

WITHDRAWAL BENEFITS IN A NUTSHELL



EVENT	QUALIFYING CRITERIA	BENEFIT DETAILS	OPTIONS	TAX TREATMENT																				
<div>LEFT THE SERVICE OF THE EMPLOYER EITHER DUE TO RESIGNATION, RETRENCHMENT OR DISMISSAL</div> <div>READ MORE! WITHDRAWAL BENEFIT BROCHURE</div>	<p>A withdrawal benefit may be claimed if:</p> <ul style="list-style-type: none">• you have left the service of your employer, and• you have not reached your Normal Retirement Age. <p>A withdrawal benefit may not be claimed if:</p> <ul style="list-style-type: none">• you have already reached your Normal Retirement Age.• you have instituted proceedings to be reinstated through the CCMA & this is not finalised.	<p>The benefit consists of your Fund Credit.</p> <p>Possible deductions that may reduce your benefit prior to payment include:</p> <ul style="list-style-type: none">• Income tax as directed by SARS,• Outstanding taxes claimed by SARS,• Outstanding IEMAS Pension Backed Home Loan, and• Divorce order settlements.	<ul style="list-style-type: none">• Preserve your benefit as a paid-up member until you retire in Sentinel, OR• Transfer your full benefit TAX FREE to your employer’s pension/provident fund, an approved pension preservation or a retirement annuity OR• Before NRA, withdraw the benefit in cash, OR• Before NRA, partially withdraw (taxable) and transfer the balance to a retirement annuity or a new employer’s pension fund (tax free).	<p>The tax table below will apply accumulatively to all retirement fund and employer lump sums received during your lifetime.</p> <p>You will enjoy the tax-free portion once and any future lump sums will be taxed at the rate that you have reached with previous lump sum payments.</p> <p>Withdrawal Lump Sum Tax Table:</p> <table><tr><th>LUMP SUM</th><th>RATES OF TAX</th></tr><tr><td>R0 – R27,500</td><td>0%</td></tr><tr><td>R27,501 – R726,000</td><td>18% of the amount above R27,500</td></tr><tr><td>R726,001 – R1,089,000</td><td>R125,730 +27% of the amount above R726,000</td></tr><tr><td>Amount above R1,089,001</td><td>R223,740 + 36% of the amount above R1,089,000</td></tr></table> <p>Retirement & Retrenchment Lump Sum Tax Table:</p> <table><tr><th>LUMP SUM</th><th>RATES OF TAX</th></tr><tr><td>R1 to R550,000</td><td>0%</td></tr><tr><td>R550,001 – R770,000</td><td>18% of the amount above R550,000</td></tr><tr><td>R770,001 – R1,155,000</td><td>R39,600 +27% of the amount above R770,000</td></tr><tr><td>R1,155,001 and above</td><td>R143,550 + 36% of the amount above R1,115,000</td></tr></table>	LUMP SUM	RATES OF TAX	R0 – R27,500	0%	R27,501 – R726,000	18% of the amount above R27,500	R726,001 – R1,089,000	R125,730 +27% of the amount above R726,000	Amount above R1,089,001	R223,740 + 36% of the amount above R1,089,000	LUMP SUM	RATES OF TAX	R1 to R550,000	0%	R550,001 – R770,000	18% of the amount above R550,000	R770,001 – R1,155,000	R39,600 +27% of the amount above R770,000	R1,155,001 and above	R143,550 + 36% of the amount above R1,115,000
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