



THE IMPORTANCE OF
UNDERSTANDING YOUR
BENEFIT STATEMENT



GEPF BENEFITS AND PROCESSES –
NON-CONTRIBUTORY BENEFITS



WHAT HAPPENS TO YOUR
PENSION IF YOU DIE IN SERVICE
WITHOUT A SPOUSE AND
BENEFICIARIES?

FUNERAL BENEFIT

CAN A FAMILY CLAIM FOR A DECEASED NON-MEMBER PARENT WHO WAS RECEIVING A SPOUSE PENSION?

A non-member spouse married to a GEPF member or pensioner automatically qualifies for a funeral benefit when the member passes away. This also applies to an approved non-member life partner of a GEPF member or pensioner.

Family members of the deceased non-member spouse are therefore within their rights to claim a funeral benefit that is intended to assist with the funeral arrangements of the deceased. It is important that they complete the necessary documents immediately after the death of the deceased.

Wherever possible, GEPF will process a funeral benefit claim within **72 hours** of receipt; however, payment could be delayed if the claim form or the documentation accompanying a claim is incomplete or incorrect. In order to allow GEPF to process the claim quickly and efficiently, the claimant must ensure that the information provided is complete and correct.

Please take note that no payment will be made to a funeral undertaker.

The funeral benefit is paid into a **bank account** or via an **online Post Office**.

Family members who can claim on behalf of the deceased include:

- the spouse
- a major child of the deceased
- the parent or parent in-law of the deceased
- a brother/sister or brother-in-law/sister-in-law of the deceased
- the executor of the deceased's estate.

For more information contact us at:
Government Employees Pension Fund



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IF YOU ARE A MULTIPLE INCOME EARNER, ENSURE YOUR TAX MATTERS ARE IN ORDER

It is of great importance that GEPF members comply with tax regulations, as this assists them to avoid being levied with unnecessary penalties by SARS.

If you are a pensioner or beneficiary and receive income from more than one source, each of which pays tax to SARS on your behalf, you might be paying less tax than you are required to, because the combined income may put you into a higher tax bracket. This means you will have to pay in more tax at the end of the tax year when SARS sends you an assessment after you submit your income tax return.

In order to avoid this, you can request (in writing) that the GEPF deduct additional tax throughout the year to make provision for the extra payment due to SARS. This could prevent having to pay a higher arrears amount to SARS when your tax assessment is done.

Additional tax / voluntary tax deductions will be added to the PAYE reflected on the IRP5 certificate produced at the end of the tax year. All GEPF clients (members, pensioners and beneficiaries) are required to submit a tax return

to SARS every year during the income tax return season. GEPF issues an IRP5 certificate to pensioners and beneficiaries, in order for them to submit an income tax return that complies with the requirements. Active members can obtain this certificate from their employer department.

It is important to understand that a pensioner may not be required to submit an income tax return if:

- The source of income is only from GEPF, that is, there is no other income source and no second pension from GEPF (e.g. husband or wife pension).
- The annual pension payment is R350 000 or less.
- The GEPF has deducted the correct tax and there are no deductions or medical tax credit rebate that the pensioner wants to claim.

THE IMPORTANCE OF UNDERSTANDING YOUR BENEFIT STATEMENT

ESTIMATED PENSION BENEFITS (BEFORE TAX)	
Normal Retirement Benefit (Estimated)	
Monthly pension (annuity)	R
Lump sum (gratuity) (with no further savings withdrawals)	R
Resignation Benefit (Estimated)	
Vested component benefit	R
Savings component benefit	R
Retirement component benefit	R
Total Resignation Benefit	R
Ill-Health Retirement Benefit (Estimated)	
Discharge monthly pension (annuity)	R
Discharge lump sum (gratuity)	R
Death Benefit (Estimated)	
Monthly pension (annuity) payable to spouse(s)	R
Lump sum (gratuity) payable to beneficiaries	R
Nomination of Beneficiaries	
Nomination of beneficiaries received?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, date most recent nomination	

Your benefit statement is an annual summary of your pension savings. It reflects your personal and employment details and also indicates the savings you have on a specific date and what they could be worth in the future.

A benefit statement ensures you know and understand the value of your pension benefit in relation to the number of years of service you have accumulated.

It also provides details on the pension benefits that will apply if you exit the Fund. These are reflected in terms of:

- Normal retirement
- Resignation
- Ill-health retirement and discharge
- Death in service

Following the implementation of the Two-Pot Retirement System on 1 September 2024, your benefit statement now

also reflects the amount you have in your Savings pot. Every month, a certain percentage of your pension contribution goes into your Savings pot, thus all the money in the Savings pot is accessible and may be withdrawn at any time in a tax year. It is important to note that each time you withdraw money from your Savings pot, your retirement benefit is readjusted because of the reduced amount relative to your number of years of service.

You can access your benefit statement on the GEPF Self-Service App and web. Alternatively, contact the GEPF national toll-free Call Centre number on 0800 117 669, send an email to enquiries@gepf.co.za or visit your nearest GEPF office for assistance.



GEPF BENEFITS AND PROCESSES – NON-CONTRIBUTORY BENEFITS



The GEPF offers a range of benefits and follows the legal rules and processes set out in the GEP Law, in order to ensure that the right benefits are paid out to the right people at the right time.

Therefore, the Fund deems it important to educate members and beneficiaries about their benefits and the processes to follow when they make a claim.

In addition to retirement, resignation and death benefits, the GEPF offers benefits that members do not contribute a cent towards. These are known as non-contributory benefits. The following are non-contributory benefits to which GEPF members, pensioners and their beneficiaries are entitled:

- Funeral Benefit
- Child Pension
- Spouse Pension
- Post-Retirement Medical Benefit

These benefits are for the purpose of ensuring that members and beneficiaries do not experience financial difficulties after retirement or in the event of a loved one passing on.

For more information on non-contributory benefits, visit the GEPF website at www.gepf.co.za or contact the national toll-free number on 0800 117 669.

ACTUARIAL INTEREST FACTORS

WHAT IS THIS AND HOW DOES IT WORK?

Upon retirement, all GEPF members receive a pension benefit, which is determined by their pensionable salary for every year they have worked while registered with the Fund. This pension benefit is only payable to members who retire while a member of the Fund. Should a member choose to leave the Fund before retirement age, they forfeit this benefit and will only receive the fair value of what they have accumulated in pension benefits. This is calculated using a formula provided in the GEP Law. In this context, the term 'fair value' refers to the estimated value of a pension benefit, which is determined using a transparent and objective valuation process.

What are actuarial factors and why are they needed?

A regular pension benefit that is payable in the future is converted by means of actuarial factors into an equivalent lump sum value that represents the pension benefit's current worth. In other words, actuarial factors serve to streamline the calculation of the actuarial interest benefit and are required to establish the amount that a member should receive if and when they leave the Fund prior to retirement.

How often does the GEPF update the actuarial factors?

The Fund updates actuarial factors after the statutory actuarial valuation is conducted and approved, which could take up to three years, as stated in the GEP Law and rules.

The actuarial interest factors have to be updated frequently, to guarantee that members who leave the Fund receive a fair payout according to their contribution to the Fund, and to prevent the Fund from experiencing a profit or loss on the amount paid out to departing members.

What process is followed before the implementation of the new factors?

The GEP law requires that the Fund consult with the various labour unions about the proposed factors before implementation. The administrators receive an instruction to update the actuarial factors following the conclusion of the consultation process and decision-making process regarding the actuarial factors.

What affects actuarial interest and actuarial interest factors?

The Fund's valuator recommends various financial and demographic assumptions that are used for the Statutory Actuarial Valuation report, which serves as the basis for the actuarial interest factors. It is assumed that these assumptions are based on the investments and experience of the GEPF membership.

The assumptions are supported by data and real experience and are based on reasonable expectations of future occurrences. The investment returns in excess of inflation that the Fund's investments are anticipated to generate from now until the pension payments have been received are the primary drivers of the variables.

Who is affected by the changes in actuarial interest factors?

All current members of the Fund are covered by the updated actuarial factors, but the only benefits that will be impacted are benefits on which actuarial interest is due. Resignation benefits and other exits by members with less than ten years of pensionable service are affected by this. Changes in actuarial factors have no effect on members who retire with more than ten years of pensionable service.

YOUR NOMINATION FORM IS IMPORTANT KNOW WHO YOU HAVE NOMINATED

The Nomination of Beneficiaries form (Nomination Form WP1002) is important in ensuring that your pension benefits are distributed according to your wishes.

By filling out this Nomination Form accurately, you help the GEPF to allocate your benefits to your chosen beneficiaries promptly and correctly in the event of your passing.

You can change your beneficiaries at any time. If your circumstances change, such as due to birth, death or divorce, you should submit a new Nomination of Beneficiaries form to reflect these changes. A newly completed form will override a previous form.

After completing the form, the original must be delivered to any GEPF regional office or sent via post.

Important information regarding completing the Nomination Form:

- The information you provide regarding a nominee is confidential and the Fund will not disclose any information about your nominees.
- A pensioner can also complete the form, but it will only apply to a pensioner who passes away within five years of retiring, as this form only applies to the distribution of a gratuity benefit. (If a pensioner passes away within five years of retiring, the 5 year balance is paid to the dependents/nominees of that pensioner as a gratuity.)

- The nominees noted on this form – along with the dependents of the member or pensioner – will be taken into account when the Fund distributes the gratuity that becomes payable when a member passes away in service, or if a pensioner passes away within five years of retirement.
- The distribution of a gratuity is done in terms of the rules of the Fund. This means that the Fund must prioritise dependents based on their circumstances when distributing the gratuity.
- The Fund may overrule a member's nomination, should the distribution requested on the nomination form be unfair to anyone who was dependent on the deceased member or pensioner.
- This form makes provision for five (5) beneficiaries. If you have more than five beneficiaries, make a copy of page 2 and add the page to the document before you hand it in to the GPAA.

- The nomination form must be completed in full and the nomination must add up to 100%. All the pages must be initialled and signed by the member and witnesses, in order for the nomination to be valid.
- If the nomination form is not completed fully and signed, the form will be disregarded. This means that any of the nominees who does not qualify as a dependent, will not be considered when the Fund distributes the gratuity benefit.

The GEPA respects the privacy and personal information of its members and pensioners. It therefore subscribes to the provisions of the Protection of Personal Information Act 4 of 2013. Visit www.gepf.co.za to view the GEPA Privacy Policy and Privacy statement.

WHAT HAPPENS TO YOUR PENSION IF YOU DIE IN SERVICE WITHOUT A SPOUSE AND BENEFICIARIES?

If a member passes away whilst still in service and has no spouse or nominated beneficiaries, the pension benefit will be paid into the late member's estate account.

The family will then be required to nominate an executor who will be appointed to manage the transactions on behalf of the family.

This also applies if a member passes away within five years of retirement. The five-year difference will be paid into the late member's estate account.

This is the main reason that members are encouraged to ensure that they submit an updated nomination form if their circumstances change. Members can nominate anyone or any organisation as a beneficiary. The nomination form can be updated as many times as is needed.

Death benefits are paid when a member dies while in service or within five years of retirement. The benefit paid is based on the number of years of pensionable service. The death benefit is payable to the deceased member's beneficiaries. However, it is not always the case that a deceased member has beneficiaries. If you do not have a spouse and have not nominated beneficiaries, your estate is automatically your beneficiary when you die.