



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

DRAFT REGULATIONS FOR PUBLIC COMMENT

10 JUNE 2014

INCOME TAX ACT, 1962: PUBLICATION OF PROPOSED FACTORS FOR DEFINED BENEFIT FUNDS AS CONTEMPLATED IN DRAFT REGULATIONS IN TERMS OF PARAGRAPH 12D (5)(a) OF THE SEVENTH SCHEDULE

Proposed factors for defined benefit funds as contemplated in draft regulations in terms of paragraph 12D(5)(a) of the Seventh Schedule to the Income Tax Act, 1962 (Act No.58 of 1962) are hereby published for public comment.

Please forward comments in writing by the close of business on 23 June 2014 to Nombasa Nkumanda at Nombasa.nkumanda@treasury.gov.za and Adele Collins at acollins@sars.gov.za.

DRAFT

Average actual pension increases over last 5 years %CPI

Average retirement age of fund member category with unreduced or unaugmented benefits	0%	25%	50%	70%	75%	80%	90%	100%	110%	120%	125%	150%	175%	200%
50	9.9	11.4	13.3	15.2	15.7	16.3	17.5	18.9	20.4	22.1	23.1	28.7	36.4	47.1
51	9.6	11.0	12.8	14.6	15.1	15.6	16.8	18.1	19.5	21.1	22.0	27.2	34.3	44.0
52	9.3	10.6	12.3	14.0	14.5	15.0	16.1	17.3	18.6	20.1	20.9	25.7	32.2	41.0
53	9.0	10.3	11.9	13.5	13.9	14.4	15.4	16.5	17.7	19.1	19.9	24.3	30.2	38.2
54	8.7	9.9	11.4	12.9	13.3	13.8	14.7	15.7	16.9	18.2	18.9	22.9	28.3	35.5
55	8.4	9.5	11.0	12.3	12.7	13.1	14.0	15.0	16.0	17.2	17.9	21.6	26.5	33.0
56	8.1	9.2	10.5	11.8	12.1	12.5	13.3	14.2	15.2	16.3	16.9	20.3	24.7	30.6
57	7.8	8.8	10.0	11.2	11.6	11.9	12.7	13.5	14.4	15.4	15.9	19.0	23.1	28.3
58	7.4	8.4	9.6	10.7	11.0	11.3	12.0	12.8	13.6	14.5	15.0	17.8	21.5	26.2
59	7.1	8.0	9.1	10.1	10.4	10.7	11.3	12.0	12.8	13.6	14.1	16.7	20.0	24.2
60	6.8	7.6	8.6	9.6	9.8	10.1	10.7	11.3	12.0	12.8	13.2	15.5	18.5	22.3
61	6.6	7.4	8.3	9.2	9.4	9.7	10.3	10.8	11.5	12.2	12.6	14.7	17.4	20.9
62	6.4	7.1	8.0	8.8	9.1	9.3	9.8	10.4	11.0	11.6	12.0	13.9	16.4	19.5
63	6.1	6.8	7.7	8.5	8.7	8.9	9.4	9.9	10.4	11.0	11.4	13.2	15.4	18.2
64	5.9	6.6	7.4	8.1	8.3	8.5	8.9	9.4	9.9	10.5	10.8	12.4	14.5	17.0
65	5.7	6.3	7.0	7.7	7.9	8.1	8.5	9.0	9.4	9.9	10.2	11.7	13.6	15.8
66	5.5	6.1	6.7	7.4	7.5	7.7	8.1	8.5	8.9	9.4	9.6	11.0	12.7	14.7
67	5.3	5.8	6.4	7.0	7.2	7.4	7.7	8.1	8.5	8.9	9.1	10.4	11.9	13.7
68	5.1	5.6	6.2	6.7	6.8	7.0	7.3	7.6	8.0	8.4	8.6	9.7	11.1	12.7
69	4.8	5.3	5.9	6.4	6.5	6.6	6.9	7.2	7.6	7.9	8.1	9.1	10.3	11.8
70	4.6	5.1	5.6	6.0	6.2	6.3	6.6	6.8	7.1	7.5	7.6	8.5	9.6	10.9