



## SARS PAYE Deduction Percentage

PARAGRAPH 2(2B) DIRECTIVE OPT-OUT  
INSTRUCTION APPLICABLE TO MAXIMUM ANNUITIES  
INCOME

Policy/Plan number \_\_\_\_\_

Declared by the income recipient who had received a PAYE fixed percentage tax rate directive in terms of Paragraph 2(2B) of the Fourth Schedule to the Income Tax Act from the South African Revenue Services (SARS) and would like to opt-out (not apply the PAYE fixed percentage tax rate directive), to any annuity income being received from Sanlam.

### Notes on completion of this instruction

1. This declaration must be completed by the income recipient who receives an annuity income from from Sanlam and who would like to opt-out of the PAYE fixed percentage tax rate directive received from SARS in view of Paragraph 2(2b)
2. The income recipient understands that if they opt-out and opt for the standard PAYE tax tables, this may result in a tax debt on assessment.
3. Once the instruction has been received it will be applied until the end of the applicable tax year.
4. SARS will advise Sanlam of the PAYE fixed percentage tax rate directives.
5. **The preferred tax rate should be higher than the SARS standard PAYE tax tables.**
6. You can opt out only once in a tax year. If you would like to increase the tax rate deducted from your income at a later stage during the tax year, you may provide us with a voluntary tax rate instruction.

### Section 1 - Income Recipient Information

**Details of Income Recipient is required per application. All parties must be natural persons.**

Title Mr  Miss  Mrs  Other \_\_\_\_\_ Initials \_\_\_\_\_

Surname \_\_\_\_\_

Full name(s) \_\_\_\_\_

Country of birth \_\_\_\_\_

Date of birth \_\_\_\_\_ (ddmmccyy) Gender: Male  Female

Income tax number \_\_\_\_\_

e-mail address \_\_\_\_\_

Postal address \_\_\_\_\_

Postal code \_\_\_\_\_

Country of address \_\_\_\_\_

### Section 2 - Income Recipient Instruction

I wish to opt-out of the Paragraph 2(2B) directive that I have received from SARS and instruct Sanlam to apply the tax rate on my income according to:

1. The SARS standard PAYE tax tables
2. My preferred tax rate of \_\_\_\_\_ % (Refer Note nr 5 above)

### Section 3 - Income Recipient Declaration

1. I declare that the information provided in this instruction is true and correct.
2. I understand the tax consequences to opt-out of the Paragraph 2(2B) directive that I have received from SARS and of my instruction in section 2 above.
3. I consent to Sanlam collecting, collating, and storing the information I provided as well as any other information that may be lawfully obtained from third parties.
4. I consent to and understand that Sanlam will verify the information I provide, and that Sanlam requires the information for the purpose of providing the product to me.
5. I consent to the sharing of the information with any third party that is in law entitled to obtain the information.
6. I understand and acknowledge that this instruction will remain valid to the end of the tax year applicable. A copy of the form may however be retained for record purposes.
7. I am aware that further details of my rights in relation to my personal information, including the use and protection of the information, complaints, and escalation procedures, are available on our website at [www.sanlam.co.za](http://www.sanlam.co.za).

Income Recipient signature \_\_\_\_\_ Date \_\_\_\_\_ (ddmmccyy)

### Return to:

Address : Policy Administration: Instalments and Tax  
PO Box 1, Sanlamhof, 7532, South Africa  
E-mail : [instalments.tax@sanlam.co.za](mailto:instalments.tax@sanlam.co.za)