

## Momentum Wealth

# Flexible Tax-free Option

When you save, and invest your savings money regularly and consistently, you can enjoy the lifestyle you want. With a tax-free investment the money you invest can grow tax-free. You pay no income tax, no tax on dividends, and no capital gains tax. This means that your money can grow faster than many other types of investments where you must pay tax.

You can use it as part of your overall financial plan to invest towards any long-term goal that is important to you, like boosting your retirement savings so that you have enough money to retire comfortably one day. The sooner you start investing, the better. You do have access to the money, but a tax-free investment is more meaningful if you stay invested and don't neglect the window of opportunity you have every year. If you have used your full allowance during a year, and withdraw, you can't reinvest during that year.



## With us, investing is personal

When it's personal, it really matters – you give it your best to make sure you are successful.

We understand everyone is different and to you, your investment isn't just another investment. You don't invest for the sake of investing. You invest to make your dreams and aspirations come to life.

With us, investing is personal. From how our experts push the boundaries to create innovative and tailored solutions that can help you achieve your goals on your investment journey, to how we act as the guardians of your legacy, it's personal.

It's your personal investment, with the unstoppable force of momentum.

### How can the Flexible Tax-free Option help you?

You can invest for a goal and benefit from not having your investment taxed. If you leave it to grow for as long as possible, you'll benefit from compound growth potential. The opportunity to invest tax-free every year, almost lends itself to a built-in discipline to save and invest for the long term. You choose how you would like to invest, and the most suitable investment solutions to achieve your goal.

### Is it for you?

- Yes, if you want to invest over the long term.
- Yes, if you don't want to be taxed on your investment.
- Yes, if you want to invest a lump sum or a regular amount.

### Features

- You can invest up to R36 000 every year tax-free and R500 000 in total over your lifetime
- You can get tax-free growth
- You don't pay tax when you take money out
- You can nominate beneficiaries to get the proceeds when you die

### When is it not for you?

- The product structure isn't suitable if you need access to your money from time to time.

## How does it work?

<b>Who can invest?</b>	Individuals with a South African identity document.
<b>Minimum amount</b>	<ul style="list-style-type: none"><li>▪ A lump sum of R15 000.</li><li>▪ A regular amount of R500 per month (you can add this later).</li></ul>
<b>Term</b>	You decide.
<b>Which investment solutions can you choose?</b>	<p>Only certain investment solutions are available for a tax-free investment.</p> <p>Your financial adviser will help you choose the most suitable investment solutions.</p>
<b>Can you invest more?</b>	Yes, but within the legislated limits (currently R36 000 every year and R500 000 in total over your lifetime).
<b>Can you make changes?</b>	<ul style="list-style-type: none"><li>▪ Yes, you can choose other available investment solutions if your needs change.</li><li>▪ Yes, you can change your beneficiaries.</li></ul>
<b>Can you withdraw money?</b>	Yes, but the benefit you get becomes more meaningful the longer you stay invested.
<b>Can you use it as security for a loan?</b>	No.
<b>Can you cancel?</b>	Yes, subject to certain rules set out in the terms. You could get back less than what you have invested.
<b>Can you transfer to another financial services provider?</b>	Yes.
<b>When you die</b>	Your beneficiaries or your estate gets the money.

## What does it cost?

- Most investments typically have the following fees:
  - An investment management fee for the management of the funds you choose.
  - An administration fee to cover the cost of administering your investment.
  - An adviser fee for the advice and services you get from your financial adviser.
- Once you apply for a Flexible Tax-free Option, your quote will set out the fees.
- Each minimum disclosure document (fund fact sheet) sets out the investment management fee for that fund. [Get](#) the latest ones.



## More advice and how to invest

Speak to your financial adviser who will help you choose suitable investment options and start your personal investment. If you don't have one, go to [momentum.co.za](https://momentum.co.za).

## Contact details

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