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CHILD TAX FUND ALTERNATIVE AT THE NEWCASTLE

Commenting on the Government's announcement today to scrap Child Tax Funds, Steve Urwin, Senior Sales and Marketing Executive at Newcastle Building Society, said: "Given the budget deficit I am disappointed, but not surprised the Government has taken such a decision to scrap Child Tax Funds, a popular choice for those looking to help fund their child's plans, such as the cost of university or to provide a deposit for their first home. However, there are alternative ways parents can save for their children's future on a tax-free basis.

"One suggestion from the Newcastle is that parents take advantage of our MaximISA service, which allows savers to open more than one Cash ISA every tax year up to the £5,100 limit. This means parents can open an ISA with easier access to help plan for the future and a second ISA, with more restricted rules on withdrawals, dedicated to help their children so they aren't tempted to dip in."

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