



GEPF News

Make Sure You Receive Your Retirement Benefits On Time

As you enter retirement one of your biggest risks is that you experience a time delay between your final pay cheque and your first payment from your pension. This is true in both the private and public sectors and managing this transition should form an important part of your retirement planning. While there are steps you can take to mitigate the delay – you should at least be prepared for it by building up some cash reserves prior to retirement that can tide you over for a few months.

To ensure a smooth transition and receive your first pension payment when you retire, you need to start working on your documentation at least six months before your retirement date. The state is the largest employer in the country and the GEPF has 1.2 million active members with more than 450 000 pensioners and beneficiaries making it the largest pension fund in South Africa. It is not uncommon for there to be glitches in the process, so it is important to understand how the process works and where the bottle necks occur.

Most of the problems occur at the employer/department level. HR departments may delay submissions, make mistakes on the documentation or more frequently provide inaccurate information on years of service. Members need to exert pressure on their employers (government departments) to submit accurate and complete documents to the the GEPF.

Once you have filled in and signed all documents check with the employer that they have in fact submitted the documents to the GEPF. You will know whether the agency (GPAA) has received the withdrawal documents as a communication via email or SMS will be sent to notify you. This also applies where documents are returned to the employer department due to errors. Remember to check that the GEPF has your email and your mobile number in order to receive SMS.

If you have not received the SMS, go back to your HR and ask for an update. Employees also need to be proactive and check all documentation before it is sent to the GEPF. Failure to submit all documents, or submitting documents with errors such as not having signed the correct documents, where certification has expired as well as outstanding tax affairs will delay the process.

It is important to stay abreast of the process, not only to ensure you receive your pension income timeously. Once the GEPF has all the necessary and correct information and documents, it will take not more than 60 days to process your claim.

One of the more common errors is the difference between the date on which you started

working for your employer (employment date) and the date on which you joined GEPF (contribution or pensionable service date). This can happen, for instance, if you starte-

ed out working on a contract (during which time you did not qualify for GEPF membership and therefore you were not contributing) and later you became a permanent employee, paying monthly pension contributions.

The easiest way to keep track of your GEPF service date is to keep your first pay slip showing contributions to GEPF, which has the service date printed on it. Check the membership certificate you receive and query anything that does not agree with the information at your disposal. If you are unsure, speak to your human resources representative.

What you need to do six months before retirement:

- Make sure you have no departmental debt.
- Go to SARS and make sure your tax number is correct and make sure you owe them nothing, and if you do, make payment arrangements.
- Get certified copies of your bar-coded ID as well as those of your spouse and children. Also obtain a certified copy of your bar-coded marriage certificate.
- Update your will and take that to your human resources division. They need to fill in your executor details on wp1002.
- Ask for the Retirement choice form from the employer department and get advice on the best option that suits your needs.
- Complete the medical scheme membership form (Z583) (you must have been a main member of a medical aid for the last 12 months before retirement)
- Confirm with the checklist that everything is correct. Once the GEPF has all the correct documentation it will verify the date of enrolment (when a member started contributing). Once this has been confirmed and the total benefit due has been calculated, the agency sends your documents to SARS to verify your tax deductions. On receipt of SARS Tax directive, the GEPF then send the payment for bank verification. Upon receipt of clearance from the bank you payment is allocated to a payment run. The payment runs takes place on a Monday, Wednesday and Friday of every week.

If you would like help in working out the value of your benefits, contact your human resources department. Alternatively, you can use the benefits calculator on GEPF's website at www.gepf.co.za:

