

SANLAM UMBRELLA PROVIDENT FUND (SUF): SANLAM GROUP

ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVC's)

➤ **Background**

From 1 March 2016 members qualify for a tax deduction for contributions up to **27.5 % of the greater of their remuneration or taxable income, subject to a maximum of R350 000 per tax year**. These limits apply to the total of a member's employer and employee contributions to all pension, provident and retirement annuity funds.

In terms of the rules of the SUF: Sanlam Group, members are also allowed to make additional voluntary contributions (AVC's) in addition to the contribution rate on Total Guaranteed Package (TGP) and bonuses elected from time to time.

IMPORTANT:

Please consult with your financial or tax adviser to determine if you can make AVC's that will also qualify as a tax deduction.

Please note:

- AVC's will also form part of the 27.5 % (Max: R350 000) tax deduction.
- AVC's will be paid to the SUF: Sanlam Group.

➤ **Advantages of additional voluntary contributions**

- These extra contributions can provide further tax relief in addition to the normal contributions to the SUF: Sanlam Group.
- Any investment returns in the SUF: Sanlam Group is tax free. (No tax on dividends and capital gains tax are applicable.)
- They can easily be temporarily suspended or reduced/increased to suit cash flow.
- They serve as a further supplement to your retirement benefits without additional cost.
- They can be dealt with by way of a monthly deduction against your salary or by way of lump-sum deductions – to suit you!

➤ **Process**

- Should you wish to make additional voluntary contributions, please complete the attached form and submit to Human Capital Shared Services on
- http://kta.sanlam.co.za/TotalAgility/forms/hrss_eform_input/HRSS_Electronic_Input_Form.form
 - The minimum amount in the case of monthly payments is R150.00 per month.

TO: Human Capital Shared Services

http://kta.sanlam.co.za/TotalAgility/forms/hrss_iform_input/HRSS_Electronic_Input_Form.form

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APPLICATION FOR ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVC'S)

Employer/Business Unit:

I,(full name and surname)
...../...../..... (date of birth) wish to make a ***lump sum*** additional voluntary contribution of
R..... for the tax year ending **28/02/**..... which is to be deducted from my salary/bonus
payable in **20**(indicate applicable month)

and/or

wish to make additional voluntary ***monthly*** contributions of **R** which are to be
deducted from my salary with effect from/..... **20**.....

I hereby authorise Sanlam to deduct the corresponding amounts as indicated above from my
bonus/salary and transfer it to the Sanlam Umbrella Provident Fund: Sanlam Group.

Signed at **on** **20**.....

.....
SIGNATURE OF EMPLOYEE

.....
IDENTITY NUMBER

.....
PAYCODE

.....
TELEPHONE NUMBER

.....
E-MAIL ADDRESS