

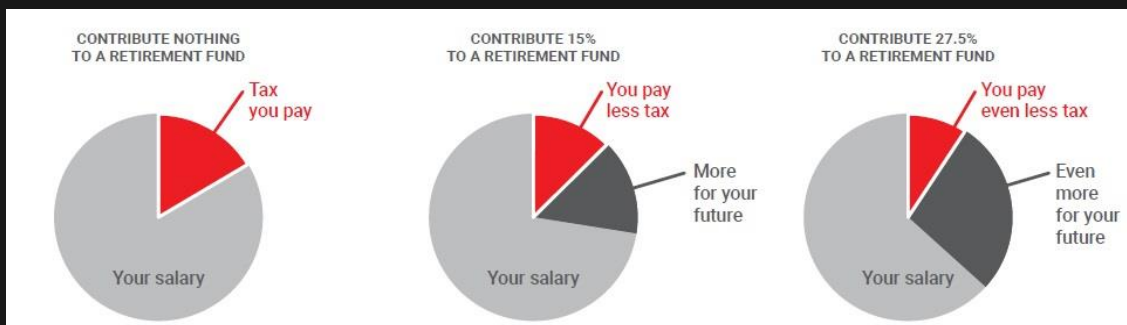
Minimise your taxable income

Maximise your tax savings



As the **end of the tax year** is approaching, you have the opportunity to take advantage of the **annual tax incentives** SARS has put in place to encourage South Africans to save for retirement and other long-term goals.

Contributions to a Retirement Annuity reduce your taxable income, which benefits you now and in the future:



A Tax-Free investment also offers attractive tax benefits:

The interest, capital gains and dividends you earn in a Tax-Free Investment are completely tax free. You can contribute a maximum of R33 000 per year, capped at R500 000 over your lifetime.

What are the differences between a Retirement Annuity (RA) and a Tax-Free Investment (TFI)?

	RA	TFI
How much can I invest?	Any amount.	A maximum of R33 000 for the 2018/2019 tax year, currently capped at R500 000 over your lifetime (across all product providers).
Will investing decrease my taxable income?	Yes. You get the tax benefit on all amounts up to 27.5% of the greater of your taxable income or remuneration, capped at R350 000 per tax year.	No.
What if I invest more than the limits?	Your tax benefit will be rolled over to the following tax year, until you've received it in full.	You will have to pay a penalty of 40% of the amount you invest above the maximum.
When can I access my money?	From 55 years of age onwards (except in specific circumstances).	Any time, but your contribution limits remain the same so you cannot re-contribute amounts you have withdrawn.
Are there restrictions on the types of unit trusts I can choose?	Prescribed legal investment limits restrict how much you can invest in the types of investments that are considered higher risk, for example equities and offshore investments.	Current legislation limits your investment options to unit trusts that charge fixed fees.
What happens to my money if I die prior to retirement?	Your money is not part of your estate, except in specific circumstances. You may nominate who you would like the trustees to consider to receive your money but the trustees make the final decision, based on financial dependence.	You may appoint beneficiaries and they will receive the money directly, without waiting for the estate to be wound up. Estate duty is payable but there are no executor's fees.

Don't delay, make sure you get your investment in on time.

Allan Gray's cut-off dates;

Retirement Annuity:

- Electronic collections cut-off date – 27 February 2019 at 14:00

- Electronic fund transfers cut-off date – 26 February 2019 at 14:00
- Cheque deposits cut-off date – 25 February 2019 at 14:00

Tax-Free Investment:

- Electronic collections cut-off date – 27 February 2019 at 14:00

Moving money from your **Allan Gray Unit Trust** to your **Allan Gray Retirement Annuity or Tax-Free Investment** account is simple and easy, **contact us to find out how.**



Contact Us

Global & Local

The Investment & Retirement Specialists

175 Barry Hertzog Avenue, Emmarentia,
Johannesburg 2195

T | +27 11 486 2500

admin@globallocal.co.za
globallocal.co.za

Global & Local Investment Advisors (Pty) Ltd. Reg. Number: 2006/002605/07

This email is sent in confidence. The contents are not to be disclosed to anyone other than the addressee. Email communications are not secure therefore, we do not accept legal responsibility for the contents of the message. We are an Authorised Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, No. 37 of 2002, License Number 43286.