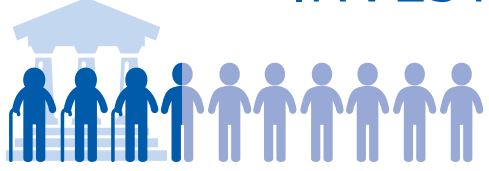




# (TFIA) Tax Free Investment Account

## INVEST LONG TERM WITH A TAX FREE INVESTMENT ACCOUNT\*\*



**±35%** OF SOUTH AFRICA'S BANKED POPULATION HAVE A FORMAL RETIREMENT PRODUCT

ACCORDING TO THE FINSCOPE SOUTH AFRICA SURVEY [HTTP://WWW.FINMARK.ORG.ZA/FINSCOPE/](http://www.finmark.org.za/finscope/)



ONLY **6%** OF SOUTH AFRICANS CAN RETIRE COMFORTABLY

VS



TFIA GIVES YOU ACCESS TO INVESTMENT PRODUCTS SUCH AS EXCHANGE TRADED FUNDS (ETFs)

ACCORDING TO FINANCIAL PLANNING INSTITUTE OF SOUTHERN AFRICA'S (FPI) FINANCIAL PLANNER REPORT OF 2015/16

### WHAT IS TFIA?



IN AN EFFORT TO ENCOURAGE SOUTH AFRICANS TO SAVE, THE SOUTH AFRICAN GOVERNMENT INTRODUCED TAX FREE ACCOUNTS ON 1 MARCH 2015.



IN SUPPORT OF THIS INITIATIVE, STANDARD ONLINE SHARE TRADING\* IS OFFERING INVESTORS AN OPPORTUNITY TO INVEST IN SELECTED JSE LISTED INSTRUMENTS TAX FREE!

### BENEFITS OF A TAX FREE INVESTMENT ACCOUNT:



**NO DIVIDEND WITHHOLDING TAX:** COMPARATIVELY FASTER GROWTH RATE OF THE INVESTMENT



**NO TAX ON INTEREST:** ALL INTEREST EARNED CONTRIBUTES TO INVESTMENT GROWTH



**NO CAPITAL GAINS TAX:** ENSURES THAT YOU KEEP ALL OF YOUR INVESTMENT AT MATURITY



**NO SECURITIES TRANSFER TAX:** LOWER TRANSACTION FEES, AND THUS MORE MONEY IS INVESTED

### NEED TO KNOW INFORMATION OF A TAX FREE INVESTMENT ACCOUNT:



**R30 000** MAXIMUM CONTRIBUTION PER TAX YEAR AND **R500 000** MAXIMUM LIFETIME CONTRIBUTION



ALL INTEREST, DIVIDENDS AND CAPITAL GAINS, MAY BE REINVESTED



IF ANY CONTRIBUTION LIMIT IS EXCEEDED, THE EXCESS WILL BE TAXED AT **40%** IN THAT TAX YEAR



PROFITS EARNED DO NOT COUNT AS CONTRIBUTION IN TERMS OF ANNUAL AND LIFETIME LIMITS



ALLOWS YOU TO BUILD A WELL BALANCED PORTFOLIO

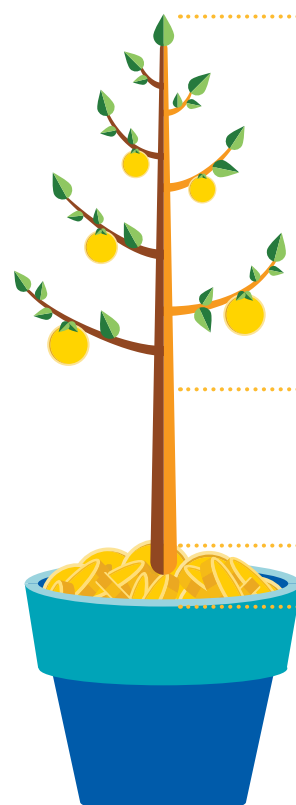


PARTIES IN VALUE CHAIN HAVE COME TOGETHER TO OFFER A LOWER FEE FOR THE TFIA

### INVEST IN SELECTED ETFs:



### FOR EXAMPLE: \*



**±R8.8 MILLION**  
25 YEARS INVESTMENT GROWTH

**±R2.1 MILLION**  
TFIA BENEFIT

**R500 000**  
CUMULATIVE CONTRIBUTION

**±R11.4 MILLION**  
INVESTMENT VALUE AT 25 YEARS

### ASSUMPTIONS: \*

ANNUAL CAPITAL GROWTH: **15%**

ANNUAL DIVIDEND YIELD: **2%**

BROKERAGE OF **0.25%** + APPLICABLE STATUTORY CHARGES

ANNUAL CONTRIBUTION LIMIT OF **R30,000**

LIFETIME CONTRIBUTION LIMIT OF **R500,000**

INVESTOR WHO MAKES **12 X R2500** MONTHLY CONTRIBUTIONS UNTIL LIFETIME CONTRIBUTION IS REACHED

FIGURES AND ASSUMPTIONS ARE BASED ON HISTORICAL DATA AND ARE NOT INDICATIVE OF FUTURE PERFORMANCE