

A guide to savings account interest rate changes

Following the increase to the Bank of England Base Rate on 3 August 2023, we are again increasing the interest rates on our variable rate savings accounts, with effect from 7 September 2023. Please see the tables below for full details of the changes.

Interest rates

Interest rates are variable unless stated otherwise

Bank of England base rate 5.25 %

On-sale Accounts

Instant Access				Rates up to 06.09.2023		Rates from 07.09.2023	
Account name		Interest credited	Balance	AER%^	Gross%#	AER%^	Gross%#
smile Savings	with smile Current account	Annually	£1+	2.53	2.53	2.65	2.65
	without smile current account		£1+	1.75	1.75	1.81	1.81

ISA				Rates up to 06.09.2023		Rates from 07.09.2023	
Account name		Interest credited	Balance	AER%^	Tax-free%##	AER%^	Tax-free%##
smile ISA	with smile Current account	Annually	£1+	2.53	2.53	2.65	2.65
	without smile current account		£1+	1.75	1.75	1.81	1.81

Personal Savings Allowance

Following the introduction of the Personal Savings Allowance on 6 April 2016, we will no longer deduct tax and interest on your savings will be paid gross#. If you exceed your Personal Savings Allowance you may still need to pay tax on the interest you earn. For more information about this and to find out how you may need to pay tax on the interest please visit www.gov.uk/apply-tax-free-interest-on-savings

Any reference to tax is based on our understanding of current tax regulations, which may change in the future and depends on your individual financial circumstances.

^AER stands for Annual Equivalent Rate and shows what the interest rate would be if interest were paid and added to your account each year.

Gross is the rate of interest payable before any tax is taken off.

Tax-free means you will not pay any tax on your interest.

Variable interest means that it could go up or down.

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Information correct as at 03/08/2023