

fundtalk

The quarterly newsletter for members of the Government Employees Pension Fund 4th Edition 2024/2025



HELP US ENSURE THAT YOUR PENSION PAYOUT IS DONE ON TIME AFTER RETIREMENT



BENEFITS OF RETIRING WITH GEPF



Q & A ON SELF-SERVICE



GEPF INTRODUCES A BIOMETRIC SOLUTION AT ITS WALK-IN CENTRES

Members, Pensioners and Beneficiaries who visit the Regional Offices are now verified and authenticated via a new Biometric solution installed at all Walk-in Centres.

The solution aims to verify the authentication of all members/pensioners/beneficiaries through either fingerprint and/or facial recognition.

What are the benefits of the Biometric solution?

- Optimizes identity verification.
- Determines proof of existence.
- Ensures the person receiving payment is the right one.
- Strengthens efforts made against fraud and corruption at GEPF.

Objectives of the Biometric Solution

- Authenticate and verify members, pensioners, beneficiaries and / or third party as well as internal staff processing the claims.

- Verify members, pensioners, and beneficiaries' fingerprint against the Department of Home Affairs National Identification System (HANIS) system.
- Address fraudulent and corrupt activities emanating from impersonation by ensuring that the claimant's fingerprint matches their ID number as stored on the HANIS system.
- Authenticate and verify of the GEPF employees at each service point of GEPF and / or across the claim process.
- Keep record of the verified and authenticated data of members, pensioners and beneficiaries as well as internal processing staff.

For more information contact us at:
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HELP US ENSURE THAT YOUR **PENSION PAYOUT** IS DONE ON TIME AFTER RETIREMENT

If you are a GEPF member planning to retire from the public service, it's important to notify your employer timeously (preferably six months before of your intended exit date).



This advance notice gives both your employer and the GEPF sufficient time to process your documents and ensure timely payment of your retirement benefits. Employers use the first half of the six-month period to prepare and finalise your documents before submitting them to the GEPF. In the second half of the six-month period, the GEPF processes your documents and prepares your benefits payment. By submitting all required documents on time, you ensure that your retirement benefits will be paid promptly after your exit from the public service.

Required Documents for Retirement:

To make the process smoother, ensure that your Human Resources (HR) department receives correctly completed forms and the necessary documents. These include:

- A certified copy of your bar-coded ID or passport (less than six months old).
- A certified copy of your marriage certificate (if applicable).
- Last salary advice or pay slip.
- Proof of service termination (Persal print-out – HR department records).
- Proof of admission date (listed on your pay slip).
- Retirement Forms to Complete:
- Z102 Withdrawal Form

- Z894 Banking Details Form
- Retirement Choice Form (if married and contributing to the Fund for more than 10 years)
- Z864 Updating of Personal Details Form (if contributing to the Fund for more than 10 years)
- Z583 Medical Subsidy Form (if you've been a main member of a medical aid scheme for at least 12 months prior to retirement)
- WP1002 Nomination of Beneficiaries Form (strongly encouraged to complete before exiting)
- Last salary pay slip
- Proof of service termination (Persal printout)

Key Reminder:

The earlier you submit your forms and documents, the faster your retirement benefits will be processed and paid. Make sure your HR department receives everything in a timely manner to ensure a smooth retirement transition.

For more information, contact the GEPF on 0800 117 669 or email at enquiries@gepf.co.za



UNCLAIMED FUNDS

IS MONEY THAT BELONGS TO SOMEONE,

PLEASE HELP THE GEPP FIND THEM

Unclaimed benefits refer to entitlements from a pension fund that have not been claimed or paid to the rightful recipient within a specified timeframe, following a member's departure from the fund.

This scenario often arises due to a variety of administrative or personal issues:

1. Documentation errors: If the member's exit documentation (such as the Z102 form that is completed when a member departs from the fund) is incomplete, filled out incorrectly, or not submitted, it can lead to benefits becoming unclaimed. This form is crucial for processing the departure and subsequent benefits of the member.
2. Tax compliance issues: The inability of the GEPP to obtain a tax directive from the South African Revenue Service (SARS) can also result in unclaimed benefits. This typically occurs if the member or their beneficiaries have unresolved tax matters, such as not being registered for tax, failing to file a tax return, or other related issues.
3. Discrepancies with banking details: Benefits may be paid to the bank account details on file, but then returned to the GEPP due to issues with the banking details provided. This can happen if the account details are incorrect, the account is frozen or dormant, or if there is an error with the designated pay points.
4. Insufficient information on the beneficiary: If a member is deceased, the GEPP might not have sufficient information to process a claim for a spouse or beneficiary, or the existing information may not be sufficient to allow these beneficiaries to claim their entitlements.

For more information, contact the GEPP on 0800 117 669 or email at enquiries@gepp.co.za





BENEFITS OF RETIRING WITH GEPF

Members who retire with the GEPF are guaranteed their pension benefits as per the rules of the GEPF. If you retire with more than ten years pensionable service, the Fund provides a monthly pension that is increased annually to ensure that the pensioners keep up with the cost of living.

The GEPF provides for normal and early retirement, as well as retirement for medical (ill health) reasons. Members whose employment have been affected by restructuring or reorganisation are also able to receive retirement benefits.

NORMAL RETIREMENT: Sixty (60) years is the normal retirement age for GEPF members. The benefits paid depend on whether a member has less than 10 years' pensionable service, or 10 or more years of pensionable service. Members with less than 10 years' service receive a gratuity – a once-off cash lump sum that is equal to their actuarial interest in the Fund. Members with 10 or more years' service receive a gratuity and a monthly pension annuity.

EARLY RETIREMENT: Under certain circumstances, members may retire early, that is before reaching the normal retirement age of 60. Again, the member's years of pensionable service determine the benefits. Members with 10 or more years of service receive annuities and gratuities. These are calculated in the same way

as normal retirement, but with a reduction of a third of one percent (0, 33%) for each month between the dates of early retirement and normal retirement.

ILL HEALTH AND OTHER RETIREMENTS: Enhanced benefits are paid when members retire for medical reasons, when injured on duty, or when their posts are abolished through organisational restructuring. In these circumstances, members receive both annuities and gratuities if they have more than 10 years of pensionable service. For members with less than 10 years pensionable service, the benefit will be consistent with and not less than the resignation benefit. Members with more than 10 years' service are also paid an annual supplementary amount.

Members who retire with the GEPF are guaranteed their pension benefits as per the rules of the GEPF. The Fund provides a monthly pension that is increased annually to ensure that the pensioners keep up with the cost of living.

WHY IS THE PENSION PAY-OUT TAXED WHEREAS MY SALARY WAS CONSISTENTLY TAXED?

The taxation of pension pay-outs, as outlined in the South African tax law, is based on specific regulations and principles designed to ensure a fair and consistent approach to taxing various forms of income, including pension benefits.

All pension benefits accumulated after 01 March 1998 are taxable in accordance with the South African tax regulations. The South African Revenue Service (SARS) imposes taxes on various forms of income, including pension benefits, as outlined in the Income Tax Act 58 of 1962.

The fact that tax obligations apply to all pension benefits irrespective of the mode of exit (such as withdrawal, retirement, death, or severance) underscores the consistent application of tax laws to pension income. This approach ensures that individuals

who receive pension benefits contribute their fair share of taxes, like how income from other sources is taxed.

If you have specific questions or concerns about the taxation of your pension benefits or require assistance with understanding your tax obligations in relation to your pension, it is advisable to consult with a tax professional or seek guidance from the South African Revenue Services (SARS). They can provide you with tailored advice and information based on your individual circumstances and the relevant tax laws in South Africa.

WHAT IS MEANT BY DEFINED PENSION FUND?

A defined pension fund is a fund where the benefits are defined in terms of the formula set out in the rules of the fund. In this type of fund, benefits are generally guaranteed and are not dependent on the investment returns of the fund.

GEPF, as a defined benefit fund, is different from most private sector pension funds as they are normally defined contribution funds.

GEPF calculates benefits based on the Fund's rules, and the pension benefit is determined based on various factors of which the number of years of service you have and your final average salary over the last two years of your employment are the most important.

If you retire from the GEPF with more than ten years pensionable service, you will receive a monthly pension from the Fund. In the last decade GEPF has consistently paid pension increases that are inflation related. That the increases have kept pace with inflation affirms that the well-being of all of its pensioners and beneficiaries remains a priority for the Fund.

GEPF will pay your monthly pension until you die, it does not matter how old you live to be.

Q&A ON SELF-SERVICE



1. What is Self-Service?

- It is an online system whereby customers can access certain GEPF information themselves or select certain services that they want to use. It is designed to be viewable on computers, cellphones and tablets from anywhere and at any time. The Self-Service system has been developed to ensure ease of business when engaging with the GEPF. It allows for members of the Fund to access and update their information as well as track their pension or other related benefit claims.

2. What services are available on GEPF Self-Service?

- Access their benefit statements
- Access tax certificates
- Update contact information
- Nominate or update beneficiaries
- Access latest notices from the GEPF

3. What are the benefits of having GEPF Self-Service?

- You are able to claim from your Two-Pot Retirement savings pot
- You are able to engage with the GEPF from anywhere.

- No need to travel to a Walk-in Centre, contact the Call Centre or wait for your documents to arrive by post.
- You can check your personal details and update them anytime.
- You can access Self-Service using different digital devices at any time from any place that has an Internet connection.

4. Are there any special requirements I need before I start using Self-Service?

- To be able to access the service, members, pensioners and beneficiaries are requested to first register for GEPF self-service so that they can be authenticated. You can register through GEPF self-service Web or App

5. I am registered for self-service and will be travelling abroad; will I be able to use Self-Service from abroad?

- Yes, Self-Service is available to you from anywhere.

6. Whom do I contact if I have any queries?

Contact the GEPF Self-Service number at **012 319 1400** use this number only for Self-Service queries or email us at **selfservicesupport@gpaa.gov.za**