



APRIL 2021



Note from the PO

Welcome to the very first newsletter for 2021. While 2020 was a very difficult year for everyone, it has certainly taught us that the people of South Africa are a lot stronger than we give ourselves credit for. In the midst of this pandemic, we rose above our circumstances and persevered through all the obstacles and challenges we faced. We trust that 2021 will be a better year for all of us and that we will continue to use this new-found strength to improve our lives and impact the lives of those around us.

As a fund, we have learned how important it is to adapt and be flexible so that we can continue to support, educate and empower our members and pensioners. At this time, it is vital that we are always able to reach you. You would therefore have received many requests from the Fund throughout 2020 asking for your missing contact information. Thank you to everyone who rose to the occasion and helped us update our records accordingly. If you have not yet provided us with all your latest contact details, please do so as soon as possible.

In 2021, we remain committed to working together towards ensuring that your interaction with the Fund is always simple and easy.

Happy reading!
Ilse Hartlief
Principal Officer

Annual General Meeting

The Fund will host its first live virtual Annual General Meeting (AGM) at 9 am on 28 May 2021. The nation's lockdown has required us all to work differently. At the same time, we have seen first-hand what technology has enabled us to do. An online AGM will alleviate the time needed and the expense incurred in travelling to a venue in Cape Town and it will enable so many more of our pensioners to join us in reflecting on the year that was and understanding the future path the Trustees aim to follow. We hope to see you there!



Certificate of Existence

As a pensioner who is currently receiving a monthly income from the Fund, you are required to complete and submit a Certificate of Existence (COE) each year. You will receive your pre-populated COE with your March payslip. Kindly ensure that all the information we have on record for you is correct. Once you are happy, please sign and certify the document and return it to the Fund as indicated before 31 August 2021. If we do not receive your submission before the deadline, your pension will, unfortunately, be suspended in October and will only be reinstated once the required documentation has been submitted. Not sure whether the Fund received your COE?

Please contact us on 021 943 5305 and we will confirm whether your COE was received. You can fax the certificate to 021 917 4114 or email it to support@laretirementfund.co.za.

Misplaced your form? Access the Certificate of existence on www.laretirementfund.co.za under the pensioner section of the website.



Change of details?

Please do not forget to inform the LA Retirement Fund if you change your address, personal details, or banking details. Should your banking details change, please notify the Fund in writing before the 10th of the month for your pension to be paid into your new account. Any notifications received after the 10th of the month will only be implemented the following month.

Also note that the Fund's decision to email rather than post payslips is another reason why we must have your most recent details on record. This is a great opportunity for you to help us get your payslips to you safely and instantly, by ensuring that we have an updated email address.

If you have already completed your COE, not to worry, simply send us an email containing your details/updated details and request to support@laretirementfund.co.za.

We look forward to hearing from you.

SOUTH AFRICA'S 2021 BUDGET IN A NUTSHELL

The 2021 budget speech, delivered by Finance Minister, Tito Mboweni on 24 February 2021 saw tax payers breathe a sigh of relief as there were no substantial tax hikes. The personal income tax brackets will increase by 5%, which is more than inflation.

The proposals aim to ensure that South Africa manages the short-lived economic challenges including the impact of COVID-19 while addressing the long-lasting structural challenges that face the country.



COVID-19 Vaccine rollout over next two years -
R10 billion
Contingency reserve
R12 billion

Above inflation personal **income tax relief** of **R2.2 billion** by adjusting **brackets** and **rebates**



Annuitisation for Provident Funds took place on 1 March 2021

SIN TAX



8% Tax increase on **alcohol and tobacco** for **2021/22**

Spirits

R5.50 per 750ml bottle

Beer

R0.14 per 340ml can

Unfortified wine

R0.26 per 750ml bottle

Fortified wine

R0.44 per 750ml bottle

Ciders

R0.14 per 340ml can

Cigarettes

R1.39 per pack of 20

Cigarette tobacco

R1.57 per 50g

Pipe tobacco

R0.47 per 25g

Cigars

R7.71 per 23g

LEVIES



Plastic bag levy reduced to **12.5c p/bag** for **bio-based plastic bags**, date TBA later in the year.



The **general fuel levy** will **increase** by **15c p/litre** and the **road accident fund levy** will **increase** by **11c** with effect from **7 April 2021**.

This will increase:

- General fuel levy to R3.85 p/litre of petrol and to R3.70 p/litre of diesel.
- The road accident fund levy to R2.18 p/litre for both petrol and diesel.

State old age grant	2020/21	R1 860
	2021/22	R1 890
State old age grant, over 75	2020/21	R1 880
	2021/22	R1 910
War veterans grant	2020/21	R1 880
	2021/22	R1 910
Disability grant	2020/21	R1 860
	2021/22	R1 890
Foster care grant	2020/21	R1 040
	2021/22	R1 050
Care dependency grant	2020/21	R1 860
	2021/22	R1 890
Child support grant	2020/21	R445
	2021/22	R460

CHANGES IMPACTING RETIREMENT FUNDS

Government and the National Economic Development and Labour Council (NEDLAC) have agreed to proceed with retirement reform related to the harmonisation of all retirement benefits, including provident funds. The provident and provident preservation fund annuitisation regimes came into effect on 1 March 2021. This change will mean that members retiring from provident funds, like those retiring from pension funds, will need to convert at least two thirds of their capital at retirement into an annuity. However, **this change will only apply in respect of FUTURE contributions made from March 2021 onwards.**

Retirement fund vehicles (pension, provident and retirement annuity funds) will provide the same tax-deductibility on contributions (up to 27.5% of income with a cap of R350 000 per year is tax-deductible), the same tax-free investment returns and the same benefits during retirement.



In the words of Minister Mboweni:

“Finally, to the millions of South Africans who faced, and continue to face, enormous difficulties and challenges, we ask you to take courage, persevere and walk with us. Above all, let us heed the counsel of Archbishop Tutu: See that there is light despite all of the darkness. A prosperous future is possible for our beautiful country. Gloria est consequenda - Glory must be sought after! I thank you.”

Trustees: Mr DL Carstens (Chairperson), Mrs M van Zyl (Deputy Chairperson), Adv CJ Franken, Mr J Lawack, Mr J Jacobs, Mr WR Meiring, Mr S Philander, Mr JAH van den Berg, **Principal Officer:** Mrs IT Hartlief

PO Box 4300, Tygervalley, 7536 • Belmont Office Park, Twist Street, Bellville, 7530 • WhatsApp: 081 806 9959 (between 08:00 - 16:00)
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