

June 2019

Dear Adviser

Emigration withdrawals from retirement funds, including preservation funds

Members of retirement annuities may currently withdraw their funds on formal emigration or on the expiry of their visa issued in terms of the Immigration Act.

Preservation fund rule changes are pending FSCA approval

As of 1 March 2019, legislation also permits members of preservation funds who have already used their once-off withdrawal, to withdraw their funds upon formal emigration or on expiry of a visa issued in terms of the Immigration Act. These withdrawals are subject to the rules of the fund having been amended to allow for such withdrawals and such amendment having been approved by the FSCA. The PSG Wealth Pension Preservation and PSG Wealth Provident Preservation Funds have amended their rules, but still await approval for the changes from the FSCA.

The Funds are required to apply for an emigration directive from the South African Revenue Services (SARS) in cases where there is a Double Tax Agreement (DTA) between the Republic of South Africa and the intended country of emigration. The process requires that Form C be completed ([click here](#) to access this document) and supporting documents are included before the application can be submitted to SARS. This process will also apply to preservation fund withdrawals once the rules have been approved by the FSCA.

Documents needed to complete the application

Where there is a DTA agreement between the emigration country and the Republic of South Africa, the client is required to provide

1. The **original** SARS Special power of attorney ([click here](#) to access this document)
2. Certified copy of identify document
3. Certified copy of proof of address
4. Date of emigration
5. A letter from the Authorised dealer to confirm that the emigration was recognised by the South African Reserve Bank for purposes of exchange control
6. A copy of the Tax Clearance Certificate (TCC) in respect of emigrations issued by SARS; or an affidavit indicating the reason a Tax Clearance Certificate (TCC) cannot be provided; and
7. The member's certificate of residency obtained from the relevant **Tax Authority** of the country in which the member **resides (country of emigration)**.

Where there is **no** DTA agreement with the Republic of South Africa, the client is required to provide

1. The original SARS Special power of attorney ([click here](#) to access this document)
2. Certified copy of identify document
3. Certified copy of proof of address
4. Date of emigration
5. A letter from the Authorised dealer to confirm that the emigration was recognised by the South African Reserve Bank for purposes of exchange control;
6. A copy of the Tax Clearance Certificate (TCC) in respect of emigrations issued by SARS; or an affidavit indicating the reason a Tax Clearance Certificate (TCC) cannot be provided; and
7. An immigration and citizenship certificate.

Upon consolidation of all supporting documents including Form C, the fund will submit documents and allow 21 working days for the outcome of the directive. The outcome will be communicated to the client and the withdrawal processed.

Queries?

If you have any queries, please contact your investment specialist or your dedicated client service team.

Kind regards



Cindy Tshabalala
Head of Client Service