

Factsheet South Africa

Unit-linked life insurance on payment of single premium

	General remarks
Duration	<ul style="list-style-type: none">_ There is no minimum or maximum duration. The duration can be freely chosen (whole of life is common)
Investment	<ul style="list-style-type: none">_ All investment funds authorised for public sale or asset management mandates (discretionary)
Additional contributions	<ul style="list-style-type: none">_ Possible at any time
Biometric risk	<ul style="list-style-type: none">_ 1% death benefit
Remarks	<ul style="list-style-type: none">_ Free choice of asset manager and depositary bank_ Transfer of portfolio is possible (cash is more common)_ Exchange control rules_ Insurance benefit not part of the estate_ Wealth planning during your lifetime and estate planning_ Unlimited choice of beneficiaries in terms of rank and share, revocable at any time_ Asset protection in the case of irrevocable beneficiary nomination or where the contract is drafted accordingly (and where contract law so stipulates)
	Tax treatment
Insurance tax	<ul style="list-style-type: none">_ None
Taxes during period of insurance	<ul style="list-style-type: none">_ No income tax_ No wealth tax
Survival (capital life insurance)	<ul style="list-style-type: none">_ Capital gains tax at 18% (2022)

Tax treatment

 Survival – lump sum option
(annuity insurance)

_ Annuity insurance not offered

 Survival – pension coverage
(annuity insurance)

_ Annuity insurance not offered

Surrender

_ see survival (capital life insurance)

Partial surrender

_ see survival (capital life insurance)

 Income taxes
on death

_ See survival (capital life insurance); potentially none under certain circumstances

 Inheritance taxes
on death

 _ Inheritance tax payable: spouses are exempt
 _ Tax exempt amount: ZAR 3.5 Mio.
 _ Estate Duty at 20% on the first R30 million, respectively 25% above R30 million (flat rate)

Gift tax

_ Donations are taxed at 20% respectively 25%. Spouses are exempt.

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