

FINANCIAL SERVICES BOARD

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(To all approved administrators, privately administered funds and insurers who underwrite pension funds)

INFORMATION CIRCULAR PF NO. 4/2005

REQUIREMENTS IMPOSED ON THE REGISTRAR IN TERMS OF THE TAX ON RETIREMENT FUNDS ACT

1. This circular will take effect from 1 October 2005.
2. Section 1 (Definitions) of the Tax on Retirement Funds Act, 1996 (Act No. 38 of 1996) defines “**actuarial value**” as the value placed at any particular date, on the assets and liabilities -
 - (a) of a retirement fund, as the case may be -
 - (i) by the valuator appointed to the fund in terms of section 9A of the Pension Funds Act, 1956 (Act No. 24 of 1956), in terms of the latest actuarial report with a valuation date before the commencement of the relevant tax period, particulars of which shall be lodged with the Financial Services Board before the end of such tax period and found acceptable by such Board;
 - (ii) by the actuary responsible for the valuation of the assets and liabilities of a pension fund contemplated in section 2 (1) of the last-mentioned Act, in terms of the latest valuation made in respect of such pension fund with a valuation date before the commencement of the relevant tax period, particulars of which shall be lodged with the Commissioner before the end of such tax period and found acceptable by the Commissioner in consultation with the Chief Actuary of the Financial Services Board; or

Board Members: Dr CDR Rustumjee (*Chairperson*) AM Sithole (*Deputy Chairperson*) BM Hawksworth Ms JV Mogadime
Prof PJ Sutherland Ms LM Mojela Ms HS Wilton
Board Secretary: SB Makgalemele
Executive Officer: RJG Barrow



- (iii) by the actuary responsible for the valuation of the assets and liabilities of a fund or scheme contemplated in paragraph (a) or (b) of the definition of "pension fund" in section 1 of the Income Tax Act, in terms of the latest statutory valuation made in respect of such fund or scheme with a valuation date before the commencement of the relevant tax period -
 - (aa) which valuation shall be on the basis as is required in terms of the relevant statutory requirements; and
 - (bb) particulars of which shall be lodged with the Commissioner before the end of such tax period and found acceptable by the Commissioner in consultation with the Chief Actuary of the Financial Services Board; "

[emphasis added]

- 3. The Registrar will in future issue an acceptance for the purposes of the requirement imposed by the Tax on Retirement Funds Act, 1996 for statutory actuarial valuations submitted in terms of section 16 of the Pension Funds Act, Act 24 of 1956. Such acceptance will be issued once the Registrar is satisfied with the actuarial value placed on the assets and liabilities of a retirement fund.
- 4. Retrospective acceptance of actuarial valuations submitted before 1 October 2005 will only be granted if requested by the fund.



FOR REGISTRAR OF PENSION FUNDS