XX XX MP
House of Commons

London SW1A 0AA

XX 2023

Dear XX,

**Boosting the benefits of the Lifetime ISA for the self-employed**

As a self-employed business owner in your constituency, I am writing to bring your attention to proposals to expand the Lifetime ISA (LISA), recently published by Hargreaves Lansdown, which would make the LISA a more attractive savings vehicle for the self-employed.

The proposals are:

* Increasing the age that anyone can open and pay into a LISA until age 55.
* Reduce the penalty for any self-employed LISA holders accessing before age 60 to 20%. This acts to recover the Government bonus but ensures those needing to withdraw early are not additionally penalised.

I have enclosed a copy of Hargreaves Lansdown’s report and findings.

As you may be aware, the self-employed typically save less for later life than employees, which is in urgent need of attention by government.

The self-employed prefer to have larger ‘emergency funds’ than the average employee due to the risk of client default, equipment malfunction, and other threats to business continuity.

For many of us, this can make locking money away until retirement difficult, particularly when we do not receive pension contributions from an employer.

As a self-employed person, I would be more inclined to save into a LISA if the proposed changes were made; it would let me save later into my career and not penalise me for withdrawing funds in an emergency.

I would be grateful if you would share these proposals with the Chancellor of the Exchequer and the Secretary of State for Work and Pensions for consideration.

Yours faithfully,

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