fundnews

The quarterly newsletter for pensioners of the Government Employees Pension Fund 4th Edition 2025/2026

The GEPF remains financially TAX DEDUCTIONS FOR DOUBLE INCOME EARNERS WHAT IS IT AND WHY IS IT HAPPENING?

AS A PENSIONER, CAN I STILL UPDATE MY NOMINATION FORM?

WHEN YOU RECEIVE A MONTHLY PENSION FROM GEPF, DO YOU ALSO QUALIFY FOR AN OLD AGE SOCIAL GRANT?

ARE PENSIONERS ALLOWED TO MOVE FROM GEMS TO ANOTHER PROVIDER AFTER THEY RETIRE FROM GOVERNMENT SERVICE?

Indeed, pensioners may choose a medical aid of their preference, including a private medical aid scheme. But in making such a decision, it is important for pensioners to consider whether the medical aid scheme will meet their health care needs.

They should also avoid changes that will result in financial constraints, so they must consider their budget, the level of benefits provided, as well as any waiting period or late joining penalty.

The GEMS Scheme Rules outline the process to be followed when changing to another medical aid scheme, and members are encouraged to review these rules for detailed information on how to change their membership and continue to access their benefits.

Documents that should be submitted when changing from GEMS:

- Certified copy of your ID (not older than 6 months).
- Membership certificate from GEMS.
- Proof of dependants (IDs or birth certificates).
- Previous medical scheme certificates (if applicable).
- Service certificate from your employer.
- Copy of last salary advice (for subsidy calculation).
- Completed forms:
  - Z583 – Medical Scheme Membership Form.
  - Z894 – Bank particulars (for subsidy payment).
- Any other documents requested by a GPAA official.

Submit all required documentation to GEMS to ensure a smooth transition to your new membership status.

For more information contact us at:
Government Employees Pension Fund

0800 117 669 enquiries@gepf.co.za gepf.co.za
Government Employees Pension Fund @GEPF_SA

Government Employees Pension Ombud

enquiries@gepo.co.za gepo.co.za +27 12 110 4950

GEPF™
your investment, your future

TAX DEDUCTIONS FOR DOUBLE INCOME EARNERS

WHAT IS IT AND WHY IS IT HAPPENING?

The Government Pensions Administration Agency (GPAA) must always implement a directive from the South African Revenue Services (SARS), which often results in revised tax rates being applicable. These changes mainly affect pensioners with multiple income streams.

Pensioners have the option of remaining on the adjusted tax rate or reverting to the standard Pay As You Earn (PAYE) rate applicable to their pension. It is important that pensioners who are considering this option understand that choosing to revert to the standard rate may result in the GEPF applying a previous, and potentially less accurate, tax rate. Any discrepancy could result in a possible tax debt to SARS at the end of the financial year.

Additionally, pensioners with extra income sources may request that the GEPF withhold a higher tax amount from their monthly pension. This option could be beneficial to pensioners who fall into a higher tax bracket after all their income is reported to SARS, as this could mean that an additional tax payment must be made after the tax assessment is done. Pensioners who wish to adjust their tax rate must specify the extra amount to be withheld each month, along with the start and end dates for the deductions to be made. Without a specified end date, the deductions will continue indefinitely. The additional amounts will be shown on the pensioner's annual IRP5 form.

Enquiries may be directed to the GEPF Call Centre: **0800 117669**

AS A PENSIONER, CAN I STILL UPDATE MY NOMINATION FORM?

Not all pensioners can update their nomination forms. Only those who have been on retirement for less than five years can still nominate beneficiaries. This is because the retirement or discharge annuities are only guaranteed for five years after a member goes on retirement. If a member dies within this period, their beneficiaries receive the balance of the five-year annuity payments in a once-off cash lump sum.

Pensioners who have been on pension for more than five years don't need to complete a nomination form or nominate beneficiaries.

The nomination form (WP1002) can be updated at any time within the initial five-year period. It can be obtained from the GEPF website and submitted at any Walk-in centre or via email: enquiries@gepf.gov.za.

WITH GEPF, YOUR PENSION BENEFITS ARE GUARANTEED

GEPF members and pensioners can rest assured that the Fund will continue to fulfil its mandate to pay all benefits due to members who exit the Fund according to the rules.

This means that members and pensioners will receive their pension benefits as per the rules of the GEPF which determines what benefit is payable to a member or pensioner based on the reason you exit the Fund e.g. resignation, retirement or death.

The GEPF rules state the kind of benefits that GEPF must pay and how the money collected must be invested and safeguarded. These rules are spelt out in the Government Employees Pension (GEP) Law. The aim of this law and the rules that guide the Fund is to ensure that GEPF puts the interests of its members first at all times.

All GEPF benefits are defined in the (GEP) Law and rules, which is why GEPF is called a defined benefit fund. The advantage of belonging to a defined benefit fund is that the benefits are guaranteed and determined by the members' number of years of service and final salary at the time the member goes on retirement. Furthermore, benefits are not dependent on/or determined by changes in the economic conditions prevailing at the time.

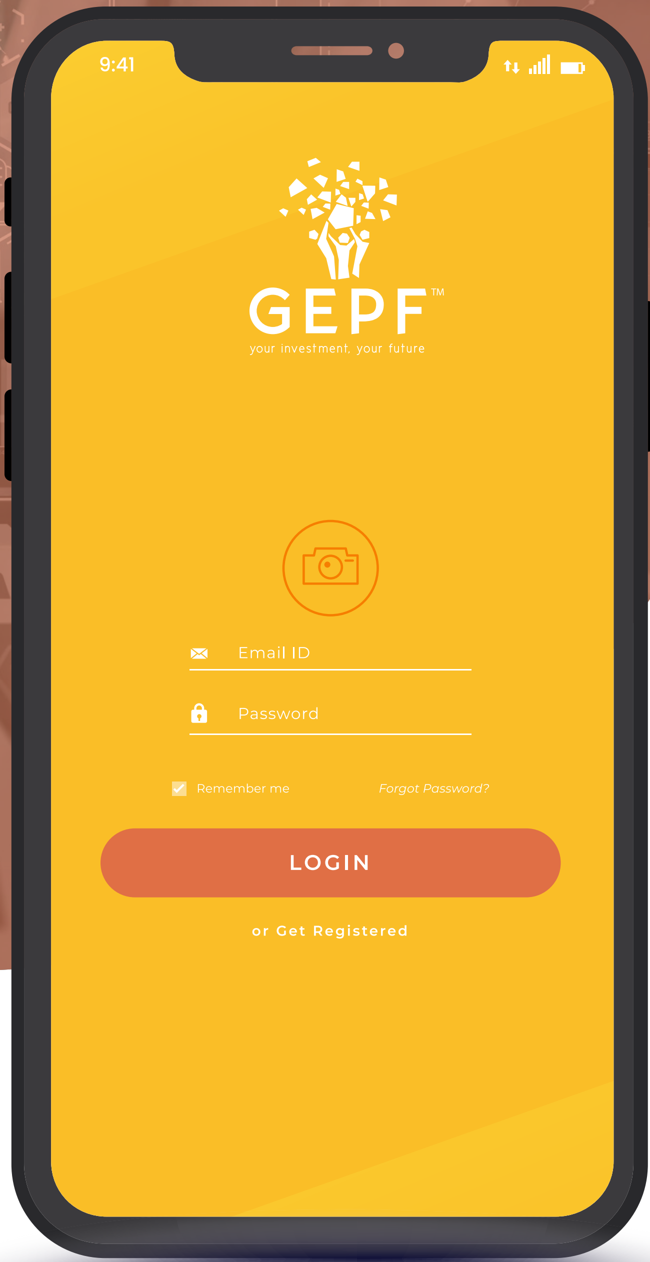
WHEN YOU RECEIVE A MONTHLY PENSION FROM GEPF, DO YOU ALSO QUALIFY FOR AN OLD AGE SOCIAL GRANT?

The two main factors used in the formula set out in the rules of the GEPF that determine how much a member receives when exiting the Fund are the number of years the member contributed to the Fund, and the final salary (as defined in the rules) paid to the member.

Some members find that their monthly pension is not enough to make ends meet and want to know if they qualify for the government social grants paid by the South African Social Services Agency (SASSA). This institution is the custodian of the old age social security grants and uses certain means tests to determine whether someone qualifies for a particular benefit, including the old age social grant. GEPF cannot assist with this type of information and advises members to direct these enquiries to SASSA .

ZERO RATED Mobile App

Access to the GEPF App or Self service is FREE and does not require nor incur charges on airtime or data.



Access your Pension Information ANYTIME, ANYWHERE.

MEMBERS CAN

- Access their benefit statements
- Access tax certificates
- Access proof of payments
- Trace any benefit claims
- Update contact information
- Nominate beneficiaries
- Claim for Two-Pot Retirement System

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