

THREE SIMPLE WAYS TO MAXIMISE TAX BENEFITS

glacier
by Sanlam

01

SAVE IN A TAX-EFFICIENT WAY

Retirement savings

Add a lump sum to your **Glacier Retirement Annuity** to reduce your tax and boost your retirement savings.

Contributions to retirement funds are tax deductible, up to the lesser of:

- 1 R350 000 or
- 2 27.5% of the higher of the person's:
 - remuneration as defined in the 4th Schedule, or
 - taxable income including taxable capital gains before any deductions under Section 11F itself and 18A, or
- 3 The person's taxable income before the Section 11F and 18A deductions and also before inclusion of taxable capital gains.

Tax-free savings

Allow your savings to grow without any tax liabilities in a **Glacier Tax-free Investment Plan**.

Utilise the maximum contribution for the current tax year.

Will members receive a full deduction for the contributions to the savings component?

Section 11F of the Income Tax Act, which provides the deduction for contributions to a retirement fund, will still apply to 100% of the contribution made to the retirement fund (i.e. 1/3 to savings component + 2/3 to retirement component).

02

BE SMART ABOUT CAPITAL GAINS

Capital gains tax exclusion

You can realise **R40 000** of capital gains a year without paying tax.

If you still need to switch a portion of your investment plan and have not yet used the annual exclusion, now is the time to do so.

03

MANAGE YOUR ESTATE

Donations tax annual exemption

You can donate **R100 000** per year to your children, without incurring donations tax (20%).

Using this annual allowance dutifully can help with estate planning over the long term.



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Glacier Financial Solutions (Pty) Ltd. | A member of the Sanlam Group | Private Bag X5 | Tyger Valley 7536
Email client.services@glacier.co.za | Tel +27 21 917 9002 / 0860 452 364 | Fax +27 21 947 9210 | Web www.glacier.co.za
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