point. By realising gains within this limit each year, you can gradually crystallise profits without incurring tax.

Transferring assets between spouses or civil partners can help you take advantage of both individuals' tax allowances. These transfers are generally tax-neutral and can significantly enhance household tax efficiency.

Utilise "**Bed and ISA"** strategies, which involves selling investments held in your GIA and repurchasing them within an ISA. This allows you to realise gains within your Capital Gains Tax allowance, while moving assets into a tax-free environment for future growth. Over time, this method can significantly reduce the taxable portion of your portfolio and increase the share of your investments sheltered from income and capital gains tax.

Tax-loss harvesting, by selling underperforming investments to realise a loss, you can offset gains made elsewhere in your portfolio, helping to reduce your overall tax liability.

Adopting an asset location strategy. Income-generating investments might be better placed in tax-efficient wrappers, while growth-oriented assets can remain in your GIA to reduce immediate income tax liabilities.

Why might a GIA not be suitable?

While GIAs provide exceptional flexibility, they may not be optimal for every investor or circumstance, and discerning investors should carefully evaluate whether this vehicle aligns with their family's broader wealth objectives

Here are some key considerations:

- **Tax Efficiency** – Without the tax advantages of ISAs or pensions, investment returns in a GIA may be reduced by Income Tax, Capital Gains Tax, and potentially Inheritance Tax liabilities.
- **Administrative Complexity** – GIA investments must be declared on your self-assessment tax return (if applicable), creating additional administrative responsibilities that don't apply to ISA investments.
- **Priority of Tax Wrappers** – For most investors, maximising contributions to tax-advantaged accounts like ISAs and pensions should generally take priority before significant GIA investing, unless specific circumstances dictate otherwise.
- **Portfolio Complexity** – While GIAs offer advantages for substantial portfolios, individuals may benefit from more sophisticated structures like Family Investment Companies, Offshore Bonds, or Discretionary Trusts in specific situations.

Before opening a GIA, it is important to assess whether it aligns with your financial goals and how it fits within your broader wealth management strategy.

Can a GIA be used for Estate Planning?

A GIA can form an effective component of an estate planning strategy.

- Assets in a GIA can be gifted to family members, potentially reducing Inheritance Tax liabilities if you survive for seven years after the gift.
- GIAs can be established with designated beneficiaries or held in trust for specific beneficiaries, potentially providing Inheritance Tax advantages and control over asset distribution.
- For married couples or civil partners, assets can be transferred between spouses' GIAs without triggering Capital Gains Tax, allowing for efficient use of both individuals' annual tax allowances.
- GIAs held by trustees can provide structured wealth transfer to younger generations with controlled access parameters.

It's worth noting that estate planning is a complex area with significant implications, so professional advice tailored to your circumstances is essential when using a GIA as part of your wider succession planning.

What happens at death?

Upon death, a GIA forms part of your estate for inheritance tax purposes. The typical process involves:

- The account is frozen upon notification of death (though pending transactions usually complete).
- The executor or administrator of your estate will need to provide a death certificate and grant of probate or letters of administration.
- The investments can either be sold and the proceeds paid to the estate, or the investments can be transferred to beneficiaries in their existing form (in-specie transfer).
- Any capital gains up to the date of death are not subject to Capital Gains Tax, as there is a tax-free uplift to market value at death.
- However, any growth in value between the date of death and eventual sale may create a capital gains tax liability for the beneficiaries.

Joint GIAs typically pass to the surviving account holder(s) through survivorship, potentially simplifying the administrative process.

Are there minimum amounts that can be invested?

For existing Tacit clients there are no minimum amounts required to open a General Investment Account (GIA), and we can accept existing investments in-specie without being sold.

Will I be charged a fee?

If you are an existing client, your GIA will be managed under your existing service agreement and fee structure, alongside your main investment portfolio.

What type of GIAs are available with Tacit?

We offer two types of General Investment Accounts (GIAs) to suit different investor preferences.

Our **Discretionary Managed GIA** is designed for clients who value professional oversight. In this service, your portfolio is actively managed by our experienced investment team in line with your agreed objectives. We adjust as markets evolve and your personal circumstances change, ensuring your investments remain aligned with your long-term goals.

We also offer an **execution-only GIA** service, available for existing clients. This option is ideal for those who wish to hold certain personal or "cherished" investments outside of their discretionary mandate, or for clients confident in managing a portion of their wealth independently.

Where are your GIA assets held?

We have strategically chosen to partner with AJ Bell Securities Ltd, a specialist Custodian, to administer the regulatory and operational aspects of our GIA offering.

This deliberate separation of responsibilities offers several distinct advantages:

- **Enhanced Security** - Your assets benefit from the robust safeguarding protocols of a dedicated custodian, with assets held separately from our firm's balance sheet.
- **Specialised Expertise -** Our custodian brings focused regulatory expertise in settlement and administration, ensuring continuous compliance with evolving tax legislation.
- **Investment Focus -** This partnership allows our investment professionals to concentrate exclusively on portfolio management.

AJ Bell Securities Limited are one of the largest providers of investment platforms and stockbroker services in the UK, is a member of the London Stock Exchange and regulated by the Financial Conduct Authority.

This guide is not personal advice. If you're at all unsure of the suitability of an investment for your circumstances, please ask your usual Tacit contact for advice.

Important things to remember

All the solutions we offer involve some form of investment risk and you should be aware that the value of investments in your GIA can fall in value, so you could get back less than the original capital you invested.

Whilst the rules we refer to are those that currently apply, they can change over time and their value and how you are taxed will depend on your personal circumstances, and tax rules at the time.

You have sole responsibility for the management of your tax and legal affairs including all applicable tax filings and payments and for complying with the applicable laws and regulations.

We may provide guidance on using tax-efficient structures such as making use of tax allowances. We are not specialist tax advisers and will not provide you with tax or legal advice and recommend that you obtain your own independent tax and legal advice, tailored to your individual circumstances.

Contact us

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TIML/CG/GIAG/2025-26