

fundtalk

The quarterly newsletter for members of the Government Employees Pension Fund

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IF BOTH PARENTS PASS ON AND THEY WERE GEFP MEMBERS, CAN THEIR CHILDREN CLAIM THE FUNERAL BENEFIT FOR EACH PARENT?



CAN I ADD DEPENDANTS ON MY MEDICAL AID AFTER GOING ON RETIREMENT?



UPDATE YOUR CONTACT DETAILS

HOW DOES THE FIVE-YEAR BALANCE WORK?



When a Government Employees Pension Fund (GEFP) member goes on retirement with ten (10) or more years of pensionable service, the Fund pays out a lump sum equal to one-third of the total amount due to them. The remaining two-thirds will be paid out as a monthly pension.

If a pensioner passes away within five years of being on retirement, the Fund will pay the remaining balance of the monthly pension within the five year period lumpsum to beneficiaries. In the event that a pensioner lives beyond five years after their retirement, they will continue to receive their monthly pension from the Fund's investment returns until they pass away. However, the pensioner's beneficiaries will not receive a five-year balance lump sum payout because the late pensioner's monthly pension would have been paid beyond five years after retirement.

If a pensioner has a surviving spouse or a registered/approved life partner, they will qualify for a Spouse Pension. The spouse or registered/approved life partner will receive this benefit until they pass on. **Also, if the pensioner had children below the age of 22 years, they may qualify for the Child's Pension.**

For more information contact us at:
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ARE ALL GEPF BENEFITS TAXABLE?

All pension benefits accumulated after 01 March 1998 are taxable. The South African Revenue Services (SARS) imposes tax on all forms of income, including pension benefits. The Income Tax Act 58 of 1962 provides guidelines on how pension benefits must be taxed. The Act implies that there are tax obligations on all pension benefits irrespective of the mode of exit (withdrawal, retirement, death or severance etc) from the Fund.

Death after retirement

According to the Government Employees Pension (GEP) Law, a member's pension is guaranteed for five years. If a member dies within five (5) years after retirement, a lump sum benefit will be paid to their beneficiaries. If their death happened after 1 March 1998, the balance of their pension, which will be paid as a lump sum, will be taxed at the annual average rate of income.

Monthly annuity (pension) payments when in retirement

GEPF pensions are paid every month and taxed accordingly. The Pay-As-You-Earn (PAYE) tax

tables are applied and the income sources are taxed at the annual average rate of income. If you receive a GEPF pension and another separate income from elsewhere, the money that is deducted every month from each income source for tax might not be enough to cover your tax obligations to SARS for the tax year. This is because SARS calculates the amount of tax that you owe them by adding together all the income and then use the final amount to calculate the tax amount that must be paid. This means that individuals that earn more annually are taxed at a higher rate than those who earn less.

Payment of Tax for multiple sources of income
If you only receive an income from GEPF, the amount of tax you will pay will probably be similar to your tax liability. This means that you will not have to pay more to cover for a shortfall when reconciliation is done at the end of tax year. However, if you are receiving income from more than one source and each pays money to SARS on your behalf for tax, you may need to pay more tax because your combined annual income may put you into a higher tax bracket. This implies that you may have to pay more at the end of the tax year when you submit your tax returns to cover for a shortfall which can be an inconvenience to you.



I AM IN A POLYGAMOUS MARRIAGE.

***WILL ALL MY SPOUSES
RECEIVE THE SPOUSE
PENSION UPON MY
DEATH?***

The answer is yes.

If a member or pensioner dies with more than one surviving spouse, the Spouse Pension will be divided equally among the surviving lawful spouses i.e., marriages recognised in terms of the law. This includes registered customary marriages as per the provisions of the relevant law.



IF BOTH PARENTS PASS ON AND THEY WERE GEPF MEMBERS,

CAN THEIR CHILDREN CLAIM THE FUNERAL BENEFIT FOR EACH PARENT?

Relatives of deceased GEPF members are sometimes left in the lurch after the death of their loved one. This is caused by the lack of understanding of how the GEPF's Funeral Benefit works.

Due to lack of sufficient information, some family members of deceased GEPF members think they can only claim the Funeral Benefit when there is a surviving spouse. While it is true that the Fund will first consider the surviving spouse regarding the application of a Funeral Benefit, there could be instances where both parents are deceased.

In such circumstances, claims for a Funeral Benefit on behalf of the deceased members can be lodged, particularly if both were GEPF members.

Each parent qualifies for the Funeral Benefit whether they were married to each other or not as long as they are GEPF members. Therefore, if both parents pass away, the eligible children (natural or legally adopted) of the deceased members can claim for the Funeral Benefit on behalf of both parents separately.

This implies that the eligible children will claim a taxable amount of **R15 000** on behalf of their father and the same amount for their mother, which will amount to **R30 000 combined**.



How to claim for the Funeral Benefit?

The following documents will be required to claim for the Funeral Benefit:

- A fully completed Funeral Benefit Claim form (Z300).
- An originally certified copy of the bar-coded identity document or identity card (certified both sides).
- A certified copy of the death certificate (issued by the Department of Home Affairs).
- The banking details form is only required when the payment is to be made into a bank account. When the payment is to be made via the Post Office, the applicant must produce to the Post Office copies of all documents submitted to the GEPE.

submit proof of relations between them and the deceased through an affidavit signed under oath, as well as other supporting documents.

In the event where the deceased was married before and later separated from their spouse, it is important to seek clarity on the status of that marriage or divorce. The clarity seeking questions are important so that the family is clear on whose application will be successful.

The children's representative chosen to submit the claim on behalf of the siblings will have to



CAN I ADD DEPENDANTS ON MY MEDICAL AID AFTER GOING ON RETIREMENT?

A pensioner is allowed to add dependants to their medical scheme at any time, as long as the medical scheme's rules allow them to do so. The dependants added will be included in the subsidy calculation, but the subsidy paid to a pensioner is limited to the member plus one dependent. This means that having more than one dependent will not influence the subsidy but will increase the member's contribution towards the medical scheme.

In cases where the principal member (pensioner) passes away, the surviving spouse can continue with the medical scheme and qualify for a medical subsidy, including other dependants who depended on the medical scheme of the deceased. The surviving spouse may add more dependants to the medical scheme, but those dependants will not qualify for a subsidy benefit.

Members who may qualify for the post-retirement medical subsidy are government employees (persons appointed under the Public Service Act, and who fall within the scope of the PSCBC), except uniform members of the South African Police Service (Polmed) and South African National Defence Force (SANDF).

A member will qualify for the subsidy if they have been in government employment for 15 or more years, or for 10 years in the case of a discharge due to ill health. In both cases it is expected that the member should have been the main member of a recognised medical scheme for the last 12 months (without a break) before exit.

In cases where the member has less than 15 years of actual service, they will receive a once-off payment towards their medical benefit instead of a continuous medical subsidy. The amount payable depends on whether the member has more or less than 10 years of actual service. It is important to remember that the lump sum paid towards the medical benefit is taxable.

IS THERE A WAY THAT I CAN ACCESS AND UPDATE MY INFORMATION WITHOUT VISITING GEPF OFFICES?

Since the launch of the Fund's Self-Service Web and Mobile application (App), registered members, pensioners and beneficiaries have benefited from this convenient service. This digital platform enables Fund members to view their benefit statements, update their personal information and print their tax certificates amongst other things without visiting GEPF offices or calling the Call Centre.

Here are some of the services that are available on the Self-Service Web and Mobile App

- Updating of personal details. Please note that for security reasons the updating of some sensitive information such as banking details

and change of surname or marital status still need to be done manually by completing the Z894 banking particulars form and the Z864 form for updating of the personal information. Once the forms are completed, you need to submit them to the nearest Government Employees Pension Fund (GEPF) office with the required supporting documents so that the details can be updated on the GEPF's Self-Service web and mobile app.

- Access personal documents such as benefits statement, tax certificates, proof of payments etc.
- Trace progress of your resignation and retirement benefit claims.
- Nominate and update your beneficiaries.



UPDATE.....



- Access personalised communication such as letters and newsletters.
- Request a call back in instances where you need assistance with a query.

All you need to do is visit the GEPF website at www.gepf.co.za to access the Self-Service web. Alternatively, you can download the Mobile App on Google Play Store, Huawei AppGallery and App Store. To register you will need your South African bar-coded identity document or smart identity card and a digital device such as a smart phone, tablet or computer. You will be notified via a Short Message Service (SMS) or email once you are successfully registered.

Should you experience any challenges while trying to register, please email us at selveservicesupport@gpaa.gov.za or call 012 319 1400 for assistance.

Download GEPF App on:



CHILD'S PENSION.



The **Child's pension** is available to a child whose parent or guardian was a GEPF member or pensioner. The benefit only applies if the parent or guardian or pensioner is deceased from the 1st of June 2018.

BENEFITS

- The **Child's Pension** is payable to the child up to the age of 22 years.
- Disabled children are entitled to receive the Child's Pension beyond the age of 22 years, subject to approval by the GEPF.

WHAT THE APPLICANT MUST SUBMIT

A certified copy of the deceased ID (certified within the last 6 months)

- A banking details form (Z894)
- A certified copy of the death certificate
- A certified copy of your ID and confirmation of death by the Department of Home Affairs.

Securing their future.

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For more information contact us at:

GEPF APP:





Together we can stop fraud & corruption.

As part of our continued commitment to zero tolerance towards fraud, corruption and unethical behaviour, the GEPF is urging members to join the fight against fraud today by reporting any fraudulent activities.

What is fraud?

Fraud is an illegal act or a series of illegal acts committed through non-physical means through hiding information or changing information to obtain money.

What are the types of fraud encountered by the GEPF?

Fraudulent activities include but are not limited to:

- Fraudulent exits
- Fraudulent bank forms
- Fraudulent beneficiaries
- Fraudulent payments.

What can you do?


Speak up against fraud by calling the FREE and CONFIDENTIAL Whistle Blower Line.

Tel: 0800 203 900 | SMS: 30916 | Email: gepf@thehotline.co.za |


Website: www.thehotline.co.za

For more information contact us at:

Government Employees Pension Fund

 0800 117 669


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Update

YOUR CONTACT DETAILS



Updating your personal information helps the GEPF to process your benefits efficiently and effectively. This also puts you in a better position to receive your benefits within the prescribed period. Personal information that is outdated is, in most instances, the primary cause of delays in processing pension benefits to the rightful beneficiaries.

You do not have to leave your house to visit the GEPF offices to change your address or any personal information. The GEPF Self-Service web/mobile App allows you to update your address or any personal information from the comfort of your home.

If a member is active, retired or exits the Fund (resignation, retirement, death) without updating their details, their benefits payout may be delayed and therefore affect their livelihood and those of their beneficiaries.

To update your personal information, you need to complete the Z864 form (Personal Particulars form) that is available on the GEPF website (www.gepf.co.za), at GEPF Regional Offices or from your Human Resource unit. If you have already downloaded the GEPF mobile App you can update your personal information and beneficiaries on the App.

Download GEPF App on:



Do you know where to find us?

GEPF has a national toll free Call Centre number, **0800 117 669**.
Calls to this number are free from any Telkom line.
We also have regional Client Service Centres in all nine provinces of South Africa.

Contact Details

Toll free number: **0800 117 669**
Email: enquiries@gepf.co.za
Website: www.gepf.co.za

Postal address:
GEPF Private Bag X63
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0001

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Client Service Centres

Eastern Cape

No. 12 Global Life Centre,
Circular Drive, Bhisho

Free State

Brandwag Centre, 20 Stapelberg Street
Brandwag, Bloemfontein

Gauteng

Trevenna Campus, Building 2A,
Corner Meintjies and Francis Baard
Streets,

Sunnyside, Pretoria

Kwa-Zulu Natal

Brasfort House, 3rd Floor,
262 Langalibalele Street,
Pietermaritzburg

Limpopo

87 (a) Bok Street,
Polokwane

Mpumalanga

Imbizo Place, Shop no 5,
Samora Machel Street, Mbombela

North West

Mega City, Entrance 4,
Ground floor, Office no 4/17,
Mmabatho, Mahikeng

Northern Cape

11 Old Main Road, Kimberley

Western Cape

Buitengracht Centre, 4th Floor
125 Buitengracht Street
Cape Town

Satellite Offices

Durban

Salmon Grove Chambers, 12th Floor,
407 Anton Lembede Street

Johannesburg

UCB House, 2nd Floor,
78 - 74 Marshall Street, Marshalltown

Thohoyandou

2010 Centre, next to Phalaphala FM (SABC)

Mthatha

Manpower Building, Ground Floor,
Corner Elliot & Madeira streets,

Phuthaditjhaba

Mandela Park Shopping Centre,
712 Public Road

Gqeberha (formerly Port Elizabeth)

1st Floor, Regus House
Fairview Office Park, 66 Ring Road
Greenacres

Rustenburg

Ditiro House, Ground Floor, Corner Motsatsi
and Monareng Streets, Unit 1, Tlhabane
(opposite Tlhabane Square Mall)

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Download
GEPF App on:

