



## Tax Free Call Account



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Standard Bank Moving Forward™

## What is a Tax Free Savings product?

To support growth in the economy, Government introduced legislation, that allows individuals to save and invest in a tax free savings product/account, and as an incentive, any interest, capital gains or dividends earned on these accounts, are not taxed.

### Through these products:

- Deposits or contributions can be made up to R33 000 per tax year and R500 000 in an individual's lifetime;
- Interest, capital gains or dividends earned on the R33 000 are not taxed.
- The same benefit will apply on deposits up to R500 000 in an individual's lifetime.

Tax free savings products/accounts are regulated by the Income Tax Act 58 of 1962.

In support of this initiative, one of the products that Standard Bank offers is the Tax Free Call Deposit.

**All deposits for all tax free investments made during the tax year will count towards the annual limit of R33 000, even if you withdraw any portion of your money after you have deposited.**

## What is a Tax Free Call Deposit?

The Tax Free Call Deposit forms part of Standard Bank's Investment offering to individual customers and meets the requirements set out by Government.



### Who qualifies for a tax free product?

Any individual can open an account.  
Companies do not qualify.



### Who would want this product?

Any individual who wants to benefit from the tax free incentive.

## What are the product criteria?

Feature	Criteria	Comments
Account opening channels	Branch, Online	Normal regulatory requirements will apply.
Minimum opening deposit	R250	
Minimum transaction amount	R250	A free stop order can be loaded from a Standard Bank account to save regularly.
Deposit limit	Deposits totaling R33 000, per tax year.	Please ensure that you to stay within the annual limit of R33 000.
Penalty	Additional deposits above R33 000 will be taxed at 40%.	You are reminded of the penalty.
ATM card linked	Yes	A primary transactional account must be linked.
Transactions permitted	Deposits, Transfers into and out of the account.	Transfers can be done via Internet banking, Mobile banking and ATM.
Number of accounts	There is no limit to the number of accounts that can be opened.	The total deposits to all accounts in your name must be capped at R33 000 per tax year. This means that combined, you cannot contribute more than R33 000 across all Tax Free accounts.
Transfers between tax free accounts	From the 1 March 2018, transfers between tax free accounts are allowed.	It is important to follow the right process and complete the <b>Request for Transfer</b> form to ensure that the funds will be seen as a transfer between tax free accounts, which allows you to keep the tax free status of the funds. This form can be obtained from the institution to which you would like to transfer your tax free funds.
Fees	Fees are charged on this account.	Please refer to next page for a detailed summary of fees applicable.

# Tax Free Investments: Fee Structure for 2018

Type of transaction		
<b>Deposits</b>	<b>ATM or Online</b>	<b>Branch</b>
Cheque deposits	R42,00	R42,00
Cash deposits	R1.80 per R100,00	R8.00+ R1.80 per R100,00
<b>Cash withdrawals</b>	<b>ATM or Online</b>	<b>Branch</b>
Cash withdrawals	–	R40,00 + R2,00 per R100,00
<b>Payments</b>	<b>ATM or Online</b>	<b>Branch</b>
Electronic inter-account transfer	–	R55,00
<b>Other fees</b>	<b>ATM or Online</b>	<b>Branch</b>
Bank cheque	–	R115,00
Monthly management fees	Free	Free
<b>Information fees</b>	<b>ATM or Online</b>	<b>Branch</b>
Balance enquiry – with slip	R1,50	R7,50
Balance enquiry – without slip	Free	–
Balance enquiry – Other bank's ATM	R8,00	–
Provisional statements	R5,00	R25,00
<b>Transaction history</b>	<b>ATM or Online</b>	<b>Branch</b>
60 days	–	R50,00
90 days	–	R75,00
120 days	–	R100,00
150 days	–	R125,00
180 days	–	R150,00
210 days	–	R180,00
240 days	–	R210,00
360 days	–	R330,00
Tax Free transfers		
<b>'Transfer From' Account</b>	<b>'Transfer To' Account</b>	<b>Fee</b>
SBSA Tax Free Call	Other Financial Institution	R70.00 (Full / partial transfer)Minimum of R250 to be left in account, if account not closed.
Other Financial Institution	Standard Bank Tax Free Call	No charge
Copy of historical Transfer Certificate		R25.00

## Frequently Asked Questions:

### **Q; Who qualifies to open a Tax Free account?**

A: Only individuals may apply for the account. Companies do not qualify.

A Tax Free account can also be opened in the name of a minor.

### **Q: How much money can I save, in order to enjoy tax free returns?**

A: You can save R33 000 per tax year and the interest earned will be tax free.

Please note that the annual limit of R33 000 applies to the total amount of all your Tax Free investment accounts. If you contribute more than the annual limit, SARS will levy a penalty of 40% on the amount that is over the limit.

### **Q: If I make a deposit and reach the R33 000 limit, withdraw some of the funds and then re-deposit funds to reach the R33 000 cap, again will I receive the benefit?**

A. You will receive the benefit on any amounts available in your account, but total contributions will be limited to R33 000, for every tax year.

For example, if you deposit R33 000 and withdraw R10 000, you should not add R10 000 again, as the total contributions (R33 000 + R10 000) will exceed R33 000.

If you deposit R20 000 and withdraw R10 000, you can contribute another R13 000, as the total contributions (R20 000 + R13 000) will not exceed R33 000.

Additional deposits above R33 000 limit will attract a penalty of 40% by SARS. Please note that it is the customers' responsibility to ensure that these limits are not breached across all his/her tax free investments.

**Q. Do Foreign Nationals and Non-Residents qualify?**

A. Yes, provided you have a valid passport or permit and the necessary supporting information, you may apply.

**Q. Can I deposit the full R500 000 at once, and receive the benefit in one year?**

A. No. The limited amount is R33 000 each tax year. So, you can deposit up to R33 000 each tax year for 15 years, and receive a tax free benefit each year.

**Q. When is a tax year?**

A. A tax year is an assessment period of 12 months. It starts on 1 March each year and ends on the last day of February the next year.

**Q: Where can I view the rates offered on a Tax Free account?**

A: Our rates are published on our website at [www.standardbank.co.za](http://www.standardbank.co.za)

**Q: Where can I open a Tax Free Call Account?**

A: You can open the account on our SBG Mobile App, Online Banking and your nearest branch.

**Q. Can I transfer funds between Tax Free accounts?**

A. As from 1 March 2018, customers will be allowed to transfer funds between Tax Free accounts (either within Standard Bank or to/from another financial institution or authorised party).

**Q: Which Tax Free investment products can be transferred to/from?**

A: Customers will be allowed to transfer tax free-funds into and out of their Tax Free Call account. Only transfers out of a Tax Free Fixed deposit will be allowed, no transfers into a Tax Free Fixed deposit will be allowed.

**Q: I would like to transfer funds from my Standard Bank Tax Free account to my Tax Free account at another financial institution/authorised party. What do I do?**

A:

- Obtain a **Request for Transfer** form from the financial institution/other authorised party where you would like us to transfer your funds to.
- Complete this form and hand it in at a Standard Bank branch.
- Once we have all of the necessary information, we will process the request to transfer the funds.

**Q: I would like to transfer funds from my Tax Free account at another financial institution/other authorised party to my Tax Free Call account at Standard Bank. What do I do?**

A:

- Obtain a Request for Transfer form from a Standard Bank branch.
- Complete this form and hand it in at the financial institution who needs to transfer the funds to your Standard Bank Tax Free account.

**Q: Why do I need to complete the Request for Transfer form, to transfer funds between Tax Free accounts?**

A: You need to complete the Request for Transfer form to ensure that the funds will be seen as a transfer between Tax Free accounts, which allows you then to keep the Tax Free status of the funds. If you do not follow the prescribed process and complete a Request for Transfer document, the transfer will be seen as a withdrawal from your one Tax Free account and another contribution to your second Tax Free account, which may cause you to breach the annual contribution limit of R33 000 and you may be liable for a penalty by SARS.

**Q: If I transfer funds from my Tax Free account to a normal investment account, will the interest still be Tax Free?**

A: If you transfer funds from a Tax Free account to a normal investment account, the interest earned on the normal investment account may not be Tax Free.

**Q: I want to transfer funds between two Tax Free accounts within Standard Bank, do I still need to complete the request for Transfer form?**

Yes, you still need to complete the **Request for Transfer form**, even if you transfer funds between Tax Free accounts within Standard Bank.

Please contact 0860 123 000 for any further information or visit our website at [www.standardbank.co.za](http://www.standardbank.co.za) for more information.