

Press release: Savers to earn 50p for every £1 saved thanks to Help to Save

Hardworking people on low incomes are set to benefit from a new government savings account that offers a 50% bonus.

Help to Save will reward savers with an extra 50p for every £1 saved, meaning over 4 years a maximum saving of £2,400 would result in an overall bonus of £1,200.

The launch of the new account follows an 8-month trial, with over 45,000 customers who deposited over £3 million.

Help to Save is easy to use, flexible and secure, will help those on low incomes build up a 'rainy day' fund, and encourages savings behaviours and habits.

How much is saved and when is up to the account holder, and they don't need to pay in every month to get a bonus.

John Glen, Economic Secretary to the Treasury, said:

Savings shouldn't be a luxury, they are an essential part of planning for the future. But for some, putting away even a tenner each month can be a tough habit to get into.

Whether you're saving up to take the family on a much-needed holiday, or to take the next step in life, Help to Save is designed to make saving possible for every hardworking person in this country.

Help to Save is available to working people on tax credits and Universal Credit.

Paul Richard Hughes, from Torquay, said:

I wasn't saving before, so it has helped me save and it was easy to use.

It has enabled me to build up a savings pot and the bonus is very good value. It is much better than other savings accounts as the interest on other savings accounts is low in comparison.

Account holders can save between £1 and £50 every calendar month and accounts last for 4 years from the date the account is opened.

After 2 years, savers get a 50% tax-free bonus on savings. If saving

continues, there is another 50% tax-free bonus after 4 years.

On maximum savings of £2,400 over 4 years, the overall bonus would be £1,200.

[Savers can apply online](#) or use the HMRC app.

[Help to Save explained](#)

Further information

- the scheme, administered by HM Revenue and Customs, will be open to UK residents who are entitled to Working Tax Credit and receiving Working Tax Credit or Child Tax Credit payments. It is also available to those claiming Universal Credit who have a household or individual income of at least £542.88 for their last monthly assessment period (though note that payments from Universal Credit are not considered to be part of household income).
- people living overseas who meet either of these eligibility conditions can apply for an account if they are: a Crown servant (or their spouse or civil partner); a member of the British armed forces (or their spouse or civil partner).
- Help to Save is an example of digital transformation designed to make it quicker and easier for citizens to interact with government online and on-demand. The #SmarterGov campaign has been launched to drive innovation, savings, and public service improvement across the public sector.

10 things about Help to Save

1. You get a 50% bonus on your savings, so you can earn 50p for every £1 you save.
2. Help to Save is available for working people who receive tax credits or Universal Credit – [check if you're eligible](#).
3. Opening online account takes, on average, less than 5 minutes.
4. Paying in is easy: you can set up a standing order to make regular payments into your Help to Save account on a weekly, fortnightly, or monthly basis to fit the way that you manage your money. You can also make one-off payments by debit card when you are in your online account. Note that any payments, including standing orders, need to arrive in your account before the last working day of the month to ensure they are credited to that month – don't get caught out by weekends and public holidays.
5. You can withdraw money at any time from your account if you need to – although this could affect the size of your bonus.
6. You can continue to receive tax credits or Universal Credit while saving with Help to Save.
7. If your situation changes and you stop receiving Working Tax Credit or Universal Credit, you can still save and receive any bonus you are entitled to.
8. Help to Save is backed by the government, which means the money you save is secure.
9. Help to Save accounts will be available to open from 12 September 2018

and up to September 2023.

10. If you don't have access to the internet, you can still get an account. Call 0300 322 7093 and our helpline advisers will help you set one up.