



SPOUSE'S PENSION DOES NOT
STOP WHEN YOU REMARRY

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YOU CAN CLAIM GEPF'S
FUNERAL BENEFIT

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PEO's YEAR-END MESSAGE



Thank you to all the members and pensioners, and all other stakeholders who have supported GEPF and I during this year. As we reflect on 2016 it is important to note that we celebrated a momentous occasion as GEPF turned 20 years old this year. GEPF was established in 1996 when various public sector pension funds were consolidated. The 20-year anniversary marks an important milestone for GEPF as we look back on our legacy and accomplishments.

On inception, GEPF's funding level was at 72% and is currently on a over 100% as per the recent actuarial valuation. This is a great accomplishment which demonstrates the growth in the financial soundness of the Fund.

The Fund recently released its annual report for the 2015-2016 financial year. This annual report reflects steady growth and a sustainable investment strategy, coupled with continued dedication and service to members and pensioners.

In 2015-2016 financial year, the Fund's assets grew to over R1.6 trillion. GEPF achieved an overall investment performance return of 4% during this time. This enabled the Board to grant a pension increase of 5.3%, which was above 100% of the Consumer Price Index (CPI) of 4.8% as at November 2015. This is higher than the 75% increase recommended by the Fund's rules.

It is also important to highlight that in 1996 GEPF started out with R127 billion in assets under management, which has since increased to more than R1.6 trillion. We are currently the single largest investor in Johannesburg Stock Exchange (JSE) listed companies, with significant holdings in government bonds, listed equity, money markets, as well as investments in unlisted equity and property.

We are proud of our achievements in the past two decades as we are one of a very few large defined benefit pension funds in the world that are still 100% funded after the 2008 / 2009 financial crisis. This reflects the Fund's robust investment strategy and its ability to adapt to dynamic and turbulent market forces.

Looking back at the achievements of the last 20 years, the Fund will continue to ensure its financial security and strive for superior levels of service for its pensioners and members. GEPF will be a catalyst for change in terms of securing investment opportunities locally, regionally, and globally to meet its pension liabilities.

While there is much work that still needs to be completed and while there may be further challenges ahead, we end this year stronger and better to be able to serve you, our members and pensioners. Our promise to you is securing and paying benefits when due. As we approach the festive season many of us will take to the roads en route to a particular destination to enjoy our well-earned rest, please drive carefully and get to where you are going safely.



IS TAX DEDUCTED FROM ALL GEPF BENEFITS?



GEPF has received queries from pensioners and members who would like to know how tax works with regards to the spouse / life partner pension benefits especially for beneficiaries who are receiving more than one income, as this pushes up their monthly tax bracket.

We would like to advise members to contact SARS immediately to attend to any tax issues and to ensure that the correct tax is deducted.

Please note that GEPF has a responsibility to ensure that our members and pensioners comply with SARS' requirements by sending the amount that is due to be paid to SARS for a tax directive before any benefit is paid out.

What is a tax directive?

A tax directive is an instruction from SARS to GEPF to either continue with payment to a member or not to issue

payment to the member if he or she does not comply with the tax requirements. A tax directive is electronically requested from SARS and letters are sent to pensioners / members if tax directive requests are declined by SARS.

Benefits paid by GEPF that are taxable:

- **Funeral benefits,**
- **Retirement fund lump sum withdrawal benefits,**
- **Monthly pension benefit payments, and**
- **Death benefits.**

Current tax year tax tables for lump sum benefits (2016 / 2017)

Taxable Income (R)	Rate of Tax (R)
0 – 25 000	0% of taxable income
25 001 - 660 000	18% of taxable income above 25 000
660 001 - 990 000	114 300 + 27% of taxable income above 660 000
990 001 and above	203 400 + 36% of taxable income above 990 000

Tax on retirement fund lump sum benefits / death benefits

Taxable Income (R)	Rate of Tax (R)
0 – 500 000	0% of taxable income
500 001 - 700 000	18% of taxable income above 500 000
700 001 – 1 050 000	36 000 + 27% of taxable income above 700 000
1 050 001 and above	130 500 + 36% of taxable income above 1 050 000

Taxation on monthly pension benefit payments

In terms of the Income Tax Act, 1989 (Act no. 70, 1989), the responsibility for the correct calculation and determination of income tax rests on SARS for each pensioner. SARS is obliged to immediately recover any outstanding income tax amount or to refund any amount which is in excess of the tax liability.

Tax will therefore be deducted according to the tax tables reflected below:

Tax tables for individuals (2016 / 2017)

TAXABLE INCOME (R)	RATES OF TAX (R)
0 – R188 000	18% of each R1
R188 001 – R293 600	R33 840 + 26% of the amount above R188 000
R293 601 – R406 400	R61 296 + 31% of the amount above R293 600
R406 401 – R550 100	R96 264 + 36% of the amount above R406 400
R550 101 – R701 300	R147 996 + 39% of the amount above R550 100
R701 301 and above	R206 964 + 41% of the amount above R701 300

GEPF PROVIDES PENSION TRAINING FOR HR OFFICIALS



In order to ensure that GEPF members receive quality and efficient services from Human Resources (HR) officials in various government departments, GEPF provides regular service enhancement training at all government departments.

This training, which is conducted by Client Liaison Officers (CLOs), is intended to ensure that HR officials in government departments are consistently abreast of

pension related processes, services and benefits. In addition, the CLOs conduct pre-retirement workshops for members who are about to go on retirement in order to ensure that they work together with their HR officials to avoid unnecessary delays in the payment of their retirement benefits.

Members are therefore urged to attend these workshops as they will assist them to understand the processes involved for retirement.

THE GAUTENG GEPF REGIONAL OFFICE HAS MOVED



GEPF is committed to ensuring that members and pensioners have easy access to services and that those services are offered in the most comfortable and client-friendly environment.

It is for these reasons that the Gauteng Regional Office has relocated to new premises, furnished with modern security systems and office equipment, to ensure a safe environment and quality services to GEPF members and pensioners.

The new offices are located at the Trevenna Campus at the corner of Meintjes and Francis Baard streets in Sunnyside, Pretoria (opposite the dti campus).

CAN A WILL REPLACE A NOMINATION FORM?



member's financial dependants and anyone else who was nominated by the member to share in his or her benefit, as well as the percentage of that share.

It is also very important for members to keep on updating their nomination form as and when there is a change in dependants due to divorce, death, birth, change in work situation or any other applicable situation.

In the event that the member does not include all the relevant beneficiaries, the Fund will, as per the rules, overrule the nomination form to ensure that excluded beneficiaries who meet the Fund's requirements also receive their share of the benefits.

Listing all of your dependants first is critical to ensure that they are not excluded. This includes children born in previous marriages and out of wedlock.

Completed nomination forms should be submitted to the member's Human Resources department, together with other relevant documents such as certified ID copies and birth certificates. This will be kept in your file by your employer and will be submitted to GEPP in the event of your death.

It is very important for members to know that GEPP does not rely on a will to determine who the member's beneficiaries should be.

Only a nomination form (WP1002) is considered the official document to guide the Fund on who should receive benefit pay outs in the event that the member passes on.

A nomination form lists the details of all the late

INCREASE YOUR RETIREMENT BENEFITS

If you started working for government later on in life and have never contributed to a pension fund before, then maybe you need to consider Purchase of Service (an option offered by GEPP) to increase your retirement benefits.

Taking up this offer helps you to increase your service period, and, in turn, increase your pension pay out when you retire.

How does it work?

With Purchase of Service you pay an extra amount (that both you and GEPP agree on) towards buying additional years of pensionable service.

If you want to purchase additional service, you need to apply as soon as possible. To apply, you complete an Application for Purchase of Service form (Z215) and hand it in to your employer, who will submit it to GEPP. The following will then happen:

- If you qualify to buy additional service, GEPP will then

give you a quote, setting out how much it will cost you to purchase the additional service.

- You must then decide whether or not you want to accept the quote. If you accept the quote, you have two payment options. One is to pay the additional amount to GEPP as a lump sum; the other is to arrange for the employer to deduct the additional amount in instalments from your monthly salary.

There are three different periods that can be considered for Purchase of Service. These are:

1. Leave without pay

This is a period when a member was not able to contribute to GEPP for a time because he or she was on leave without pay (for more than 120 days), suspended from employment or seconded under certain specific circumstances.

Please note that your employer should continue to pay both employee and employer contributions for the



first 120 days of the leave without pay period. After 120 days, the employee and employer stop contributing and the member must arrange with the Human Resources department to complete the application form (Z215) for the recognition of any period exceeding the 120 days.

2. Previous service

This is a period of pensionable service during which the member belonged to GEPF and received a benefit (other than a benefit for discharge and retirement). The member may purchase this period of pensionable service. However, certain conditions must be met before this period can be considered.

Specifically, if you were a member of GEPF previously, and you want to purchase service for that period, you must have been re-admitted to GEPF within 36 months and an application form (Z215) must have been received by GEPF within 12 months after you were re-admitted to the pension fund.

3. Other periods

This is any time after the date on which a member turned 18 until the date the member started contributing to GEPF (in his or her current pensionable service period). You may use the calculator on GEPF's website to provisionally calculate the cost of Purchase of Service for other periods. Unfortunately, the calculator cannot be used to calculate the cost of purchasing leave without pay or previous service. In order to purchase service, you must be a contributing member at the time you apply for Purchase of Service.

It is very important that a copy of the signed quote be given to your Human Resources department. The reason for this is that the employer must set up the necessary deductions from your salary, where applicable, in order to pay for the Purchase of Service. It must also be submitted to ensure that your employer completes the purchased Periods of Service on your exit documentation.

NO CHARGE TO MEMBERS FOR PROCESSING OF GEPF DOCUMENTS

No member is expected to pay in order to have his or her exit claim forms processed by any employer department or GEPF official.

Members who have experienced this are made aware that it was fraud and such cases should be reported to GEPF by calling our fraud line on 0800 43 43 73.

Members can also approach GEPF's offices in their provinces to alert the Fund of such fraudulent activities.

DO THE RIGHT THING. Remember: good ethics prevent fraud!

LET GEPF KNOW WHEN YOU CHANGE YOUR ADDRESS



Please notify GEPF of your change in physical or email address to ensure that your details are captured correctly into our systems. If you are relocating overseas, note that we will send your Life Certificate to your overseas address. You can then complete the form and return the original to us.

You can also fax a copy of the completed Life Certificate to us before mailing it for your peace of mind.

Contact us on 0800 117 669

DO YOU KNOW WHERE TO FIND US?

CLIENT SERVICE CENTRES

Gauteng: Trevenna Campus, Corner of Meintjes and Francis Baard streets in Sunnyside, Pretoria

Eastern Cape: No. 12 Global Life Centre, Circular Drive, Bhisho

Free State: No. 2 President Brand Street, Mangaung

KwaZulu-Natal: 3rd Floor, Brasfort House, 262 Langalibalele Street, Pietermaritzburg

Limpopo: 87 (a) Bok Street, Polokwane

Mpumalanga: 19 Hope Street, Ciliata Building Block A, Ground Floor, Mbombela

North West: Mmabatho Mega City, Office No. 4/17, Ground Floor, Entrance 4, Mahikeng

Northern Cape: 11 Old Main Road, Kimberley

Western Cape: 21st Floor, No. 1 Thibault Square, Standard Bank Building, Long Street, Cape Town

SATELLITE OFFICES

Johannesburg: 2nd Floor, Lunga House, 124 Marshall Street (Cnr Marshall & Eloff - Gandhi Square Precinct), Marshalltown

Port Elizabeth: Ground Floor, Kwantu Towers, Sivuyile Mini-Square, (next to City Hall)

Mthatha: 2nd Floor, PRD Building, Sutherland Street

Durban: 8th Floor, Salmon Grove Chambers, 407 Anton Lembede Street

Phuthaditjhaba: 712 Public Road, Mandela Park Shopping Centre

Thohoyandou: 2010 Centre, next to Phalafala FM (SABC)

Rustenburg: Tlhabane House, Unit A2221, Tlhabane Unit 1

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