

Summary box

Correct at 6 April 2026

This is a summary of the main features of our Direct ISA, to help you compare it with other savings accounts. Please make sure you also read our separate key features leaflet, including the customer agreement, before you apply to open an account.

Account name

NS&I Direct ISA

What is the interest rate?

3.50% tax-free/AER

We calculate the interest daily and add it to your account once a year on 6 April.

Can NS&I change the interest rate?

Yes – the rate is variable so we can change it up or down from time to time, for example when the Bank of England base rate changes or when rates in the general savings market change. See the customer agreement (terms and conditions) for more details.

When the rate changes, we'll update our website and literature as soon as we can. If the rate goes down, we'll also contact you personally in advance to let you know.

What would the estimated balance be after 12 months based on a £1,000 deposit?

A £1,000 deposit would be worth £1,035.00 after 12 months, if the interest rate stayed at 3.50% tax-free/AER during the 12 months.

This is an illustration only, so it doesn't take into account your individual circumstances. It assumes that you don't make any withdrawals or additional deposits during the year.

How do I open and manage my account?

Our Direct ISA is a cash ISA for customers aged 18 or over who are resident in the UK for tax purposes.

You can:

- apply for, and manage, a Direct ISA online or by phone only
- open an account with at least £1, paid by a debit card in your own name, issued by a UK bank
- pay in up to £20,000 in the 2026/27 tax year

If you want to switch to a Direct ISA from another NS&I account or investment, visit nsandi.com/forms or call us.

Can I withdraw money?

Yes, you can take out money online or by phone with no notice or penalty. You just need to keep a balance of at least £1 to keep your account open.

Our Direct ISA is not a flexible ISA. This means that all your deposits within the tax year will count towards your allowance, whether or not you make any withdrawals.

Additional information

The interest you earn is tax-free, so it won't count towards your Personal Savings Allowance. Find out more at nsandi.com/tax-and-savings

Bear in mind that the tax advantages you receive from ISAs depend on your individual circumstances and may change in the future.

We'll send you an electronic statement in April each year, showing all your transactions and interest. Or you can receive your statements by post if you prefer.

We don't currently accept transfers from other providers into our Direct ISA.

Definitions

Tax-free means the interest is exempt from UK Income Tax.

AER (Annual Equivalent Rate) illustrates what the annual rate of interest would be if the interest was compounded each time it was paid. Where interest is paid annually, the quoted rate and the AER are the same.