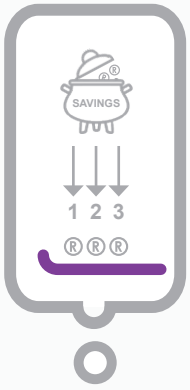


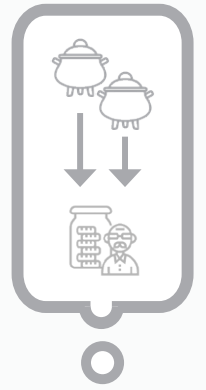


How savings pot withdrawals will be taxed

Meet Sam and Sam's Bestie



Ages: 30
Monthly earnings: R36 000
Monthly Retirement Fund contributions: R3 600
Retirement Savings Return: 12.1%
Sam makes three withdrawals
Sam's Bestie makes no withdrawals
Retirement age: 60



*Salary inflation has been ignored for this example and the same tax rates apply throughout.
The outcomes and taxes are shown in today's rands but will increase over time due to inflation.

The tax Sam pays while Sam's Bestie saves

	Sam & Sam's Bestie		Sam		Sam's Bestie	
	Vested Savings	Retirement Pot	Savings Pot	Total	Savings Pot	Total
31 August 2024	R400 000					
Seeding 1 September 2024	- R30 000 = R370 000	R0	R30 000 	R400 000	R30 000	R400 000
Withdrawal 15 September 2024 Less tax at marginal rate of 31% and R200 admin fee	R370 000	R0	- R30 000 R30 000 - R9 300 - R200 = R20 500 cash received	R370 000	R30 000	R400 000
Balance at age 40 Withdrawal 30 September 2034 Less tax at marginal rate of 31% and R200 admin fee	R610 983	R376 316 	R188 363 -50 000 R50 000 - R15 500 -R200 = R34 300	R1 125 662 		R237 697
Balance at age 50 Withdrawal 30 September 2044 Less tax at marginal rate of 31% and R200 admin fee	R1 004 746	R911 211	R413 719 R60 000 R60 000 - R18 600 -200 = R41 200	R2 349 676	R577 072	R2 573 029
At retirement at age 60	R1 645 444	R2 002 391	R763 495	R4 411 330	R1 129 273	R4 777 109