Effective Date: 24 July 2026

TAX DIRECTIVES

External Guide

GUIDE TO COMPLETE, SUBMIT AND CANCEL A RECOGNITION OF TRANSFER

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1 PURPOSE

a) The purpose of this guide is to provide guidance on the use, submission and cancellation of:

   i) The recognition of transfer form (ROT01) for transfers between Funds and Preservation Funds; and
   ii) The recognition of the purchase of an annuity form (ROT02) for annuities purchased on retirement, the annuity purchase by the beneficiary upon the death of the member / annuitant or for annuities transferred to / between Long-term Insurers.

b) Should any aspect of this guide conflict with the applicable legislation, the legislation will take precedence.

c) From December 2019, a request to cancel the ROT's can only be submitted through SARS eFiling.

2 GENERAL INFORMATION

a) The purpose of a Recognition of Transfer form (ROT) is for the Receiving Fund / Long-term Insurer to confirm that the amount reflected on the tax directive, submitted by the Transferring fund for either the transfer or the purchase of the annuity, was received.

   i) An ROT must be submitted, per member, for all transfers. This includes the transfer of:
      A) Unclaimed benefits to unclaimed benefits preservation funds as well as for section 14 transfers in circumstances where the fund did not have sufficient information for the inactive members. The reason '*Transfer – Inactive Member with Insufficient Information' is* used to apply for a tax directive for these section 14 transfers. Refer to the *'Guide to Complete the Tax Directive Application Forms - External Guide,* on SARS website.
      B) The Vested Component, Retirement Component and Savings Component is introduced with the implementation of the two-pot retirement system are effective from 1 September 2024.
   ii) **It is crucial that the Transferring Fund must provide the Receiving Fund with the personal information that was used to obtain the tax directive. This will ensure the Receiving Fund can submit the ROT01 successfully**.

b) Before the electronic submission of the ROT's were introduced, the Transferring Fund would obtain the signed confirmation from the Receiving Fund or Long-term Insurer, who has received the lump sum benefit amount, and then submit the manual ROT form (hard copy / paper copy) to SARS. From July 2017, the Receiving Fund / Long-term Insurer must submit the ROT01 or ROT02 to SARS to confirm that the amount was received. Refer to the SARS website for more information on the exchange of tax directive and ROT information between the Transferring Fund and the Receiving Fund.

c) The submission of the manual ROT's (hard copy / paper copy) has caused many administrative problems for SARS, the Fund Administrators and Long-term Insurers. Manual ROT submissions are no longer accepted by SARS.

d) SARS has enhanced the tax directive system to receive certain portions of the manual ROTs electronically. Refer to 2.2 *'HOW TO SUBMIT A ROT FORM',* subparagraphs e) and f) below.

e) Once a tax directive application is finalised (IRP3e issued) the SARS system activates an indicator on the tax directive show that the ROT is required. The ROT indicator on the tax directive is set where:

   i) The full lump sum benefit or a portion of the lump sum benefit is transferred to another fund before retirement, including a section 14(1) transfer of business as reflected on the tax directive:
   ii) The full lump sum benefit is to be transferred to another fund from the Vested Component to the Vested Component as reflected on the tax directive application.
   iii) The full lump sum benefit is to be transferred to another fund from the Vested Component to the Retirement Component as reflected on the tax directive application.

iv) The full lump sum benefit to be transferred to another fund from the Retirement Component to the Retirement Component as reflected on the tax directive application.
v) The full lumpsum benefit amount to be transferred to another fund from the Savings Component to the Savings Component as reflected on the tax directive application.
vi) The full lumpsum benefit amount to be transferred to another fund from the Savings Component to the Retirement Component as reflected on the tax directive application.
vii) On retirement where -
  A) the full retirement benefit is transferred to a retirement annuity fund / preservation fund; or
  B) the two-thirds or the full benefit is used to purchase an annuity or annuities.
viii) On death of the member or the pensioner, the beneficiary / beneficiaries chose to purchase an annuity with the portion of the benefit not taken in cash.
ix) Unclaimed benefits that were transferred to unclaimed benefit preservation funds.
x) A tax directive application was submitted for the transfer of an annuity from one Long-term Insurer to another Long-term Insurer.
  A) An ROT02 must be submitted electronically where a tax directive application was submitted in order to avoid hardship to the taxpayer even though there is no legal basis for requiring the application for the tax directive).

f) The ROT indicator is set to '*No'* (not received) on all tax directive applications submitted on or after 1 March 2023 even if the date of accrual is prior to 28 February 2023 Reminders to submit the ROT will be sent to the Receiving Fund or Long-term Insurer.

g) All outstanding ROT's, up to 28 February 2023 will no longer be required and reminders will not be sent to Fund Administrators / Long-term Insurers for these outstanding ROT's.

NOTE: Where a Fund Administrator / Long-term Insurer cancelled a tax directive that was submitted before 1 July 2017 and resubmits the tax directive application with a processing date after 1 July 2017, the Transferring Fund **must** inform the Receiving Fund / Long-term Insurer that the ROT is now required and must be submitted electronically. This is because the original tax directive application that was submitted before 1 July 2017 was cancelled. The same is applicable where the Transferring Fund / Long-term Insurer did not submit a tax directive application. but the amount was paid into the Receiving Fund's / Long-term Insurer's bank account **before** 1 July 2017, and the tax directive application was only submitted **after** 1 July 2017. The Receiving Fund / Long-term Insurer **must be informed** that an ROT is required.

h) Once the Receiving Fund / Long-term Insurer confirms **electronically** that the amount transferred or used to purchase an annuity, as indicated on the tax directive, is received, the indicator on the tax directive application will change to *'Yes'* (ROT received).

  i) From middle December 2018 SARS has been sending reminders by email to Fund Administrators / Long-term Insurers if an ROT is still outstanding. Reminders will also be sent if a tax directive application was submitted, and an ROT was required and not submitted within 20 working days.
  ii) SARS will also send a sms to the taxpayer. The sms will inform the taxpayer that the Receiving Fund Administrator / Long-term Insurer did not submit an ROT to confirm the amount transferred or used to purchase an annuity was received.
  iii) From 17 April 2026 an 'Enquire ROT reminder' functionality is available on eFiling to allow the Fund Administrators / Long-term Insurers to review details of the reminders received from SARS.

i) If, on submission of a taxpayer's annual return the above-mentioned ROT indicator is set as '*No'* (not received), the taxpayer's return will be rejected with a rejection message that the ROT is outstanding.

j) SARS will inform the taxpayer, on submission of his / her return that:

  i) The Receiving Fund / Long-term Insurer did not submit the ROT to confirm that the amount indicated on the tax directive application was received or used to purchase an annuity.
  ii) If the Receiving Fund / Long-term Insurer does not submit the ROT within 10 working days, SARS will regard the amount indicated on the tax directive as normal income and the amount will be taxable in full. This will cause hardship to the taxpayer.

k) Before 20 April 2018, where the lump sum amount paid to the Receiving Fund / Long-term Insurer was less than the amount indicated on the tax directive, the ROT submission was declined with an error message stating that the amount differs. The Fund transferring the lump sum amount had to cancel the

tax directive and thereafter, resubmit the tax directive application form to reflect the same amount as the amount transferred or used to purchase an annuity to ensure the successful submission of the ROT.

l) From 20 April 2018, the ROT's make provision for these types of discrepancies. Where there is a difference between the amount on the tax directive application and the amount actually paid into the Receiving Fund / Long-term Insurer's bank account, the reason for the difference between these amounts additional amount is mandatory. Subsequently the Transferring Fund / Long-term Insurer must ensure that a reason is indicated on the ROT to enable the Receiving Fund / Long-term Insurer to provide the reason when the Receiving Fund / Long-term Insurer submits the ROT electronically. If the amount transferred is more than the allowable tolerance, the transferring fund must submit an additional (a second tax directive for the additional amount.) Where the amount paid into the bank account **is less than** the amount on the tax directive application and more than the allowable tolerance, the tax directive application **must be cancelled** and resubmitted with the actual amount paid to the Receiving Fund / Long-term Insurer.

   i) The Transferring Fund must provide the Receiving Fund / Long-term Insurer with the following:
      A) The amount that was indicated on the tax directive.
      B) The reason(s) as to why the amount paid into the bank account is more than the amount on the tax directive.
      C) The tax directive number; and
      D) All other relevant information regarding the benefit and the member's details.

m) From mid-September 2022, all tax directive applications are rejected where the information on the tax directive application form **does not match** the Fund / Long-term Insurer data as registered on the FSCA registration database. The registration data may be obtained from the FSCA website. This validation is necessary to ensure the successful submission of the ROT.

   i) The ROT **will only be rejected** if the information on the ROT **does not match the information on the tax directive**. If the FSCA name and number format were captured incorrectly on the tax directive before September 2022, the same incorrect information must be reflected on the ROT to avoid rejection. The tax directive should only be cancelled if the Receiving Fund / Long-term Insurer, indicated on the tax directive that the amount was not received.

2.1 Who must Complete and Submit a ROT

NOTE 1: To facilitate the efficient submission of ROTs, SARS has published the ROT information template ***'Example of Recognition of Transfer (ROT) Information Template'*** that the funds / Long-term Insurer can use to communicate the relevant information that is required by the Receiving Fund / Long-term Insurer when submitting an ROT.

a) From 1 July 2017, **the Receiving Fund** / **Long-term Insurer** must submit **the final** ROT where a member elected that a portion of the full benefit must be transferred to another fund or where the two-thirds or more of the benefit must be used to purchase an annuity or annuities on retirement or death. From 1 September 2024 the ROT01 must be submitted when the member has elected for an inter-fund transfer of all the components to another fund.

   i) The Transferring Fund **cannot** and **must** not submit the ROT on behalf of the Receiving Fund or Long-term Insurer.
   ii) The Receiving Fund / Long-term Insurer who has received the transferred benefit or an amount to purchase the annuity **must confirm the receipt** of the amount indicated on the tax directive submitted by the Transferring Fund / Long-term Insurer as well as the actual amount received.

b) The submission of the ROT's (ROT01 and ROT02) **must be done electronically** for all tax directive applications submitted on or **after** 1 July 2017, regardless of the date of accrual.

   i) A manual (hard copy / paper copy) ROT01 or ROT02 form must be signed and submitted **by the Receiving Fund / Long-term Insurer** if a tax **directive** application was submitted and finalised **before** 1 July 2017 regardless of the date of accrual.

c) **BEFORE** the Fund / Long-term Insurer can submit a tax directive application, the transferring Fund / Long-term Insurer **must first** obtain the following information to complete the tax directive application

form. This is to ensure that the tax directive application form is correctly completed and to ensure that the submission of the ROT will be successful:

i) The registered name of the Fund / Long-term Insurer who will receive the lump sum benefit amount.
ii) The type of fund (where the benefit is transferred before retirement).
iii) Indicate if the Receiving Fund is an approved fund or public sector fund.
iv) The FSCA registration number (12/8/0000000/000000) if transferring to an approved fund; or
v) The fund approval number if the Public Sector Fund does not have an FSCA registration number; or
vi) The FSCA registered Long-term Insurer number (10/10/1/0000) if an annuity is purchased.

NOTE 2: Only one of the above numbers must be provided.

i) The contact details of the Receiving Fund or Long-term Insurer.
   A) Contact person's name and telephone or cell phone number; and
   B) The email address of the Receiving Fund or Long-term Insurer.
ii) Participating employer name if the employer participates in a registered Type-A umbrella fund.

d) If the Transferring Fund captured the above information incorrectly on the tax directive application form, the Receiving Fund / Long-term Insurer will not be able to submit the ROT successfully and it will cause hardship to the member.

NOTE 3: It is very important that the Transferring Fund / Long-term Insurer (who will transfer a benefit) obtains the correct information from the Receiving Fund / Long-term Insurer **before** the tax directive application is submitted. This is to avoid the rejection of any ROT's due to the incorrect Receiving Fund / Long-term Insurer details being used on the tax directive application, where the Transferring Fund has captured the tax directive application.

e) If the member has elected on retirement to use the full retirement benefit to purchase an annuity or annuities from a Long-term Insurer and the Fund did not submit a tax directive application, the Long-term Insurer receiving the lump sum benefit must submit the ROT02 manually (hard copy / paper copy) to SARS. Both parts on the manual ROT02 (hard copy / paper copy) must be completed in full and both parts must be signed in order to be a valid document.

2.2 How to Submit a ROT Form

a) **Electronic Submission:** The ROT's (ROT01 and ROT02) must only be submitted electronically through an Interface agent (ISV platform) or SARS eFiling where a tax directive application was submitted after 1 July 2017.

b) **Manual Submission**: The ROT02, for purchase of annuities if the full benefit was used to purchase an annuity and a tax directive application was **not** submitted, must be emailed to SARS. ROT's (ROT01 and ROT02) for a tax directive application submitted and finalised **before** 1 July 2017, must also be emailed to SARS.

iii) **Email:** The Fund / Long-term Insurer can email the manual ROT forms (hard copy / paper copy), for the above-mentioned circumstances, to contactus@sars.gov.za. Additional information is available on SARS website under 'Contact Us'.

c) If the Receiving Fund / Long-term Insurer submits a manual ROT02 (hard copy / paper copy), **SARS will not issue a confirmation of receipt for the ROT** as is the case of the electronically submitted ROT's. The Receiving Fund / Long-term Insurer can provide the member with a copy to submit it as a supporting document if the return is selected for verification.

d) The Receiving Fund / Long-term Insurer must ensure that the updated ROT form that is available on the SARS website is used or where the Receiving Fund / Long-term Insurer is using their own generated ROT's ensure that all of the relevant information that is on the SARS website ROT forms are provided for.

e) The following paragraphs in this guide relates to the relevant information of the manual **ROT01** that **must be submitted electronically:**

i) Paragraph 3.1.3 *'Particulars of member or divorced non-member spouse.'*
   A) All the information in this container must be provided.

ii) Paragraph 3.2. '*PART B - On behalf of the Receiving Fund',* the following subparagraphs are mandatory:
   A) 3.2.1 *'Amount Received';*
   B) 3.2.2 '*Amount reflected on the tax directive application';*
   C) 3.2.3 '*Any additional amount following the tax directive issue date'*;
   D) 3.2.4 '*Provide a reason for the difference between the amount reflected on the tax directive and the actual amount transferred*';
   E) 3.2.*5 'Particulars of the Receiving Fund*'; and
   F) 3.2.6 '*Particulars of contact person of the Receiving Fund'.*

f) The following paragraphs in this guide relates to the relevant information that must be populated on the manual **ROT02** that **must be submitted electronically**:

i) Paragraph 4.1.3 '*Particulars of person in whose name the pension / annuity is purchased (If reason is "Death" insert the Member / Former Member particulars)*'.

ii) Paragraph 4.2 *'PART B – On behalf of the Receiving Long-term Insurer*, the following subparagraphs are mandatory:
   A) 4.2.1 '*Amount Received';*
   B) 4.2.2 '*Amount of benefit applied to purchase pension / annuity on the tax directive application (if the amount differs from the actual amount received)'*;
   C) 4.2.3 '*Any additional amount following the tax directive issue date;'*
   D) 4.2.4 *'Provide a reason for the difference between the tax directive and the actual amount transferred;'*
   E) 4.2.5 'Particulars of Receiving Long-term Insurer';
   F) 4.2.6 '*Particulars of contact person of the Receiving Long-term Insurer*'; and
   G) 4.2.8 *'Particulars of person / beneficiary in whose name the pension / annuity is purchased (In case of "Death of the Member / Former Member")'*.

2.3 How to Submit a Request to Cancel an ROT

a) Where a tax directive has to be cancelled but the Receiving Fund / Long Term Insurer has already submitted the ROT, the Fund Administrator / Long Term Insurer that submitted the ROT must first request approval for the cancellation of that ROT, **before** that tax directive cancellation request can be submitted, **to avoid the error message** *'Directive may not be cancelled - ROT's have been received'*.

b) The Receiving Fund / Long-term Insurer must request the cancellation of the ROT. The Transferring Fund Administrator / Long-term Insurer, that submitted the tax directive application, can also submit a request to cancel an ROT **however**, a letter from the Receiving Fund / Long-term Insurer must be included with the request, confirming that the Receiving Fund Administrator / Long-term Insurer is aware of the request to cancel the ROT and will return the amount to the Transferring Fund once the cancellation of the ROT has been approved and processed. The request and confirmation must be on the Fund Administrator / Long-term Insurer's letterhead.

c) The request to cancel an ROT can only be submitted through SARS eFiling. Therefore, the requestor of the ROT cancellation must be registered as an eFiler. If the Fund Administrator / Long-term Insurer is not registered as an eFiler, please log on to www.sarsefiling.co.za to obtain the guide *'How to Register, Manage Users and Change User Password on eFiling*'. A request to cancel an ROT can only be done from an organisation's profile not from a tax practitioner's profile.

d) From 17 April 2026 the option to submit bulk ROT cancellation requests has been added to the 'Manage ROT' tab on eFiling.

e) The cancellation of the ROT will only be considered if the required document(s) to prove the reason for the request are attached together with the request letter to cancel the ROT. For more information, refer to point 5 – '*Complete the request to Cancel an ROT'* in this guide.

f) Only when the status on eFiling is reflected as '*Cancelled'* that confirms the ROT has been cancelled, can the Transferring Fund request the Receiving Fund to refund the amount paid into the Receiving Fund's bank account. The Transferring Fund can then cancel the tax directive.
   i) From 17 April 2026 SARS has implemented an 'Enquire ROT cancellation status' functionality on the 'Manage ROT' tab on eFiling that will enable the Fund Administrators / Long-term Insurers to confirm that the ROT has been cancelled.

g) Once the ROT has been cancelled, it cannot be reinstated. The only way to '*reinstate'* an ROT is for the Receiving Fund to submit the ROT again electronically.

3 COMPLETING THE ROT FORM (ROT01)

a) The ROT01 – '*Recognition of Transfer between Approved / Public Sector Funds'* form must be completed where:

   i) The Fund transfers any lump sum benefit from one Fund to another Fund before the member retires.
   ii) Where the member has reached retirement age and has elected to transfer the retirement interest to a preservation fund or retirement annuity fund in terms of paragraph 2(1)(*c*) of the Second Schedule to the Act.

b) The ROT01 Form consists of two parts, namely:

   i) Part A - to be completed by the Transferring Fund; and
   ii) Part B - to be completed by the Receiving Fund to enable the Transferring Fund to complete the tax directive application form with the correct information and to ensure that the lump sum benefit is paid into the correct bank account.

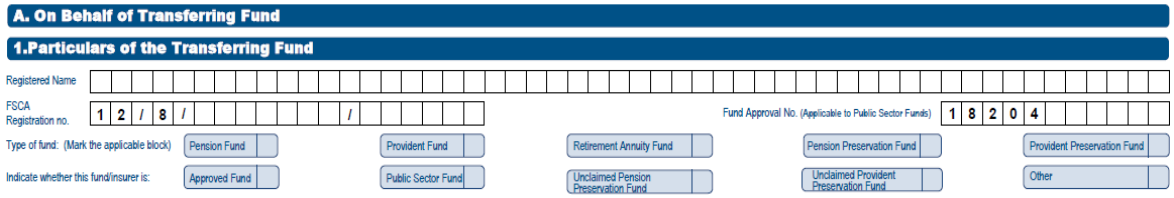
c) This guide is based on the manual ROT01 form but will indicate the mandatory fields for the electronic submission of the ROT01.

   iii) Most of the ROT01 information is on the tax directive application form. Therefore, for **the electronic version of the ROT, the Receiving Fund must only capture**:
      A) Paragraph 3.1.3 *'Particulars of member or divorced non-member spouse.'*
         I) All the information in this container must be provided.
      B) Paragraph 3.2. '*PART B - On behalf of the Receiving Fund',* the following subparagraphs **are mandatory**:
         I) 3.2.1 *'Amount Received'.*
         II) 3.2.2 '*Amount reflected on the tax directive application'.*
         III) 3.2.3 '*Any additional amount following the tax directive issue date'*.
         IV) 3.2.4 '*Provide a reason for the difference between the amount reflected on the tax directive and the actual amount transferred*'.
         V) 3.2.5 *'Particulars of the Receiving Fund*'; and
         VI) 3.2.6 '*Particulars of contact person of the Receiving Fund'.*

3.1 PART A - On behalf of the Transferring Fund

a) Part A must be completed by the Transferring Fund and will provide the Receiving Fund with **essential** information when the member exits the Receiving Fund for example the pre- and post-1 March 2016 provident fund contribution or whether the benefit was originally received from a public sector Fund, etc.

3.1.1 Particulars of the Transferring Fund



a) The Transferring Fund must ensure that the information is correctly completed, as illustrated / explained below:

i) '*Registered Name*':
   A) Enter Fund name as registered with the Financial Sector Conduct Authority (FSCA). Previously known as the Financial Services Board (FSB).
   B) If the registered Fund name did not include the abbreviated name during the registration with the FSCA then the abbreviations should not be captured in the name field.

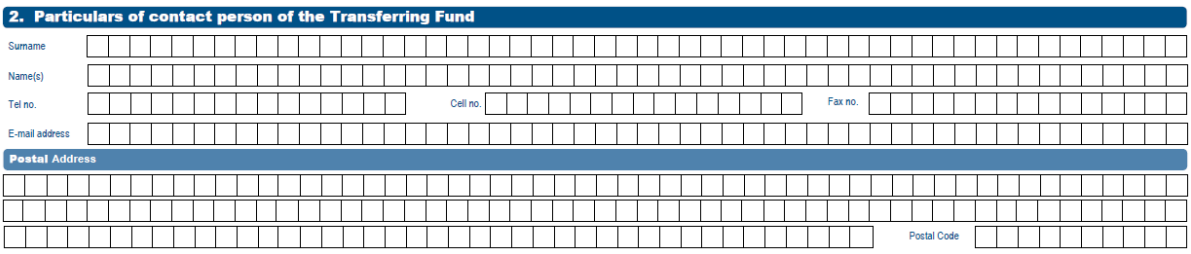
ii) '*FSCA Registration no'*:
   A) Approved Funds can only use the FSCA Registration number.
   B) This is the registration number, as allocated by the FSCA (and must be provided in the correct format 12/8/0000000/999999, where 0000000 is the registered umbrella Fund number and 999999 represents the participating employer number). In cases where the number is less than 7 digits, populate the rest of the field with '0' before the number, e.g. where the FSCA registration number is 12/8/123 capture the registration number as 12/8/0000123/.
   C) If the Fund is a freestanding Fund (i.e. not a type-A umbrella Fund) or a Retirement Annuity Fund, the last 6 digits of the FSCA registration number must be zeroes and the participating employer name must be blank. The number must be entered with the '/'.
   D) The last 6 digits of a Retirement Annuity Fund will always be 6 zeroes e.g. 12/8/0000222/000000.

iii) '*Fund Approval No.*':
   A) This number must be blank if the Fund is an Approved Fund (this also applies to the Public Sector Fund registered with the FSCA).
   B) Only public sector Funds that are not registered with the FSCA must use the Fund approval number.
   C) If the Public Sector Fund (is not registered with the FSCA) complete the Fund approval number, the FSCA registration number field must be blank.
   D) The Fund approval number format is 18204 (followed by 6 digits) e.g. 18204001597.

iv) Type of Fund:
   A) Mark the relevant block with an "X"
   B) The Fund type must be provided to ensure that the member's benefit is correctly taxed when the member exits from the Receiving Fund.

v) Indicate if the Fund is an approved Fund or a public sector Fund:
   A) Mark the relevant block with an "X"
   B) This information is necessary to determine where a member has pre-1998 service in a Public Sector Fund.

3.1.2 Particulars of contact person of the Transferring Fund



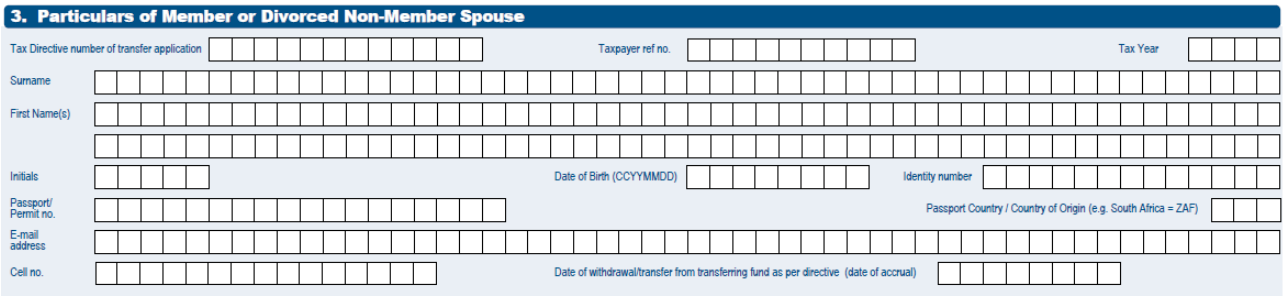
a) Provide the particulars of the contact person who will assist the Receiving Fund when additional information regarding the tax directive application form is required in order to complete the ROT to be submitted to SARS.

NOTE: **Please do not provide** the contact details of a call centre. This is because timely and accurate information may be required by the Receiving Fund for completing the ROT01 to avoid hardship to the taxpayer.

b) Please provide the following minimum information:

i) *'Surname'*.
ii) *'Name(s)'*.
iii) *'Telephone number'*.
iv) '*Cell number'*.
v) *'Email address'*; and
vi) '*The Postal Address'*.

3.1.3 Particulars of member or divorced non-member spouse (mandatory for electronic submissions)



a) The information above is essential for the Receiving Fund **to submit the ROT01 electronically**. Therefore, the Transferring Fund **must** ensure this part is completed in full before sending the final ROT01 to the Receiving Fund:

i) *'Tax Directive number of transfer application'*:
   A) Ensure that the tax directive number on the IRP3e notice is provided once SARS has issued the tax directive for the transfer.
   B) Without the tax directive number, the Receiving Fund cannot submit the ROT01. SARS uses the tax directive number to validate that the ROT01 information submitted corresponds with the tax directive issued by SARS.

ii) *'Taxpayer reference no.'*:
   A) Ensure that the correct taxpayer reference number is provided.
   The ROT will be rejected with the error message '*Tax reference number on the ROT01 must match the original transfer directive application'* if this number does not correspond with the tax reference number on the SARS tax directive system.
   B) If the tax directive application was submitted without a taxpayer's tax reference number, because the member is not registered for income tax purposes, the field **must be left blank**.

iii) '*Tax Year*':
   A) The *'Tax year'* on the tax directive must be provided to avoid the error message *'Tax year on the ROT differs from the tax year on the original directive'.*
   B) The 'Tax Year' is not the tax year that the tax directive was submitted or issued but is the *'Tax Year'* on the tax directive that corresponds to the date of accrual on the tax directive.

iv) Provide the following information exactly as entered on the tax directive application form:
   A) *'Surname'*.
   B) *'First Names'*.
   C) *'Initials'* (the initials must match the names).
   D) *'Date of birth'*.
   E) *'Identity number'*.
      I) If the ID number differs the from the ID number on the directive, the ROT will be rejected with the error message "*ID number on the ROT does not match the ID number on the original directive'.*
   F) 'Passport / Permit number'.
      I) The ROT will be rejected with the error message '*Taxpayer Passport number on the ROT does not match the Passport number on the original directive*' if it differs and a passport number instead of an ID number was on the tax directive.

v) The following member information is not part of the tax directive application form, but one of the two fields must be provided on the ROT is submitted:
   A) *'Email address'*; or
   B) '*Cell number'*.

vi) Date of withdrawal / transfer from transferring Fund as per tax directive (date of accrual).

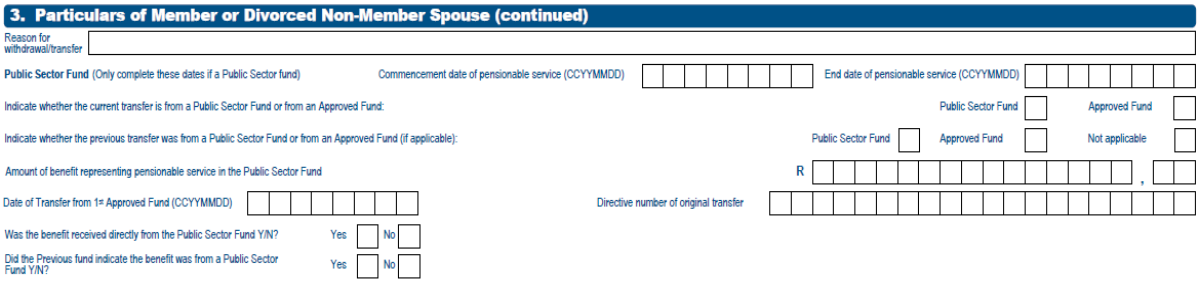
A) If this does not correspond with the date of accrual reflected on the tax directive (IRP3e) the ROT will be rejected.

NOTE: The above information is essential for the submission of the ROT01, and the Transferring Fund must ensure that the information is a hundred percent (100%) correct in order to assist the Receiving Fund to submit the ROT01 successfully.

b)

3.1.4 Particulars of member or divorced non-member spouse (continued)

c)



d)

a) Public Sector Fund (*Only complete these details if a Public Sector fund*). The fields should also be completed where the first approved fund transfers the benefit to a second fund on or after 1 March 2018.

i) The Public Sector Fund must provide the '*Commencement date of pensionable service'* and '*End date of pensionable service'.*

A) The information is required by the Receiving Fund to identify if the member was a member of a public sector fund before 1 March 1998. This information will ensure that the formula in paragraph 2A of the Second Schedule to the Act is correctly applied and the correct tax is levied when the member exits from the Receiving Fund.

B) Please note than any transfer from a public sector fund to an approved fund before 1 March 2006 does not qualify for the deduction in paragraph 5 and 6 of the Second Schedule.

C) The above dates from the Fund Administrator must be entered in the '*From date'* and *'To date'* in the public sector fund container, in terms of the period employed in the Public Sector Fund, on the tax directive application form.

ii) Indicate whether the current transfer is from a Public Sector Fund or from an Approved Fund.

iii) Indicate whether the previous transfer was from a Public Sector Fund or from an Approved Fund (if applicable).

iv) Provide the '*Amount of benefit representing pensionable service in the Public Sector Fund'.*

A) This is the amount that was transferred from the Public Sector Fund when the member exited the Public Sector Fund.

B) This amount must exclude any amount used to settle the member's debt and the interest payable due to the fund rules. This amount will be used to determine the members vested right to be allowed as a deduction in terms of paragraph 5 or paragraph 6 of the Second Schedule to the Act.

v) Directive number of original transfer.

A) It is the directive number that the Public Sector fund received when the benefit was transferred to the first approved fund. The approved fund must provide the directive number when the member withdraws or retires from the approved fund.

B) SARS system will validate that the tax directive number corresponds with the tax directive number on the public sector fund's tax directive.

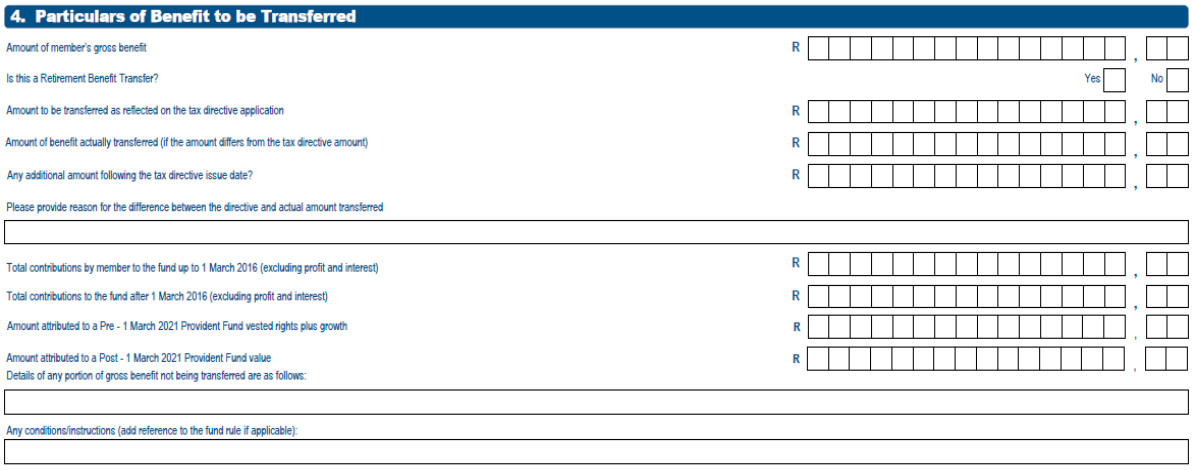
C) If the public sector fund did not request a tax directive on the initial transfer, then that public sector fund must submit a tax directive application before the ROT can be completed.

vi) The following questions must be answered:

A) 'Was the benefit received directly from the Public Sector Fund, Y/N?'

B) '*Did the Previous fund indicate that the benefit was from a Public Sector Fund, Y/N?'*

3.1.5 Particulars of benefit to be transferred



4. Particulars of Benefit to be Transferred

Amount of member's gross benefit R ,

Is this a Retirement Benefit Transfer? Yes No

Amount to be transferred as reflected on the tax directive application R ,

Amount of benefit actually transferred (if the amount differs from the tax directive amount) R ,

Any additional amount following the tax directive issue date? R ,

Please provide reason for the difference between the directive and actual amount transferred

Total contributions by member to the fund up to 1 March 2016 (excluding profit and interest) R ,

Total contributions to the fund after 1 March 2016 (excluding profit and interest) R ,

Amount attributed to a Pre - 1 March 2021 Provident Fund vested rights plus growth R ,

Amount attributed to a Post - 1 March 2021 Provident Fund value R ,

Details of any portion of gross benefit not being transferred are as follows:

Any conditions/instructions (add reference to the fund rule if applicable):

a) The information above will provide the Receiving Fund with the required information to enable the correct completion of a tax directive application form when the member exits from the Receiving Fund and to ensure that the correct deductions in terms of the Second Schedule to the Act are allowed against the member's benefit. The following information will also assist the Receiving Fund to correctly complete the ROT01 form:

i) Provide the *'Amount of member's gross benefit'* to be transferred.

ii) Answer the question - '*Is this a Retirement Benefit Transfer?'*
   A) Select "*Yes*" or "*No*."

iii) Provide the *'Amount to be transferred as reflected on the tax directive'* application.
   A) The amount that was entered on the tax directive application as '*Amount transferred to the Transferee Fund*'.

iv) If the transfer was from a pension fund to a provident fund the before 1 March 2021 '*Amount transferred to the Transferee Fund'* less the tax on the tax directive must be entered.
   A) If the member took a portion in cash, the tax must first be deducted from the amount taken in cash. This means that the '*Amount to be transferred as reflected on the tax directive'* must be equal to the remaining value of the lump sum that was reflected as the transferred amount on the tax directive. The tax on the directive must be deducted before payment of the amount taken in cash.
   B) If the **full benefit** was transferred from a pension fund to a provident fund and the reason *'16- Resignation'* was used (or any other reason was used instead '*05 -Transfer'),* the ROT submission will be rejected with the following error message *Directive transfer amount on the ROT differs from the original directive amount*. The correct reason '*05 -Transfer'* must be used if the full benefit is transferred.

v) If the transfer is from a provident fund with vested benefits, the '*Amount attributed to Pre–1 March 2021 Provident Fund vested rights plus growth*' plus '*Amount attributed to post–1 March 2021 provident fund value' will be equal to the amount in the Vested Component as the Vested Component is made up of both vested benefits and non-vested benefits.*
   A) The '*Amount attributed to Pre–1 March 2021 Provident Fund vested rights plus growth*' and '*Amount attributed to post–1 March 2021 provident fund value* must not be left blank on the directive application.

vi) Provide the '*Amount of benefit actually transferred (if the amount differs from the tax directive amount)'*.
   A) Where the amount is less than the amount transferred, enter the amount to be transferred.
   B) If the transfer is from a pension fund to a provident Fund the before 1 March 2021 '*Amount transferred to the Transferee Fund'* less the tax on the tax directive must be entered.
   C) If this amount is less than the allowable two percentage (2%), tolerance the original tax directive **must** be cancelled and a tax directive with the actual amount transferred must be submitted.
      I) If the transfer is from a pension fund to a provident fund, the 2% tolerance is calculated on the '*Amount transferred to the Transferee Fund'* less the tax on the tax directive.

vii) Any additional amount following the tax directive issue date.
- A) This is when the Fund has disinvested the benefit and there was growth before the actual amount was transferred; or
- B) Where the amount to be transferred is more than the amount on the tax directive enter the difference in this field.
- C) The ROT will be rejected if this amount is not inserted on the ROT to be submitted.
- D) If the amount is more than the tolerance, the Transferring Fund **must** submit a second tax directive application for the full additional amount if not paid as interest.

NOTE: If the value of the benefit was not correctly calculated and an additional amount is payable, a separate tax directive application form and the ROT01 must be submitted. Please note that the additional amount cannot be reflected in this field (i.e. the recalculation of the lump sum benefit refers to *Guide to complete the tax directive application form*). Inform the Receiving Fund that two Rots' must be submitted.

viii) The reason field '*Please provide reason for the difference between the tax directive and actual amount transferred'* is mandatory:
- A) A reason must be provided for each component that has been transferred.
- B) If the reason is the same for all components that have been transferred, the Fund must indicate with an 'X' on the field 'Indicate if the reason for the difference in the ROT amount is the same for all components.
- C) If an additional or lesser amount (reduced amount) is paid into the Receiving Fund's bank account that does not correspond with the amount on the tax directive, please enter the reason.
- D) The Receiving Fund, when submitting the ROT, must enter this reason to avoid the rejection of the ROT.

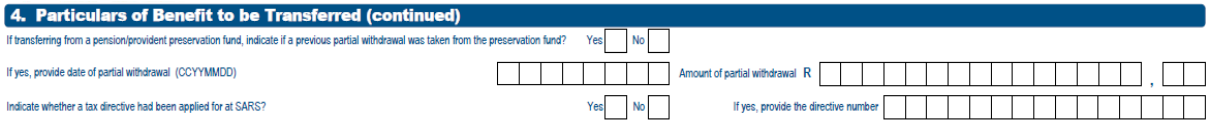
ix) If the transferring Fund is a provident Fund or provident preservation fund provide the following if applicable:
- A) *'Total contributions by the member to the Fund up to 1 March 2016 (excluding profit and interest)'.*
- B) *'Total contributions to the Fund after 1 March 2016 (excluding profit and* interest)'.

x) Amount attributed to a Pre – 1 March 2021 Provident Fund vested rights plus growth.
- A) This field is mandatory if the member is or was a member of a provident fund or provident preservation fund on 1 March 2021 and the benefit relating to that membership was transferred from a provident fund or provident preservation fund after 1 March 2021 to another fund.
- B) This amount field relates to the contributions to a provident fund before 1 March 2021 including the growth on the date of transfer to the new Fund.

xi) Amount attributed to a Post – 1 March 2021 Provident Fund value.
- A) This field is mandatory if the member is or was a member of provident fund or provident preservation on 1 March 2021 and the benefit relating to membership in that provident fund or provident preservation fund was transferred after 1 March 2021 to another fund.
- B) This amount field relating to the period where contributions to a provident fund was received after 1 March 2021.

xii) Details of any portion of gross benefit not being transferred are as follows:
- A) Ensure that this field is completed if the member takes a portion of the benefit in cash.

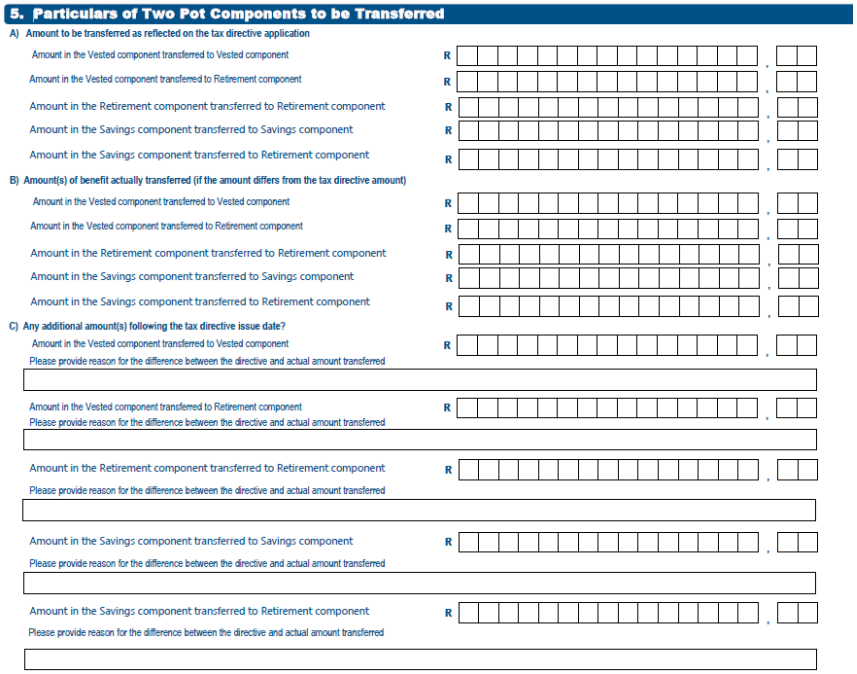
xiii) Any conditions / instructions (add reference to the Fund rule if applicable).



xiv) **Answer the question – '***If transferring from a pension / provident preservation fund, indicate if a previous partial withdrawal was taken from a preservation fund?*'
- A) This information will assist the Receiving Fund to correctly complete the tax directive application form when the member exits from the current Receiving Fund.
- B) If the response is '*Yes'* the following four fields are mandatory:
  - I) If yes, provide date of partial withdrawal (CCYYMMDD).
  - II) Amount of partial withdrawal.
  - III) Indicate whether a tax directive has been applied for at SARS?

IV) If yes, provide the tax directive number.

3.1.6 Particulars of Two-Pot components to be transferred


5. Particulars of Two Pot Components to be Transferred

A) Amount to be transferred as reflected on the tax directive application

Amount in the Vested component transferred to Vested component R , 00

Amount in the Vested component transferred to Retirement component R , 00

Amount in the Retirement component transferred to Retirement component R , 00

Amount in the Savings component transferred to Savings component R , 00

Amount in the Savings component transferred to Retirement component R , 00

B) Amount(s) of benefit actually transferred (if the amount differs from the tax directive amount)

Amount in the Vested component transferred to Vested component R , 00

Amount in the Vested component transferred to Retirement component R , 00

Amount in the Retirement component transferred to Retirement component R , 00

Amount in the Savings component transferred to Savings component R , 00

Amount in the Savings component transferred to Retirement component R , 00

C) Any additional amount(s) following the tax directive issue date?

Amount in the Vested component transferred to Vested component R , 00

Please provide reason for the difference between the directive and actual amount transferred

Amount in the Vested component transferred to Retirement component R , 00

Please provide reason for the difference between the directive and actual amount transferred

Amount in the Retirement component transferred to Retirement component R , 00

Please provide reason for the difference between the directive and actual amount transferred

Amount in the Savings component transferred to Savings component R , 00

Please provide reason for the difference between the directive and actual amount transferred

Amount in the Savings component transferred to Retirement component R , 00

Please provide reason for the difference between the directive and actual amount transferred

a) In addition to the requirements set out in paragraph 3.1.5 'Particulars of benefit to be transferred', the details of the transfers to the different two-pot components must be captured.

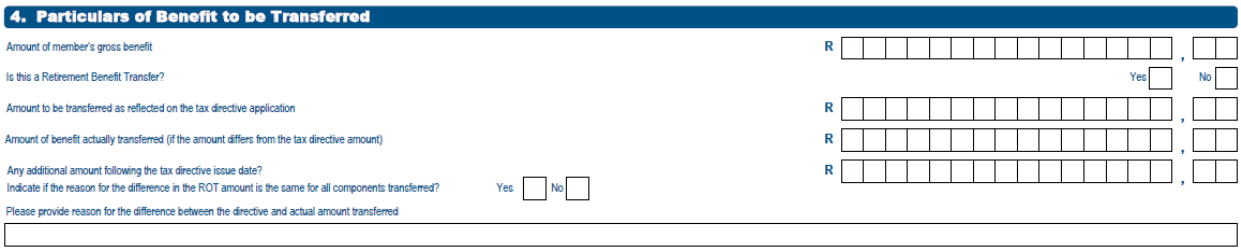
b) If the reason '*Two Pot-Transfer: All Components (Inter-Fund Transfer)*' or '*Two Pot-Divorce Transfer: All Components (Inter-Fund Transfer)*', or '*Two Pot-Par (eA) Transfer/Payment: All Components (Inter-Fund Transfer*), *Voluntary Transfer before Retirement [Par 2(1)(c)]*' or '*Voluntary Transfer before Retirement [Par 2(1)(c)]* is used, all three components set out below must be transferred to one Fund:

i) Gross Amount in Vesting Component.
ii) Gross Amount in Retirement Component; and
iii) Gross Amount in Savings Component.

c) The fund must capture the amount per directive and the actual amount transferred to the receiving fund as follows:

i) Amount in the Vested Component transferred to Vested Component.
ii) Amount in the Vested Component transferred to Retirement Component.
iii) Amount in the Retirement Component transferred to Retirement Component.
iv) Amount in the Savings Component transferred to Savings Component.
v) Amount in the Savings Component transferred to Retirement Component

d) The reason field '*Please provide reason for the difference between the tax directive and actual amount transferred'* is mandatory:
i) A reason must be provided for each component that has been transferred.
ii) If the reason is the same for all components that have been transferred, the Fund must indicate with an 'X' on the field '*Indicate if the reason for the difference in the ROT amount is the same for all components transferred*'.


4. Particulars of Benefit to be Transferred

Amount of member's gross benefit R ,

Is this a Retirement Benefit Transfer? Yes No

Amount to be transferred as reflected on the tax directive application R ,

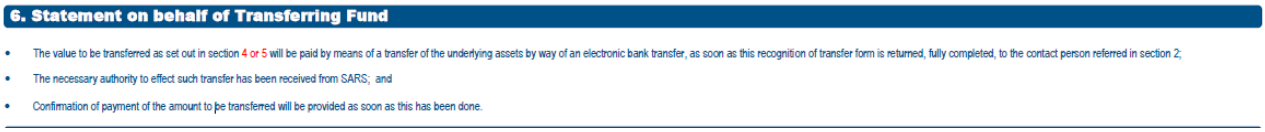
Amount of benefit actually transferred (if the amount differs from the tax directive amount) R ,

Any additional amount following the tax directive issue date? R ,

Indicate if the reason for the difference in the ROT amount is the same for all components transferred? Yes No

Please provide reason for the difference between the directive and actual amount transferred

3.1.7 Statement on behalf of the Transferring Fund

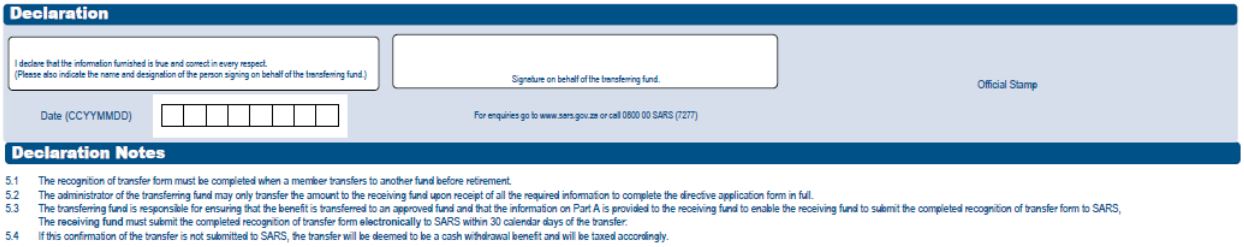

6. Statement on behalf of Transferring Fund

- The value to be transferred as set out in section 4 or 5 will be paid by means of a transfer of the underlying assets by way of an electronic bank transfer, as soon as this recognition of transfer form is returned, fully completed, to the contact person referred in section 2;
- The necessary authority to effect such transfer has been received from SARS; and
- Confirmation of payment of the amount to be transferred will be provided as soon as this has been done.

a) The Transferring Fund confirms that:

i) The value to be transferred as set out in section 4 will be paid by means of a transfer of the underlying assets by way of an electronic bank transfer, as soon as this recognition of transfer form is returned, fully completed, to the contact person referred in section 2.
ii) The necessary authority to affect such transfer has been received from SARS; and
iii) Confirmation of payment of the amount to be transferred will be provided as soon as this has been done.

3.1.8 Declaration


Declaration

I declare that the information furnished is true and correct in every respect. (Please also indicate the name and designation of the person signing on behalf of the transferring fund.)

Signature on behalf of the transferring fund.

Official Stamp

Date (CCYYMMDD)

For enquiries go to www.sars.gov.za or call 0800 00 SARS (7277)

Declaration Notes

5.1 The recognition of transfer form must be completed when a member transfers to another fund before retirement.
5.2 The administrator of the transferring fund may only transfer the amount to the receiving fund upon receipt of all the required information to complete the directive application form in full.
5.3 The transferring fund is responsible for ensuring that the benefit is transferred to an approved fund and that the information on Part A is provided to the receiving fund to enable the receiving fund to submit the completed recognition of transfer form to SARS. The receiving fund must submit the completed recognition of transfer form electronically to SARS within 30 calendar days of the transfer.
5.4 If this confirmation of the transfer is not submitted to SARS, the transfer will be deemed to be a cash withdrawal benefit and will be taxed accordingly.

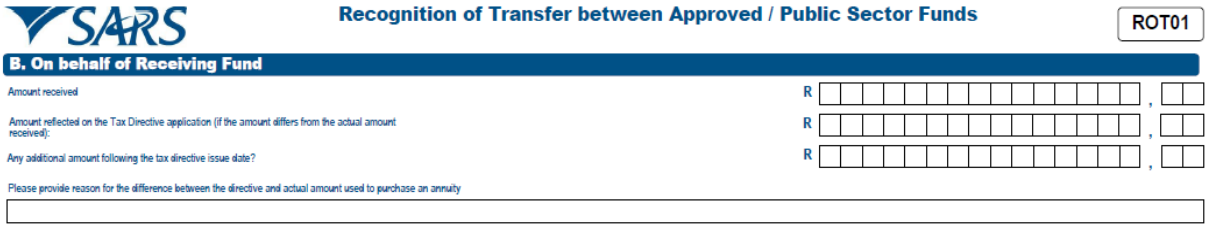
a) Declaration

i) The declaration by the Transferring Fund confirms to SARS that the information specified on PART A of the ROT form is true and correct whether submitted electronically or manually (hardcopy).
A) *5.1 The ROT form must be completed when a member transfers to another Fund before retirement.*
B) *5.2 The Administrator of the Transferring Fund may only transfer the amount to the Receiving Fund upon receipt of all the required information to complete the tax directive application form in full.*
C) *5.3 The Transferring Fund is responsible for ensuring that the benefit is transferred to an approved Fund and that the information on Part A is provided to the Receiving Fund to enable the Receiving Fund to submit the completed ROT Form to SARS, The **Receiving Fund** must submit the completed ROT Form **electronically** to SARS within 30 calendar days of the transfer*:
D) *5.4 If this confirmation of the transfer is not submitted to SARS, the transfer will be deemed a cash withdrawal benefit and will be taxed accordingly.*

3.2 PART B - On behalf of the Receiving Fund

a) The Transferring Fund will **first** send the ROT01 form to the Receiving Fund to obtain the necessary information and to obtain the correct bank account details into which the transferring lump sum benefit must be paid.

b) Once the lump sum benefit amount is paid into the Receiving Fund's bank account, the Transferring Fund will send the fully completed ROT01 to the Receiving Fund. This will enable **the Receiving Fund to submit the ROT01 to SARS electronically** in order to confirm that the benefit was transferred and received as indicated on the tax directive.


SARS

Recognition of Transfer between Approved / Public Sector Funds ROT01

B. On behalf of Receiving Fund

Amount received R ,

Amount reflected on the Tax Directive application (if the amount differs from the actual amount received): R ,

Any additional amount following the tax directive issue date? R ,

Please provide reason for the difference between the directive and actual amount used to purchase an annuity

3.2.1 *'Amount Received'*

a) The Receiving Fund **has actually received** this amount.

i) This amount can be less or more than the amount reflected on the tax directive.

A) If the amount **is less** than the amount reflected on the tax directive the reason for the difference must **not** be provided.

I) The ROT will be declined if the difference between the actual amount received and the tax directive amount is greater than the allowable two percentage (2%) tolerance. Inform the Transferring Fund to cancel and resubmit a tax directive application with the correct amount actually transferred.

II) If this field is blank the ROT01 will be rejected with error message *'The actual amount on the ROT cannot be zero. Please capture a correct amount'.*

III) Where the transfer is from a pension fund / pension preservation fund to a provident / provident preservation fund the amount must be the '*Amount transferred to the Transferee Fund*' **less** the tax on the tax directive

IV) If the **full benefit was not transferred**, the tax payable indicated on the tax directive must be deducted from the amount payable as a withdrawal benefit to the member and not from the amount that was reflected as '*Transferred Amount'* on the tax directive.

V) If the full benefit was transferred from the Pension Fund to a Provident Fund or any other fund and the reason *'16- Resignation'* or any other reason was used instead *'05 -Transfer'*, the ROT submission **will be rejected** with the following error message ''*Directive transfer amount on the ROT differs from the original directive amount'.*

VI) The Transferor fund must use *'05 -Transfer'* if the full benefit is transferred to enable the submission of the ROT01.

VII) The tolerance will be calculated using the '*Amount transferred to the Transferee Fund*' **less** the tax on the tax directive.

B) If the amount received **is more** than the amount on the tax directive the difference must be entered in the '*Any additional amount following the tax directive issue date'* field.

I) If the amount is more than the tolerance, the Transferring Fund has to submit a **second tax directive** for the amount greater than the tax directive amount. An ROT will then be required for this additional amount (tax directive).

C) The ROT01 will be declined if a reason is not provided. The Transferring Fund **must** ensure that the information is completed in Part A, point 4 '*Particulars of benefit to be transferred'.*

3.2.2 *'Amount reflected on the tax directive application'*:

a) The amount that the Transferring Fund has completed on the tax directive application *(amount transferred)* and is reflected in Part A, point 4 '*Amount to be transferred as reflected on the tax directive application`'* must be entered here.

i) This amount **must** correspond with the tax directive amount that was entered as the '*Amount to be transferred'* on the tax directive application form. If the amount on the tax directive is not entered the ROT01 will be rejected with the error message '*Directive transfer amount on the ROT differs from the original directive amount'.*

A) Where the transfer is from a pension / pension preservation fund to a provident / provident preservation fund before 1 March 2021, the amount must be the '*Amount transferred to the Transferee Fund*'.
B) The Transferring Fund must ensure that the correct amount, as captured on the tax directive, is provided to the Receiving Fund to ensure that the ROT01 is submitted successfully.
C) If the full amount was transferred, then the transferred amount and the '*Gross lump sum payable'* amount will be equal.
D) If the full benefit was not transferred and a portion of the benefit was taken in cash (partial withdrawal), the transferred amount on the directive must be entered in the '*Amount reflected on the tax directive application*' field. The directive amount **cannot** be *'Gross lump sum payable'* amount and **cannot** be the '*Transferred amount'* less the tax on the tax directive. The tax must be deducted from the amount payable to the member as a withdrawal benefit to avoid the error message '*Directive transfer amount on the ROT differs from the original directive amount*'. *'*
E) If the '*Amount reflected on the tax directive application'* does not correspond with the directive amount or the tax is deducted from the amount transferred, the ROT will be rejected with the tolerance error message '*Directive transfer amount on the ROT differs from the original directive amount*.
F) The error message: '*The transfer amount reflected on the tax directive application cannot be zero on the ROT01. Please capture a correct amount'* if the field is blank.

3.2.3 *'Any additional amount following the tax directive issue date'*.

a) If the amount received **is more** than the amount on the tax directive, this amount is the difference between the actual amount received and the amount reflected on the tax directive.

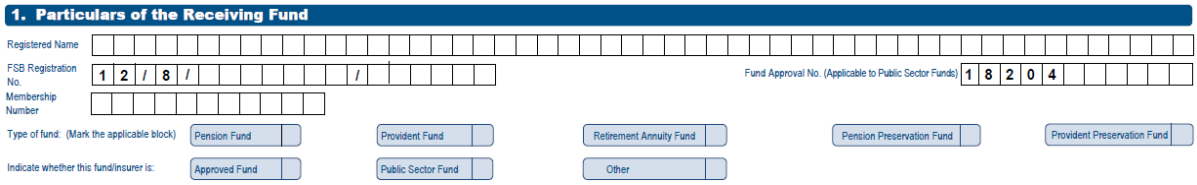
i) If the amount **is not** entered on the field, the ROT will be rejected.
ii) Ensure that the amount is calculated correctly to avoid the error message *'If the actual amount received (Amount A) is greater than the amount reflected on the tax directive application (Amount B), the additional amount must be equal to Amount A minus Amount B'.*
iii) This field must be blank if the '*Amount Received'* **is less than** the '*Amount reflected on the tax directive application*' to avoid the error message '*If the actual amount received is less than the amount reflected on the tax directive application, the additional amount must not be specified'* and / or error message '*The additional amount must not be specified'*.

3.2.4 Provide a reason for the difference between the amount reflected on the tax directive and the actual amount transferred.

a) The reason for the difference between the amounts reflected on the tax directive and actual amount transferred must be provided in order to avoid the rejection of the ROT with error message '*Reason for difference between directive and actual amt required'.*

i)
ii) The error message '*The transferred amount reflected on the Tax Directive Application differs from the amount received on the ROT01* will be displayed where:
A) The '*Amount reflected on the tax directive application'* was captured incorrectly on the ROT01; or
B) The '*Amount Received'* was captured incorrectly.
I) This can be because the '*Amount Received'* is captured as the '*Amount reflected on the tax directive application*' or vice versa.
II) Ensure the amounts are captured correctly.
C) If the amounts were captured correctly but the tolerance exceeds the threshold.
I) The Transferring Fund must cancel the tax directive where the amount paid into the bank account **was less** than the amount indicated on and exceeds the tolerance; or
II) If the amount paid into the bank account **was more** than the amount indicated on the tax directive and it is not interest payable to the member, the **Transferring Fund must submit a second tax directive application for the additional amount.**

3.2.5 Particulars of the Receiving Fund (mandatory for the electronic submission)



a) Complete the Particulars of the Receiving Fund correctly in order to assist the Transferring Fund in correctly completing the tax directive application form. This information is mandatory to submit the ROT01 successfully:

i) *'Registered Name'*:
   A) Enter Fund name as registered with the Financial Sector Conduct Authority (FSCA).
   B) If not registered with abbreviations do not use abbreviations in the name field. Enter the name as displayed on the FSCA website.

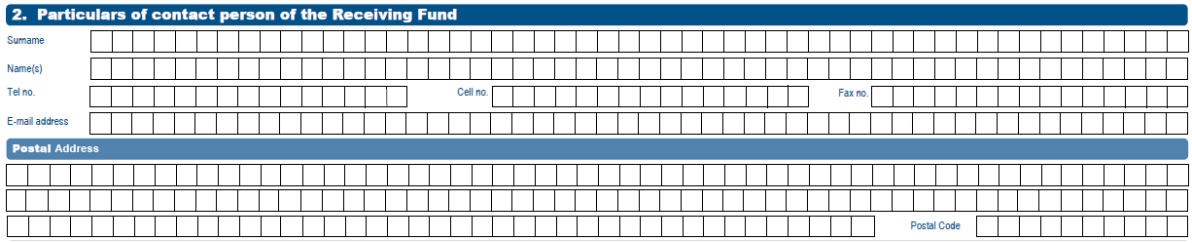
ii) '*FSCA Registration No'*:
   A) Approved Funds can only use the FSCA Registration number.
   B) The Receiving Fund must ensure that the '*FSCA Registration Number'* that the Transferor Fund has used on the tax directive, is captured when the ROT01 is submitted to avoid the error message '*ROT FSCA Registered Number does not match the FSCA Registration Number on the Original Directive'.*

iii) '*Fund Approval No'*:
   A) This field must be blank if the Fund is an approved Fund.
   B) Only public sector funds that are not registered with the FSCA must use the Fund approval field.
   C) If the Public Sector Fund completes the approval number, the FSCA registration number field must be blank.
   D) The approval number format is 18204 (followed by 6 digits) e.g. 18204001597.
      I) If the Public Sector Fund is registered with the FSCA, the FSCA registration number must be used.

iv) *'Type of Fund'*:
   A) The Fund type must be provided to ensure that the members benefit is correctly taxed when the member exits from the Receiving Fund.
      I) The Receiving fund must ensure that the fund type that the Transferor fund has captured (correct or incorrect) on the tax directive is captured when submitting the ROT01 to prevent the rejection of the ROT with the error message '*The transferee fund type on the ROT01 does not correspond with the original directive application'*.

v) *'Indicate if the Fund is an approved or a public sector Fund'*:
   A) This information is necessary where a member has pre-1998 service in a public sector Fund.

3.2.6 Particulars of contact person of the Receiving Fund (mandatory for the electronic submission)

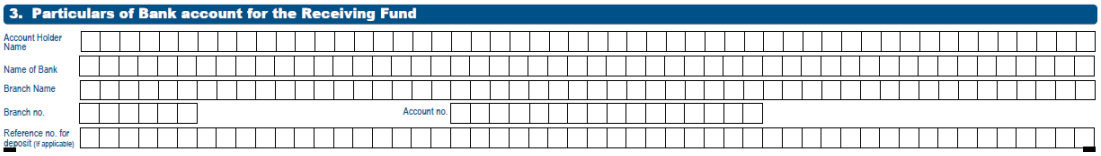


a) Particulars of the contact person of the Receiving Fund must be provided to avoid the ROT being rejected. Please provide the following information in order to assist SARS should additional information be required regarding the transfer of the benefit:

i) *'Surname'*.
ii) *'Name(s)'*.
iii) *'Telephone number'*.
iv) 'Cell number'.
v) *'Email address'*; and

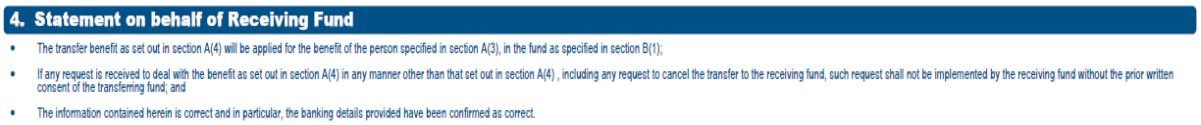
vi) '*The postal address*'.

3.2.7 Particulars of Bank Account for the Receiving Fund



a) All the above information must be completed to ensure that the Transferring Fund is paying the lump sum benefit amount into the correct bank account.

3.2.8 Statement on behalf of the Receiving Fund



a) The Receiving Fund confirms that:

i) The transfer benefit as set out in section A (4) will be applied for the benefit of the person specified in section A(3), in the Fund as specified in section B(1);·
ii) If any request is received to deal with the benefit as set out in section A(4) in any manner other than that set out in section A(4) , including any request to cancel the transfer to the Receiving Fund, such request shall not be implemented by the Receiving Fund without the prior written consent of the Transferring Fund; and·
iii) The information contained herein is correct and in particular, the banking details provided has been confirmed as correct.

3.2.9 Declaration (mandatory for the electronic submission)



a) The declaration by the Receiving Fund confirms to SARS that the information specified on PART B of the ROT form is true and correct whether submitted electronically or manually (hard copy / paper copy).

4 COMPLETING THE RECOGNITION OF PURCHASE OF AN ANNUITY FORM (ROT02)

a) The Recognition of purchase of an annuity (ROT02) – '*Recognition of Purchase of a member / beneficiary owned pension / annuity'* form must be completed where the Fund (pension, provident, pension preservation fund, provident preservation fund or retirement annuity fund) purchases an annuity from a Long-term Insurer or a Long-term Insurer purchases an annuity from another Long-term Insurer (transfer between Long-term Insurers).

b) The ROT02 form consists of two parts, namely:

i) Part A that must be completed by the Purchasing Fund / Long-term Insurer; and
ii) Part B that must be completed by the Receiving Long-term Insurer.

c) The information of the Receiving Long-term Insurer will enable the Purchasing Fund to complete the tax directive application with the correct information and to ensure that the amount used to purchase an annuity is paid into the correct bank account.

d) This guide is based on the manual ROT02 form but will indicate the mandatory fields for the electronic submission of the ROT02.

i) Most of the ROT information is on the tax directive if a tax directive application form was submitted. Therefore, for **the electronic version of the ROT02, the Receiving Long-term Insure must only capture**:

A) Paragraph 4.1.3 '*Particulars of person in whose name the pension / annuity is purchased (If reason is "Death" insert the Member / Former Member particulars)*'.

B) Paragraph 4.2 *'PART B – On behalf of the Receiving Long-term Insurer*, the following subparagraphs **are mandatory**:

I) 4.2.1 '*Amount Received'.*

II) 4.2.2 '*Amount of benefit applied to purchase pension / annuity on the tax directive application (if the amount differs from the actual amount received)'*.

III) 4.2.3 '*Any additional amount following the tax directive issue date;'*

IV) 4.2.4 *'Provide a reason for the difference between the tax directive and the actual amount transferred;'*

V) 4.2.5 'Particulars of Receiving Long-term Insurer'.

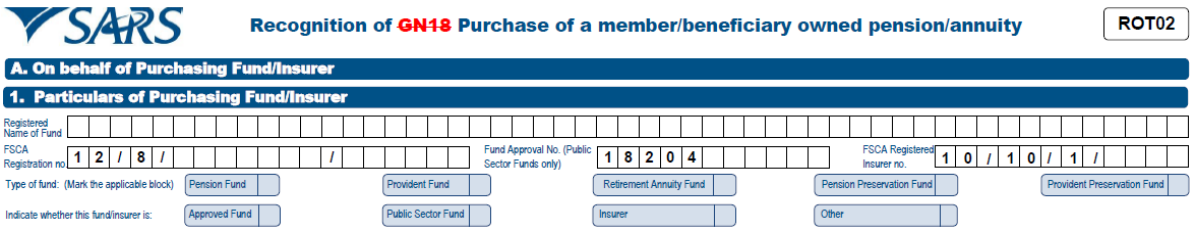
VI) 4.2.6 '*Particulars of contact person of the Receiving Long-term Insurer*'; and

VII) 4.2.8 *'Particulars of person / beneficiary in whose name the pension / annuity is purchased (In case of "Death of the Member / Former Member")'*.

e) Where a member or a beneficiary / beneficiaries of a deceased member or pensioner chooses to use the full benefit to purchase an annuity / annuities the manual (hardcopy) form of the ROT02 must be submitted by the Receiving Long-term Insurer if the Purchasing Fund / Long-term Insurer did not complete or submit a tax directive application form. The Purchasing Fund / Long-term Insurer must clearly indicate if a tax directive application was not submitted.

4.1 PART A – On behalf of Purchasing Fund / Long-term Insurer

4.1.1 Particulars of Purchasing Fund / Long-term Insurer



a) The Purchasing Fund / Long-term Insurer must ensure the following information is correctly completed:

i) "*Registered Name of Fund*":

A) Enter Fund or Long-term Insurer name as registered with the Financial Sector Conduct Authority (FSCA).

B) If not registered with abbreviations do not use abbreviations in the name field. **The name** must be entered as displayed on the FSCA website.

ii) *'FSCA Registered no*',

A) Approved Funds can only use the FSCA Registration number.

B) This is the registration number, as allocated by the FSCA (and must be provided in the correct format 12/8/0000000/999999, where 0000000 is the registered umbrella Fund number and 999999 represents the participating employer number). In cases where the number is less than 7 digits, populate the rest of the field with '0' before the number, e.g. where the FSCA registration number is 12/8/123 capture the registration number as 12/8/0000123/.

C) If the Fund is a freestanding Fund (i.e. not a Type-A umbrella Fund) or a retirement annuity Fund, the last 6 digits of the FSCA registration number must be zeroes and the participating employer name must be blank. The number must be entered with the '/'.

D) The last 6 digits of a **retirement annuity fund** will always be 6 zeroes e.g. 12/8/0000222/000000.

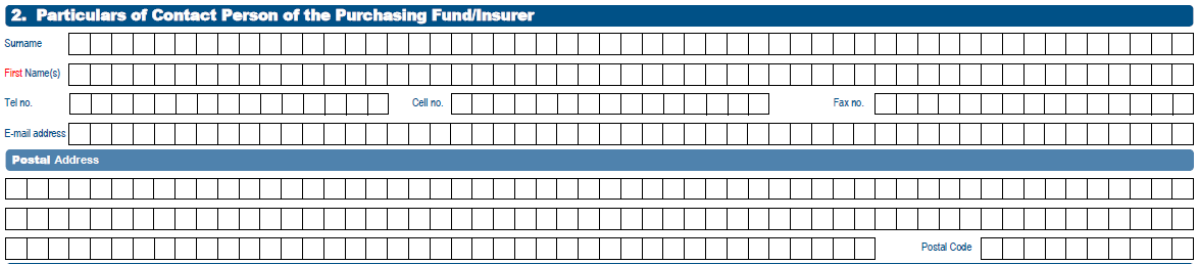
iii) '*Fund Approval no*':
- A) This number must be blank if the Fund is an approved Fund.
- B) Only public sector Funds that are not registered with the FSCA must use the Fund approval number.
- C) If the Public Sector Fund completes the approval number, the FSCA registration number field must be blank.
- D) The approval number format is 18204 (followed by 6 digits) e.g. 18204001597.
- E) If the Public Sector Fund is registered with the FSCA, the FSCA registration number must be used.

iv) '*FSCA Registered Long-term Insurer no*'. (Life License number)
- A) Only Long-term Insurers must complete this field and enter the FSCA registered Long-term Insurer number. All the other number fields must be left blank.
- B) The number must correspond with the name and number **as displayed on the FSCA website**.

v) '*Type of Fund*':
- A) The Fund type must be provided to ensure that the members benefit is correctly taxed when the member exits the Receiving Fund.
- B) Where a Long-term Insurer is transferring or purchasing an annuity from another Long-term Insurer the Fund type will be blank.

vi) Indicate whether the Purchasing Fund / Long-term Insurer is an approved Fund, public sector Fund or a Long-term Insurer.

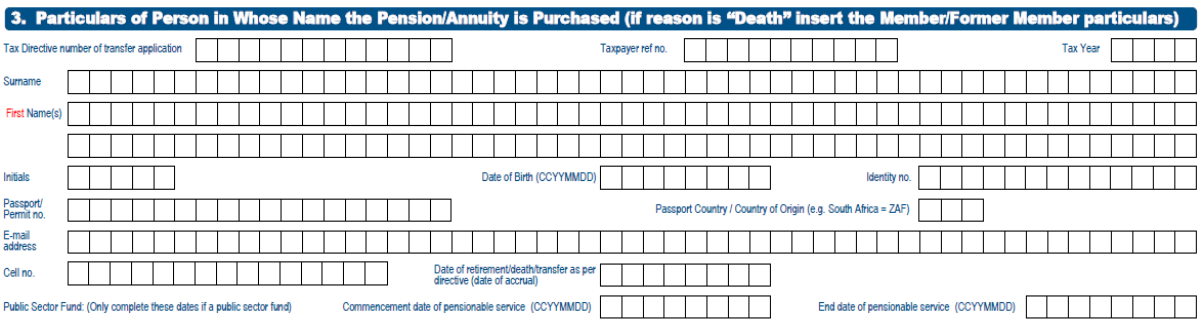
4.1.2 Particulars of contact person of the Purchasing Fund / Long-term Insurer



a) Provide the particulars of the contact person who will be able to provide accurate information should additional information regarding the tax directive application form be required in order to complete the ROT to be submitted to SARS. For this reason, please **do not provide** contact details of a call centre. The information above is used by the Receiving Long-term Insurer to obtain additional information. If required or if the Receiving Long-term Insurer requires assistance to complete the ROT. The following information must be provided:

i) '*Surname*'.
ii) '*First Name(s)*'.
iii) '*Telephone number*'.
iv) '*Cell number*'.
v) '*Email address*'; and
vi) '*The Postal Address*'.

4.1.3 Particulars of person in whose name the pension / annuity is purchased (If reason is "Death" insert the Member / Former Member particulars) (mandatory for the electronic submission)



a) The information above in this container is essential for the Receiving Long-term Insurer to be able to submit the ROT02 electronically. Therefore, the Transferring Fund / Long-term Insurer must ensure this part is completed in full before sending the final ROT02 to the Receiving Long-term Insurer:

i) '*Tax Directive number of transfer application*:
   A) Ensure that the tax directive number on the IRP3 notice is provided once SARS has issued the tax directive for the transfer.
   B) Without the tax directive number, the Receiving Long-term Insurer cannot submit the ROT02. SARS uses the tax directive number to validate that the information submitted on the ROT corresponds with the information on the tax directive issued by SARS.

ii) '*Taxpayer reference no':*
   A) Ensure that the correct tax reference number is provided.
   B) The ROT will be rejected if this number does not correspond with the number on SARS's tax directive system with the error message '*Tax reference number on the ROT must match the original transfer directive application'*. If the tax directive was submitted without a taxpayer's reference number because the member is not registered for income tax purposes, the field must be blank.

iii) *'Tax year'*.
   A) Must correspond with the year on the tax directive.
      I) The *'Tax year'* on the tax directive must be provided to avoid the error message *'Tax year on the ROT differs from the tax year on the original directive'*.
      II) The *'Tax Year'* is not the tax year that the tax directive was submitted or issued but is the *'Tax Year'* reflected on the tax directive that corresponds to the date of accrual on the tax directive.

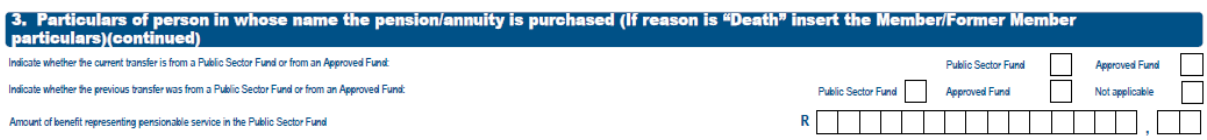
iv) Provide the following information as entered on the tax directive application form.
   A) *'Surname'*.
   B) *'First Names'*.
   C) *'The initials* must match the names.
   D) '*Date of birth'*.
   E) *'ID number'*.
      I) If the ID number differs the ROT will be rejected with the error message "*ID number on the ROT does not match the ID number on the original directive'* or
   F) '*Passport / Permit number*'

v) The ROT will be rejected with the error message '*Taxpayer Passport number on the ROT does not match the Passport number on the original directive*' if it differs. The following member information is not part of the tax directive application form, but one of the two fields must be provided when the ROT is submitted:
   A) *'Email address';* or
   B) *'Cell number'*.

vi) Date of retirement / death / transfer as per tax directive (date of accrual).
   A) If this date does not correspond with the date of accrual on the tax directive, the ROT02 will be rejected.

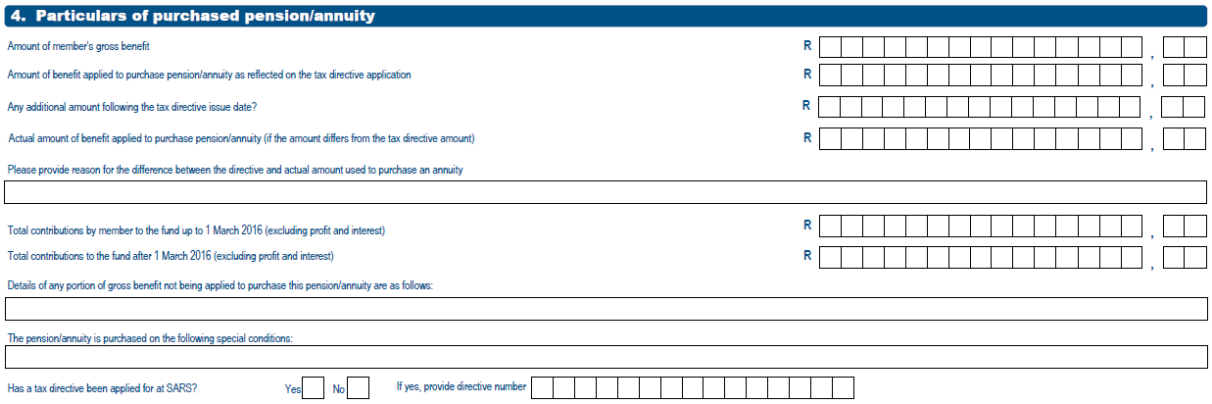
NOTE: The information above is essential for the submission of the ROT02. The Purchasing Fund / Long-term Insurer must ensure that the information is a hundred percent (100%) correct in order to assist the Receiving Long-term Insurer to submit the ROT02 successfully.

4.1.4 Particulars of person in whose name the pension / annuity is purchased (If reason is "Death" insert the Member / Former Member particulars) (continued)



a) The information above is not mandatory.

4.1.5 Particulars of purchased pension / annuity


4. Particulars of purchased pension/annuity

Amount of member's gross benefit R , 00

Amount of benefit applied to purchase pension/annuity as reflected on the tax directive application R , 00

Any additional amount following the tax directive issue date? R , 00

Actual amount of benefit applied to purchase pension/annuity (if the amount differs from the tax directive amount) R , 00

Please provide reason for the difference between the directive and actual amount used to purchase an annuity

Total contributions by member to the fund up to 1 March 2016 (excluding profit and interest) R , 00

Total contributions to the fund after 1 March 2016 (excluding profit and interest) R , 00

Details of any portion of gross benefit not being applied to purchase this pension/annuity are as follows:

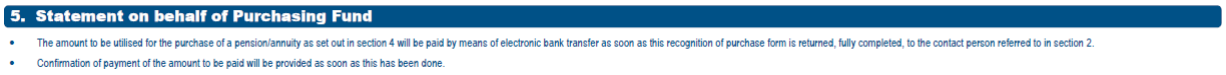
The pension/annuity is purchased on the following special conditions:

Has a tax directive been applied for at SARS? Yes No If yes, provide directive number

a) The information above will assist the Receiving Long-term Insurer to correctly complete the ROT02 form:

i) *'Amount of member's gross benefit'*.
ii) *'Amount of benefit applied to purchase pension / annuity as reflected on the tax directive application'*.
iii) '*Any additional amount following the tax directive issue date'*.
   A) Where the amount to purchase pension / annuity is more than the amount on the tax directive enter the difference in this field.
   B) The ROT will be rejected if this amount is not inserted on the ROT to be submitted.
iv) *'Actual amount of benefit applied to purchase pension / annuity (if the amount differs from the tax directive amount)'*.
   A) If this amount is less than the allowable two percentage (2%) tolerance the original tax directive **must** be cancelled and a tax directive application with the actual amount transferred must be submitted.
v) Please provide reason for the difference between the tax directive amount and actual amount used to purchase an annuity, if any.
vi) *'Total contributions by member to the Fund up to 1 March 2016 (excluding profit and interest)'.*
vii) '*Total contributions to the Fund after 1 March 2016 (excluding profit and interest)'*.
viii) Details of any portion of the gross benefit not being used to purchase this pension / annuity,
ix) Provide the special conditions, if any, for the pension / annuity purchased.
x) Has a tax directive been applied for at SARS?
xi) If yes, provide the tax directive number.

4.1.6 Statement on behalf of Purchasing Fund

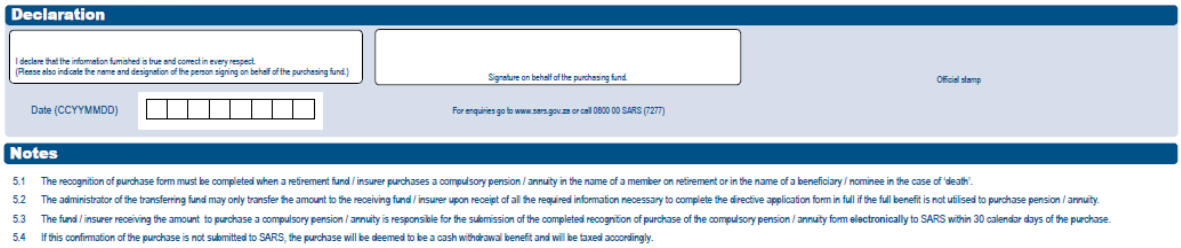

5. Statement on behalf of Purchasing Fund

- The amount to be utilised for the purchase of a pension/annuity as set out in section 4 will be paid by means of electronic bank transfer as soon as this recognition of purchase form is returned, fully completed, to the contact person referred to in section 2.
- Confirmation of payment of the amount to be paid will be provided as soon as this has been done.

a) The Purchasing Fund confirms that:

i) The amount to be utilised for the purchase of a pension / annuity as set out in section 4 will be paid by means of electronic bank transfer as soon as this recognition of purchase form is returned, fully completed, to the contact person referred to in section 2.
ii) Confirmation of payment of the amount to be paid will be provided as soon as this has been done.

4.1.7 Declaration



Declaration

I declare that the information furnished is true and correct in every respect.
(Please also indicate the name and designation of the person signing on behalf of the purchasing fund.)

Signature on behalf of the purchasing fund.

Official stamp

Date (CCYYMMDD)

For enquiries go to www.sars.gov.za or call 0800 00 SARS (7277)

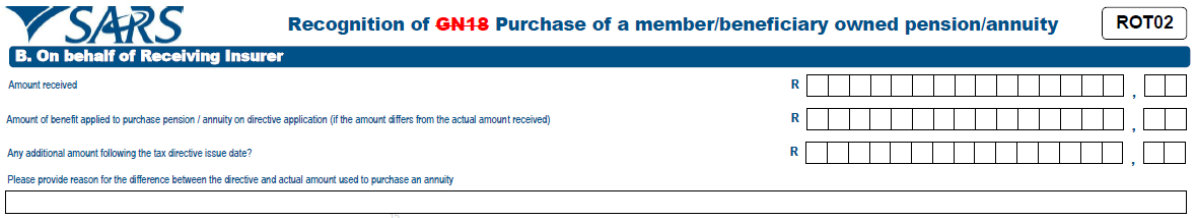
Notes

5.1 The recognition of purchase form must be completed when a retirement fund / insurer purchases a compulsory pension / annuity in the name of a member on retirement or in the name of a beneficiary / nominee in the case of 'death'.
5.2 The administrator of the transferring fund may only transfer the amount to the receiving fund / insurer upon receipt of all the required information necessary to complete the directive application form in full if the full benefit is not utilised to purchase pension / annuity.
5.3 The fund / insurer receiving the amount to purchase a compulsory pension / annuity is responsible for the submission of the completed recognition of purchase of the compulsory pension / annuity form electronically to SARS within 30 calendar days of the purchase.
5.4 If this confirmation of the purchase is not submitted to SARS, the purchase will be deemed to be a cash withdrawal benefit and will be taxed accordingly.

a) The declaration by the Purchasing Fund confirms to SARS that the information specified on PART A of the ROT02 form is true and correct whether submitted electronically or manually (hardcopy).

i) **NOTES**:
   A) *5.1 The recognition of purchase form must be completed when a Retirement Fund / Long-term Insurer purchases a compulsory pension / annuity in the name of a member on retirement or in the name of a beneficiary / nominee in the case of 'death'.*
   B) *5.2 The administrator of the Transferring Fund may only transfer the amount to the Receiving Fund / Long-term Insurer upon receipt of all the required information necessary to complete the tax directive application form in full if the full benefit is not utilised to purchase pension / annuity.*
   C) *5.3 Long-term Insurer receiving the amount to purchase a compulsory pension / annuity is responsible for the submission of the completed recognition of purchase of the compulsory pension / annuity form electronically to SARS within 30 calendar days of the purchase.*
   D) *5.4 If this confirmation of the purchase is not submitted to SARS, the purchase will be deemed a cash withdrawal benefit and will be taxed accordingly.*

4.2 PART B – On behalf of the Receiving Long-term Insurer



SARS Recognition of ~~GN18~~ Purchase of a member/beneficiary owned pension/annuity ROT02

B. On behalf of Receiving Insurer

Amount received R ,

Amount of benefit applied to purchase pension / annuity on directive application (if the amount differs from the actual amount received) R ,

Any additional amount following the tax directive issue date? R ,

Please provide reason for the difference between the directive and actual amount used to purchase an annuity

4.2.1 '*Amount Received*'

a) This is the amount that the Long-term Insurer has **actually** received from the purchase of the annuity for the member or beneficiary.

i) This field cannot be blank. If the field is blank the ROT02 will be rejected with the error message '*The pension/annuity purchase amount reflected on the tax directive application cannot be zero on the ROT02. Please capture a correct amount.'*
   A) Where there is more than one beneficiary, the *'Amount Received'* for the specific beneficiary for whom the ROT02 is submitted must be indicated. The Long-term Insurer cannot indicate the full benefit divided by the number of beneficiaries as the amount received. The '*Amount Received'* must more or less correspond with the '*Amount utilised* to purchase a pension / annuity' on the tax directive to avoid rejection of the ROT02.

ii) This amount can be less than the tax directive amount.
   A) If this amount is less than the tax directive amount, the reason for the difference must not be provided.
      I) The ROT02 will be declined if the difference between the actual received and the tax directive amount is greater than the allowable tolerance. Inform the Original Fund / Purchasing Fund / Long-term Insurer to cancel and resubmit the tax directive with the correct amount actually paid into the Long-term Insurer's bank account per beneficiary.
   B) If the amount is more than (greater) the amount on the tax directive the difference must be entered in the '*Any additional amount following the tax directive issue date'* field and the reason for the difference must be provided.

4.2.2 '*Amount of benefit applied to purchase pension / annuity on the tax directive application (if the amount differs from the actual amount received)*':

a) This is the amount that the Purchasing Fund / Long-term Insurer has entered on the tax directive application form.

i) This amount **must** correspond with the tax directive amount to avoid the error message '*The amount of benefit applied to purchase pension/annuity on directive application differs from the amount received on the ROT02'* and / or the error message '*Directive purchase amount on the ROT differs from the original directive amount'*.

A) Where there is more than one beneficiary, the '*Amount of benefit applied to purchase pension / annuity'* for the specific beneficiary for whom the ROT02 is submitted must correspond to the amount on the tax directive. Thus, the Long-Term Insurer must ensure that the correct amounts, per beneficiary, as captured on the tax directive, are reflected exactly on the ROT02.

ii) The amount in Part A, '*Amount of benefit applied to purchase pension / annuity as reflected on the tax directive application'* must be entered here.

4.2.3 *'Any additional amount following the tax directive issue date'*.

a) This amount is the difference between the actual amount received and the amount reflected on the tax directive used to purchase an annuity.

i) Ensure the amount is calculated and captured correctly to avoid the error message *'If the actual amount received (Amount A) is greater than the amount of benefit applied to purchase pension/annuity on directive application (Amount B), the additional amount must be equal to A minus B'.*

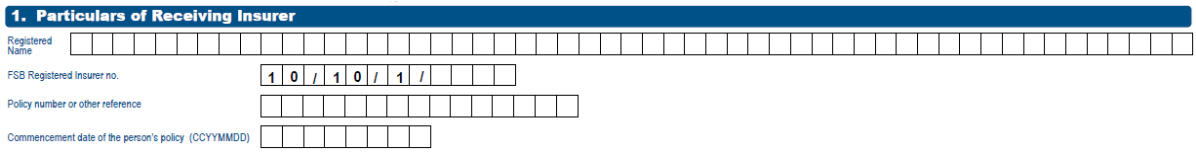
ii) If this amount **is not** entered, the ROT will be rejected with the error message *'If the actual amount received (Amount A) is greater than the amount of benefit applied to purchase pension/annuity on directive application (Amount B), the additional amount must be equal to A minus B'*.

iii) This field must be blank if the '*Amount Received'* **is less than** the '*Amount reflected on the tax directive application*' to avoid the error message *'If the actual amount received is less than the amount of benefit applied to purchase pension/annuity on directive application, the additional amount must not be specified'* .and / or error message '*The additional amount must not be specified'*.

4.2.4 Provide a reason for the difference between the tax directive and the actual amount transferred.

a) Reason for the difference between the tax directive and the actual amount transferred must be provided to avoid the rejection of the ROT with error message '*Reason for difference between directive and actual amt required'*.

4.2.5 Particulars of Receiving Long-term Insurer (mandatory for the electronic submission)



a) Ensure that the Particulars of the Receiving Long-term Insurer is correctly completed to assist the Purchasing Fund / Long-term Insurer to complete the tax directive application form correctly and to ensure that the ROT02 is successfully submitted. The following information is mandatory:

i) '*Registered Name':*

A) Enter the Long-term Insurer name as registered with the Financial Sector Conduct Authority (FSCA).

B) If not registered with abbreviations do not use abbreviations in the name field. The name must be entered as displayed on the FSCA website.

C) When submitting the ROT02, the Long-term Insurer must capture the name as it was on the tax directive, with the incorrect spelling to avoid the rejection of the ROT02. The ROT system validates that the information on the ROT matches exactly with the information on the tax directive.

ii) '*FSCA Registered Long-term Insurer no'* (Life Licence no.):

A) The Long-term Insurer must capture the registration number as it was captured on the tax directive (correct or incorrect) to avoid the rejection of the ROT02 with error message '*ROT FSCA Registered Number does not match the FSCA Registration Number on the Original Directive'*.

B) The ROT system validates that the information captured on the ROT02 submission **matches exactly the information** on the tax directive.

C) From September 2022 the number must correspond with the name and number **as displayed on the FSCA website**.

iii) *'Policy number or other reference*:'

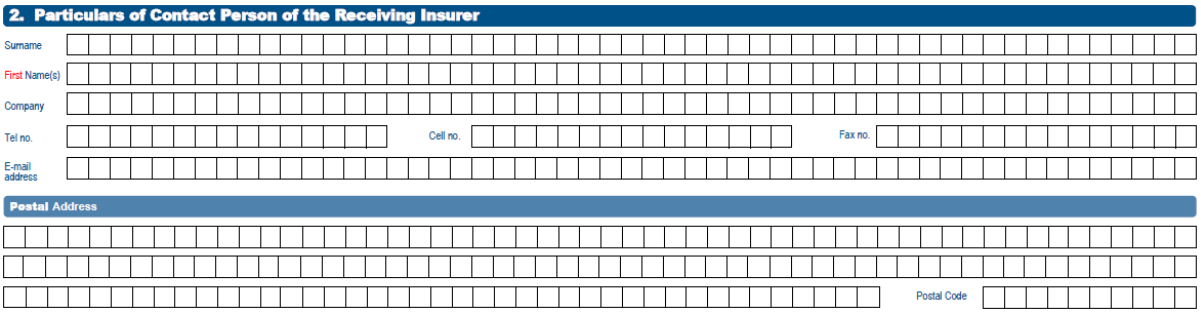
A) Provide the policy number that will be allocated once the annuity is purchased.

B) This is a mandatory field when submitting the tax directive application by the Purchasing Fund / Long-term Insurer and when submitting the ROT02.

iv) 'Commencement date of the person's policy (CCYYMMDD').

A) This is a mandatory field when submitting the ROT02.

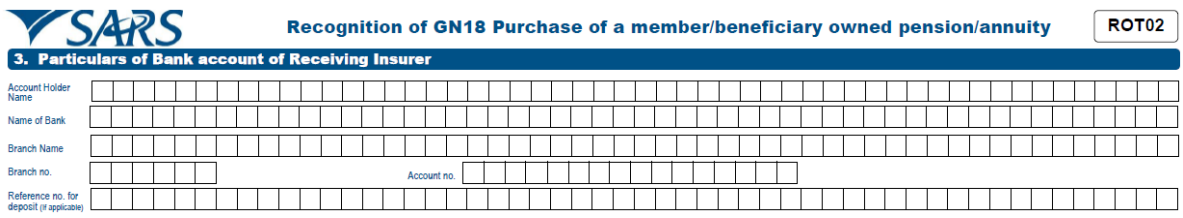
4.2.6 Particulars of contact person of the Receiving Long-term Insurer (mandatory for the electronic submission)



a) Particulars of contact person of the Receiving Long-term Insurer must be provided to avoid the ROT being rejected. Please provide the following information to assist SARS if additional information is required regarding the purchase of annuity:

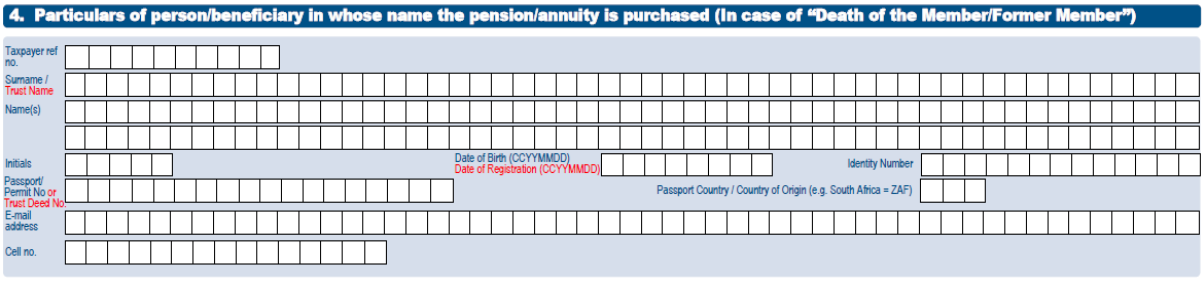
i) *'Surname'*.
ii) *'First Name(s)'*.
iii) '*Telephone number'*.
iv) '*Cell number'*.
v) *'Email address'*; and
vi) '*The postal address'*.

4.2.7 Particulars of Bank Account of Receiving Long-term Insurer



a) All the information above must be completed to ensure that the Transferring Fund is paying the lump sum amount into the correct bank account.

4.2.8 Particulars of person / beneficiary in whose name the pension / annuity is purchased (In case of "Death of the Member / Former Member") (mandatory for the electronic submission)



a) The information above is essential for the Receiving Long-term Insurer to submit the ROT02 electronically. The above information must be provided if the reason on the tax directive is 'Death before retirement'.

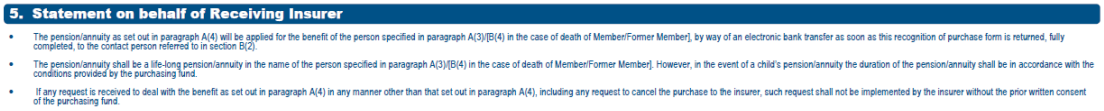
i) *'Taxpayer reference no'*:
   A) Ensure that the correct tax reference number is provided of the person / trust who will receive the annuity.
   B) The ROT will be rejected with error message *'Tax Reference number on the ROT02 must match the beneficiary's tax reference number reflected in the purchase of annuity container on the original directive application',* If this number does not correspond with the number on SARS tax directive system. If the tax directive was submitted without a taxpayer's reference number because the member is not registered for income tax purposes, the field must be blank.

ii) Provide the following information **as entered on the tax directive** application form:
   A) '*Surname / Trust Name'*.
      I) Enter the surname of the beneficiary / nominee.
      II) Enter the trust name if a trust is the beneficiary / nominee of the living annuity.
   B) 'Full name(s)'.
      I) Enter the full names of the beneficiary / nominee.
      II) Must be blank if a trust is the beneficiary / nominee.
   C) *Date of Birth / Date of registration':*
      I) If a trust is the beneficiary / nominee enter the trust's registration date.
   D) *'Identity number* (ID of the beneficiary / dependant / nominee*)'.*
      I) Must be blank if a trust is the beneficiary / nominee.
      II) The ROT will be rejected with the error message '*Beneficiary ID number on the ROT does not match the ID number on the original directive'* if the ID number captured on the ROT02 does not correspond with the number on SARS's tax directive system.
   E) *'Passport / Permit number / Trust deed no.*'
      I) The ROT will be rejected with the error message *'Beneficiary Passport number on the ROT does not match the Passport number on the original directive'* if the '*Passport / Permit number / Trust deed*' number captured on the ROT02 does not correspond with the number on SARS tax directive system.

iii) The following member information is not part of the tax directive application form information, but one of the two fields must be provided when the ROT is submitted:
   A) *'Email address'*; or
   B) *'Cell number'*.

NOTE: The information above is essential for the submission of the ROT02. The Purchasing Fund / Long-term Insurer must ensure the information is accurate in order to assist the Receiving Fund / Long-term Insurer to submit the ROT02 successfully.

4.2.9 Statement on behalf of the Receiving Long-term Insurer



a) The Receiving Long-term Insurer confirms that:

i) The pension / annuity as set out in paragraph A(4) will be applied for the benefit of the person specified in paragraph A(3) / B(4) (in the case of death of Member / Former Member)], by way of an electronic bank transfer as soon as this recognition of purchase form is returned, fully completed, to the contact person referred to in section B(2).

ii) The pension/annuity shall be a life-long pension / annuity in the name of the person specified in paragraph A (3) / [B(4) in the case of death of Member / Former Member]. However, in the event of a child's pension / annuity the duration of the pension / annuity shall be in accordance with the conditions provided by the Purchasing Fund. ·

iii) If any request is received to deal with the benefit as set out in paragraph A(4) in any manner other than that set out in paragraph A(4), including any request to cancel the purchase to the Long-term Insurer, such request shall not be implemented by the Long-term Insurer without the prior written consent of the Purchasing Fund.

4.2.10 Declaration (mandatory for the electronic submission)



a) Declaration

i) The declaration by the Receiving Long-term Insurer confirms to SARS that the information specified on PART B of the ROT02 form is true and correct whether submitted electronically or manually (hard copy / paper copy).

5 COMPLETE THE REQUEST TO CANCEL AN ROT

a) The cancellation of an ROT may be required due to the following reasons:

i) The Transferring Fund did not deduct the debt e.g. housing loans / housing guarantees before the benefit was transferred.
   A) The document to be attached to the request to prove the claim must be the settlement letter from the institution hosting the loan.

ii) The maintenance order was not deducted from the benefit before it was transferred or used to purchase an annuity.
   A) A copy of the court order must also be attached.

iii) The Transferring Fund did not take the claim of employee debt or a damage claim from the employer into account.
   A) A letter from the employer indicating the nature of the debt or damage claim must also be attached to the request.

iv) The tax directive was submitted using an incorrect income tax reference number or other demographic information is incorrect.

v) AIPF contributions were not allowed as a deduction when the member retired, or the tax directive reason was death before retirement.
   A) Documentation must be provided to confirm the AIPF contributions.

vi) The Fund Administrator did not complete the Public Sector Fund container, where the member has transferred from a Public Sector Fund to an approved fund, and the pre-1998 vested right was not taken into account.
   A) A copy of the ROT01 of the transfer from the Public Sector Fund to an approved fund must be attached to the request.

vii) Duplicate directive application. Only the second tax directive application and ROT will be considered for cancellation. The Original tax directive will remain.

viii) Additional Voluntary contributions were not taken into account when the member exited the fund.
   A) Provide a letter from the Fund that the additional voluntary contributions were received as well as confirmation that SARS was informed of the additional voluntary contributions that was not taken into account before the member exited from the fund.

ix) The incorrect reason on the original tax directive application was used and that the incorrect reason has a tax implication. For example, the reason for application is 'Resignation' was used instead of 'Termination of Employment (Retrenchment)'.

x) The taxpayer has requested that an amount must be paid as a lump sum only if no tax is payable and the fund did not adhere to the request. It is recommended that the Fund Administrator makes use of the 'simulator / quoting' system **before** submitting the tax directive application form to provide the member with the required information to make an informed decision. In future, this may not be accepted as a valid reason to cancel the ROT.

b) The following are examples of reasons that SARS does not consider as valid reasons for a cancellation of the ROT:

i) The member has changed the request (claim form / option form) and does not want to transfer or take a portion in cash anymore.

ii) The taxpayer has received bad advice from the financial advisor / broker, irrespective of whether the advice from the financial advisor / broker was based on insufficient information.

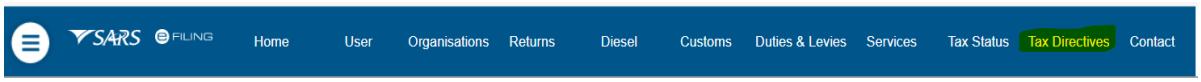
iii) The surname on the tax directive is not the same as the surname on the ID document, but all other demographic information was correct.

iv) The incorrect PAYE number was used. The Fund must inform SARS of the incorrect PAYE number used and SARS will make a note on the directive to indicate the correct PAYE number.

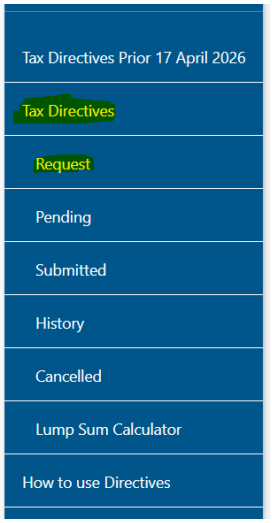
5.1 How to submit a request to cancel an ROT

a) The requestor must be a registered eFiler and logged in on eFiling to be able to submit the ROT cancellation.

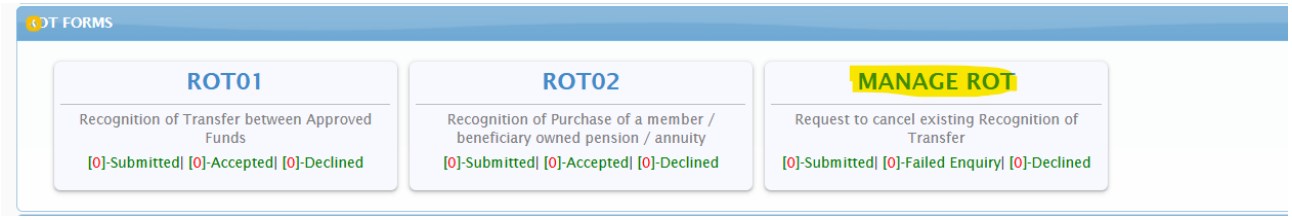
b) Once logged in, refer to the top blue ribbon and select '*Tax Directives'*.



c) The requestor must select '*Request'* on the '*Tax Directives'* menu.

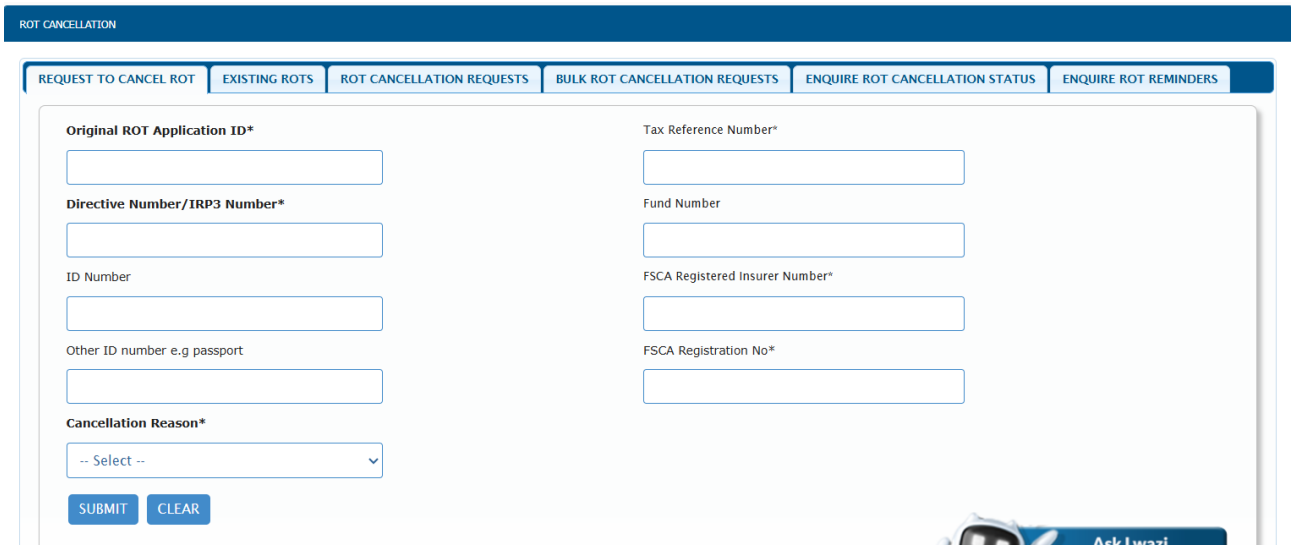


d) On the list of forms displayed click on ROT forms and the requestor must select 'Request to cancel existing Recognition of Transfer' on *'Manage ROT' tab*.



e) On the '*ROT Cancellation'* screen the requester has the following options available:

i) *'Request to Cancel ROT'* – The requestor must use this option to submit a request to cancel an ROT.
ii) '*Existing ROTs'* – Can only be used by the Fund Administrator / Long-term Insurer who has submitted the ROT through SARS eFiling. A list of the ROT's submitted will be displayed and the requestor can select the ROT they wish to cancel. They will to be able to view the detail required to submit the request to cancel the ROT.
iii) '*ROT Cancellation Request'* – This function can only be used if the request to cancel an ROT was previously submitted and now the requestor is only enquiring on the status of the request.
iv) *'Bulk Cancellation* Request' – the requestor must use this option to submit multiple ROT cancellations at the same time.
v) *'Enquire ROT Cancellation Status'* – the requestor will use this option to confirm that the ROT has been cancelled.
vi) *Enquire ROT Reminders' – the requestor must use this function to enquire on ROT Reminders issued by SARS.*



f) The fields marked with an asterisk (*) are mandatory fields and must be provided although all the fields must be completed on the screen.

5.1.1 Submit Request to cancel ROT (Single Request)

a) Provide the information captured on the ROT in these fields, as described below:

i) Enter the *'Original ROT application ID'*. This is the '*Application ID'* **allocated** by SARS's system where the **ROT was submitted**. The *'Application ID'* is reflected in the response file from SARS if the ROT was submitted through an Interface agent.
ii) *'Directive Number / IRP3 Number'* – Enter the tax directive number that was used to submit a ROT.
iii) *'ID Number'* – Enter the ID number of the original member who elected to transfer / purchase annuity(ies). It must be the same ID number that was entered when the tax directive application was submitted.
A) If the requestor wants to cancel an ROT02, where the annuity was purchased in the name of a beneficiary, the '*ID number'* of the member must be provided.

iv) *'Other ID number e.g. passport'* – Either the *'ID Number'* field or the *'Other ID number e.g. passport'* field must be completed; both fields cannot be completed.
   A) If the request is to cancel a ROT02, where the annuity was purchased in the name of a beneficiary, the *'Other ID number'* of the member must be provided.

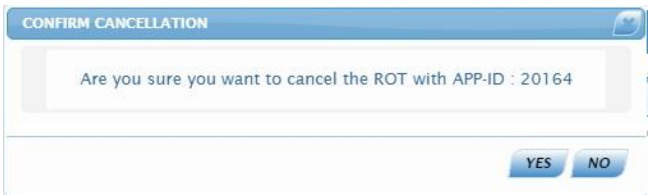
v) *'Tax Reference Number'* – must be provided if the tax reference number was entered on the tax directive application form, when the ROT was submitted.
   A) If the request is to cancel an ROT02 where the annuity was purchased in the name of a beneficiary, the '*Tax Reference Number'* of the member must be provided.

vi) Enter **only one** of the following numbers (the number that was used when the ROT was submitted and it must correspond with the number on the successfully submitted ROT:
   A) Fund Number – If the request is to cancel an ROT01 and the Fund is a Public Sector Fund; the Fund approval number must be provided. The approval number format is 18204 (followed by 6 digits) e.g. 18204001597. Ensure the number correspond with the number used on the submission of the ROT01.
   B) FSCA Registered Long-term Insurer Number - The correct format 12/8/0000000/999999, where 0000000 is the registered umbrella Fund number and 999999 represents the participating employer number). Ensure the number corresponds with the number on the ROT submitted successfully.
   C) FSCA Registration No - Only Long-term Insurers must complete this field and enter the FSCA registered Long-term Insurer number. The correct format for example is 10/10/1/4. The last 4 digits must correspond with what was entered on the ROT02 submitted successfully.

vii) *'Cancellation Reason'* – One of the ROT Cancellation reasons below must be selected before submitting:

   A) Incorrect Date of accrual
   B) Incorrect FSCA Number
   C) Incorrect PAYE Number
   D) Incorrect Tax Reference Number
   E) Incorrect ID, Other ID or Passport Number
   F) Incorrect Application Reason (should include Sec14 transfers)
   G) Incorrect Tax Year
   H) Incorrect Amount
   I) Duplicate Application
   J) Carry-over amount not considered
   K) Carry-over amount incorrectly used
   L) Incorrect date of birth used where passport number is used, no ID number
   M) Members' instructions were not followed correctly
   N) Fraud

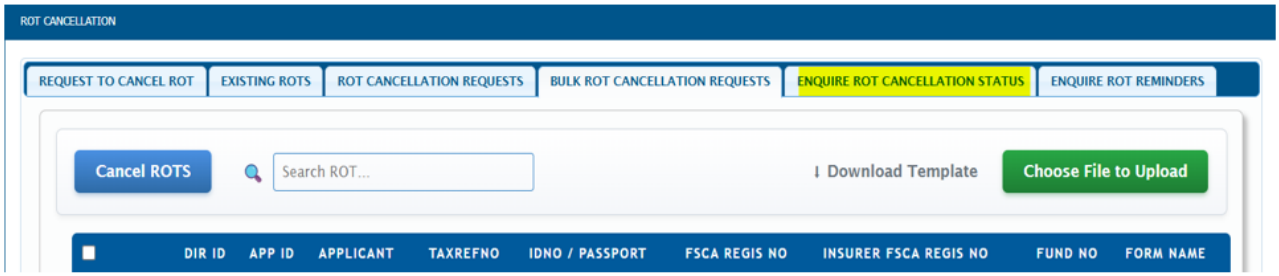
b) A confirmation message will be displayed when the requester clicks on the '*Submit'* button.



c) On the *'Confirm Cancellation'* screen, the requestor has two options.
   i) If the requestor clicks on the '*No'* button the system will display the *'Request to Cancel ROT'* form again.
   ii) If the requestor selects the '*Yes'* button the system will display a message' 'ROT Cancellation successful', as supporting documentation is no longer required.

d) To verify that an ROT has been successfully cancelled, the requestor must navigate to the' Existing ROT' tab. Click on refresh button to display the most recent status update.

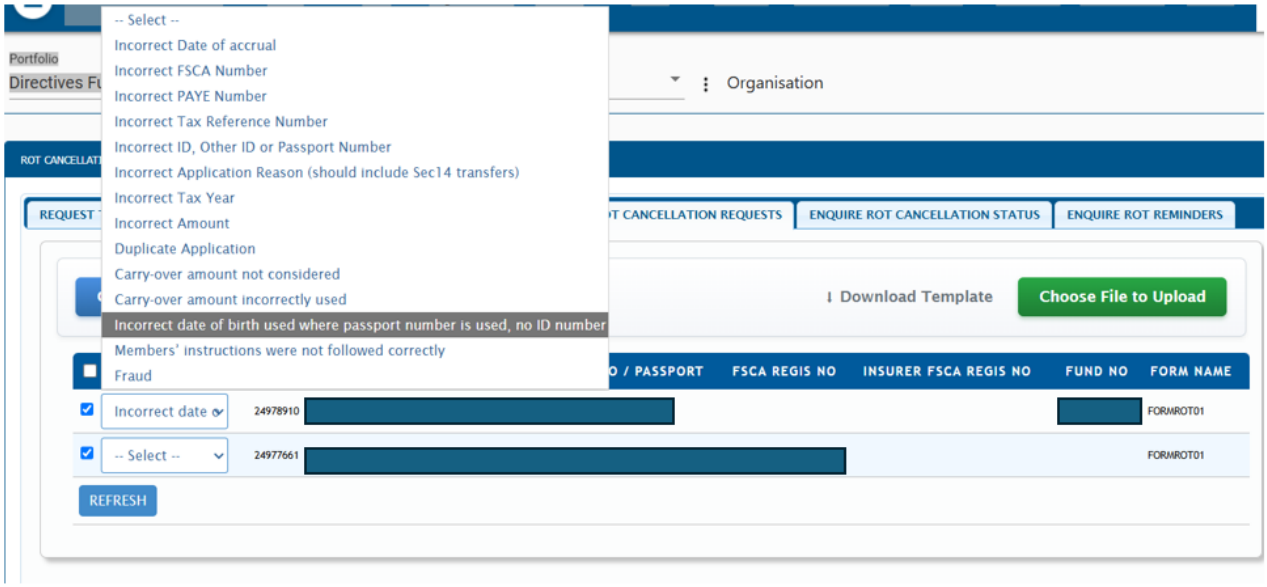
5.1.2 Submit Bulk ROT cancellation Request



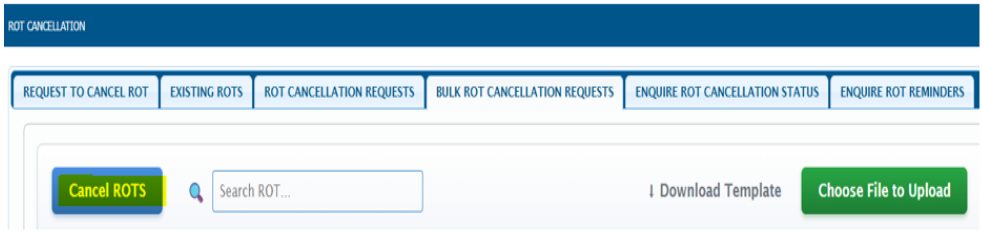
a) The requestor has two options for submitting a bulk cancellation request:

i) Option 1: Select the 'Bulk ROT Cancellation requests' tab and a list of ROT's linked to the user profile will be displayed.

A) The requestor must use the tick box to select the ROT's that must be cancelled; and Select a cancellation reason from the dropdown list; and



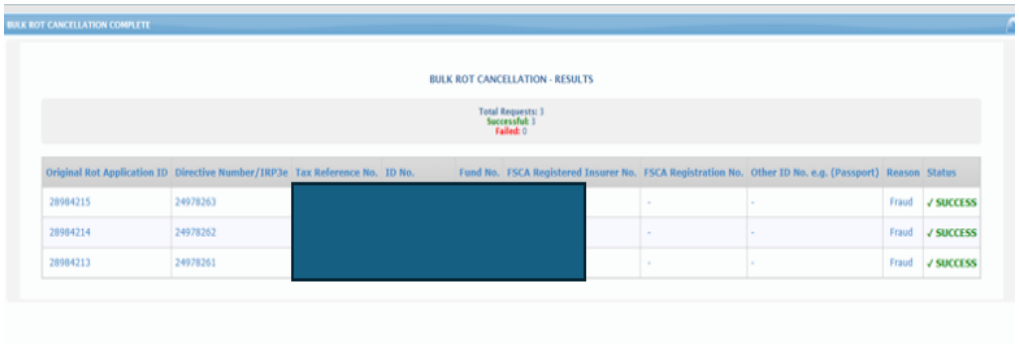
B) Click on the 'Cancel ROTS' button; and



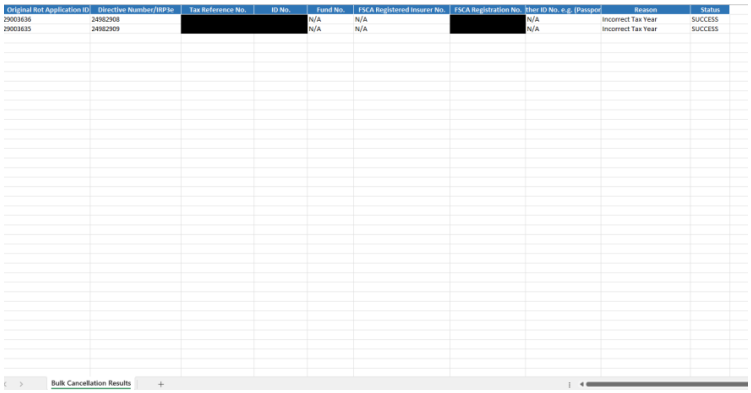
C) Click 'Yes' to the question 'Do you want to proceed'?



D) The system will display a cancellation message to confirm that the ROT's have been cancelled; and



E) A file will be generated with the details of the cancelled ROTs.

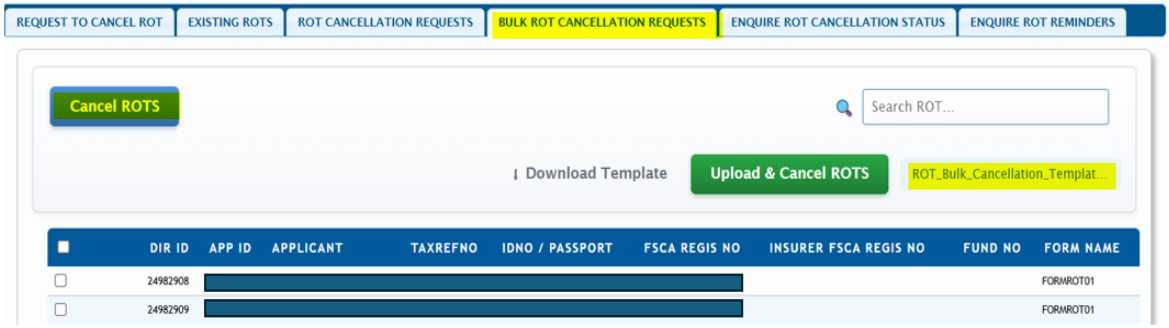


ii) Option 2: Select the option 'Choose file to upload' using the template provided to capture the details of the ROT's to be cancelled and follow the instructions as set out in the 'Instructions tab'.

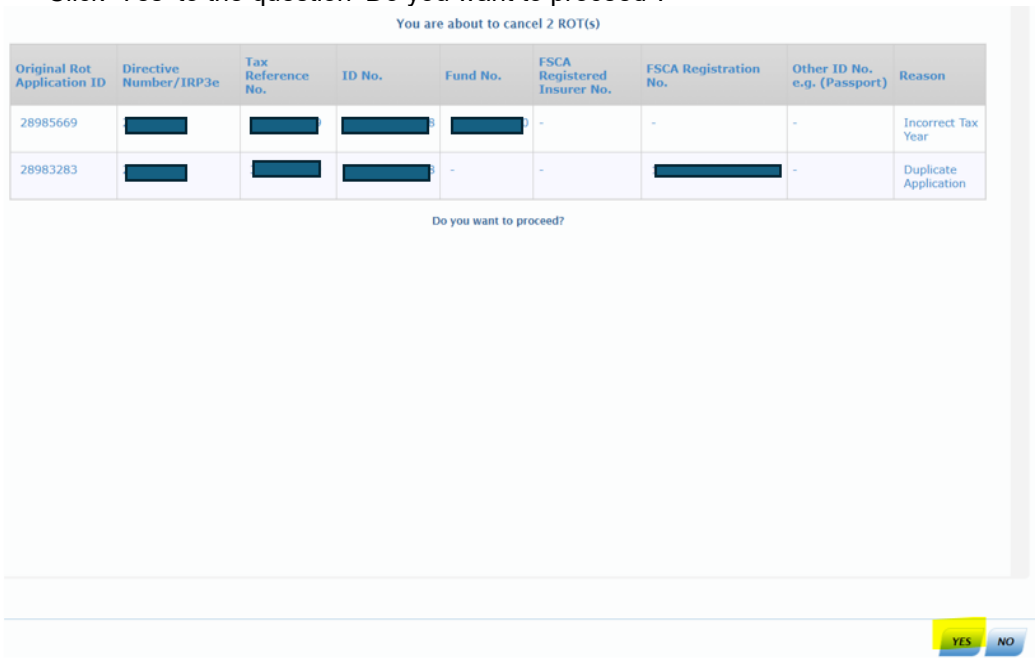
	A	B	C	D	E	F	G	H	I
1	Original Rot Application ID	Directive Number/IRP3e	Tax Reference No.	ID No.	Fund No.	SCA Registered Insurer No	FSCA Registration No.	Other ID No. e.g. (Passport	Cancellation Reason
2									
3									
4									
5									
6									
7									
8									
9									

Column Name	Required	Description
Original Rot Application ID	Yes	Unique application identifier
Directive Number/IRP3e	Yes	ROT directive number
Tax Reference No.	Yes	Taxpayer reference
ID No.	Yes (if no Passport)	Identity number
Fund No.	No	Fund number (if applicable)
FSCA Registered Insurer No.	Yes (if no FSCA Registration No.)	FSCA registered insurer number (if applicable)
FSCA Registration No.	Yes (if no FSCA Registered Insurer No.)	FSCA registration number (if applicable)
Other ID No. e.g. (Passport)	Yes (if no ID No.)	Passport number (if applicable)
Cancellation Reason	Yes	Reason code (1-13) - Select from dropdown
Cancellation Reasons:		
01 - Incorrect Date of accrual		
02 - Incorrect FSCA Number		
03 - Incorrect PAYE Number		
04 - Incorrect Tax Reference Number		
05 - Incorrect ID, Other ID or Passport Number		
06 - Incorrect Application Reason (should include Sec14 transfers)		
07 - Incorrect Tax Year		
08 - Incorrect Amount		
09 - Duplicate Application		
10 - Carry-over amount not considered		
11 - Carry-over amount incorrectly used		
12 - Incorrect date of birth used where passport number is used, no ID number		
18 - Members' instructions were not followed correctly		
19 - Fraud		

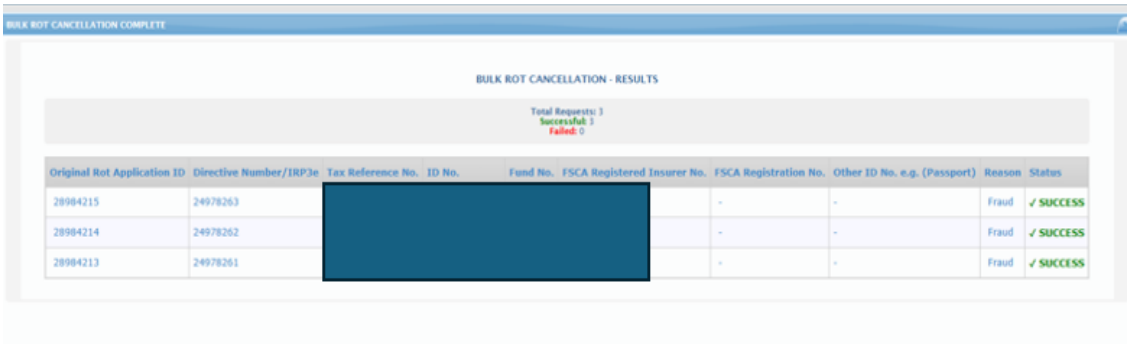
A) Once the file is uploaded, the requestor must select the ROTs to be cancelled, provide the reason for the cancellation and click on the 'Cancel ROTS' button; and



B) Click 'Yes' to the question 'Do you want to proceed'?



C) The system will display a cancellation message to confirm that the ROT's have been cancelled; and



D) A file will be generated with the details of the cancelled ROTs.

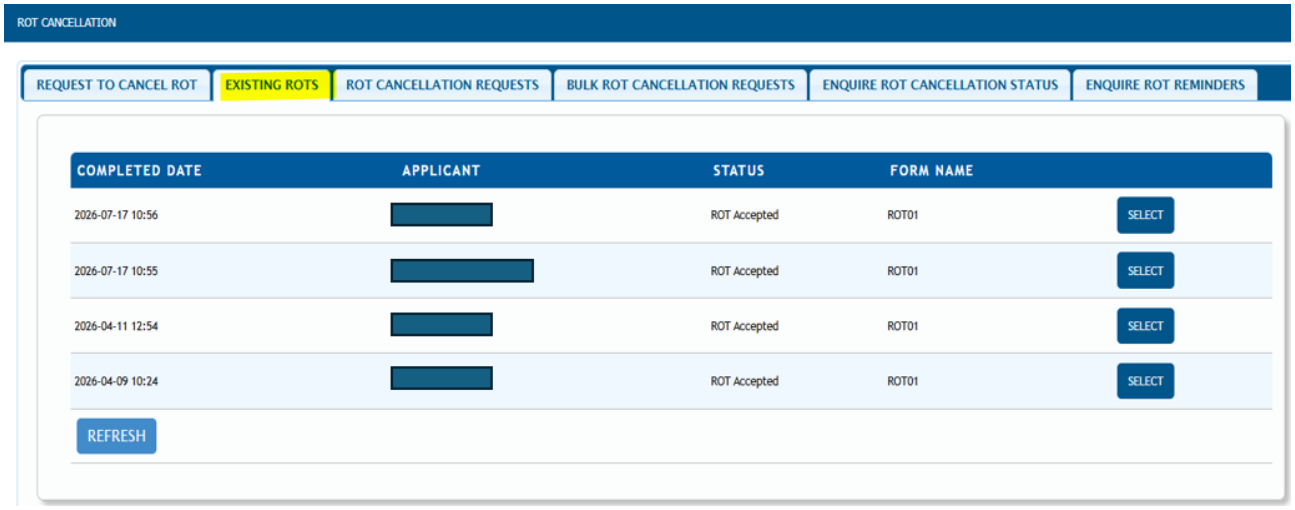


b) To verify that an ROT has been successfully cancelled, the requestor must navigate to the 'Existing ROT' tab. Click on the refresh button to display the most recent status update.

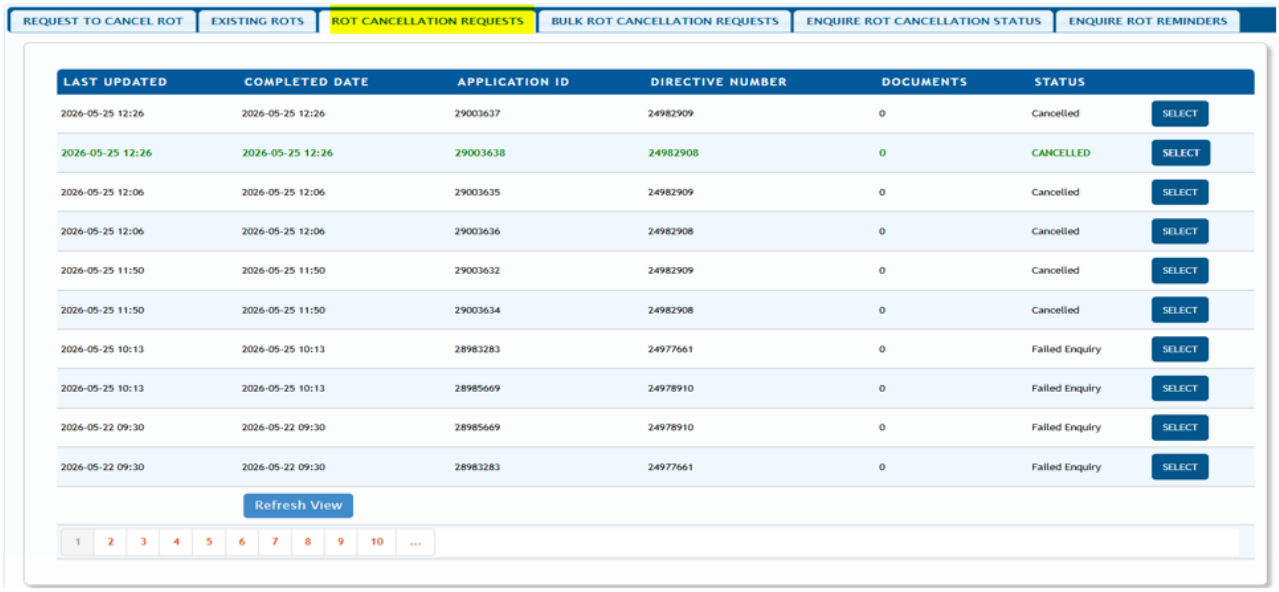
5.1.3 Enquiry functions

a) *'Existing ROTS'* – can only be accessed by the Fund Administrator / Long-term Insurer who has submitted the ROT through SARS eFiling. A list of the ROT's submitted will be displayed and the

requestor can select the ROT to be cancelled. Once selected the requestor can review the information relating to the ROT to be cancelled, thereafter select the function '*Request to Cancel ROT'*.

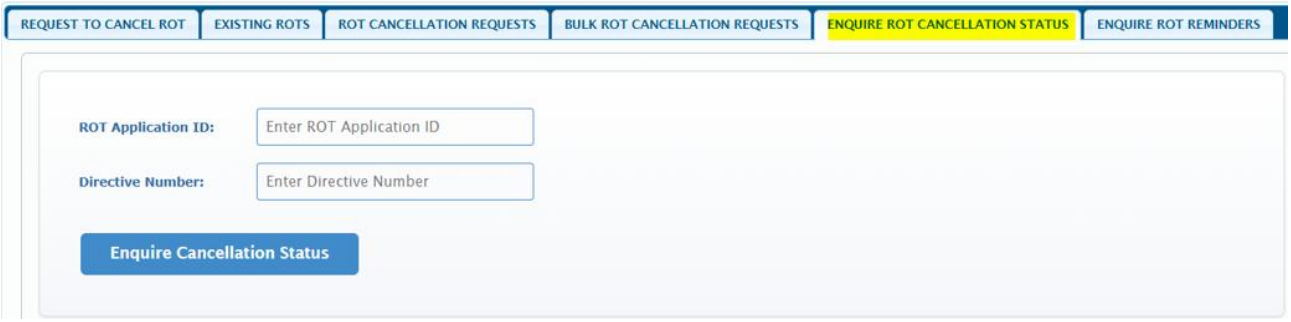


b) *'ROT Cancellation Request'* – Use this function to determine the status of the request to cancel an ROT.

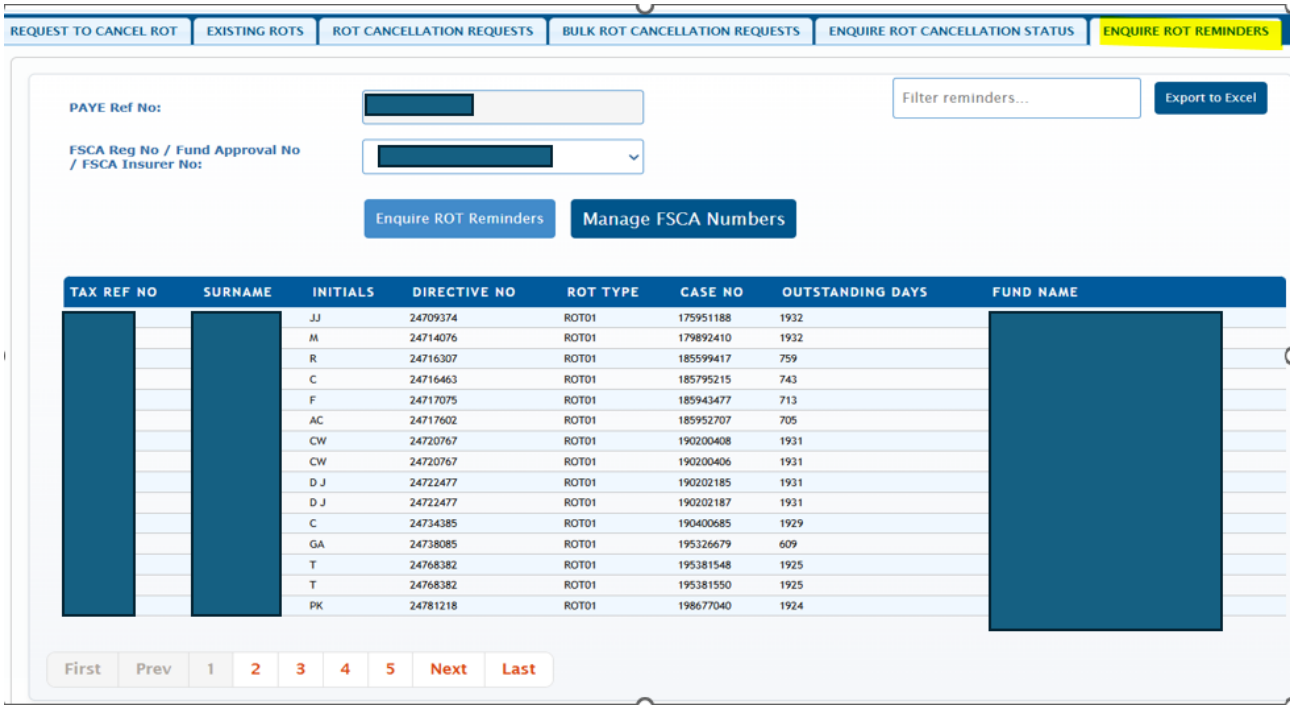


i) Below are a list of possible statuses and the relevant explanation:
   A) If the status is '*Failed Enquiry'*, either the incorrect '*Application ID'* or *'Directive number'* was provided.
   B) The status *'Cancelled'* indicates the request was successful and the ROT was cancelled.
   C) If the status is *'Declined'*, click on the *'SELECT'* button to view the reason for decline.
   D) If the status is '*In Progress',* the request is still under review and has not been finalised yet.

c) *Enquire ROT Cancellation Status'* – the requestor will use this option to confirm that the ROT has been cancelled.



d) *'Enquire ROT Reminders'* – the requestor must use this function to enquire on ROT Reminders issued by SARS.



6 REFERENCES

6.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation, Rules, Regulations and Interpretation Notes administered by SARS	Income Tax Act No. 58 of 1962: Sections 1, 5(10) and 11F, 99, Second Schedule, Fourth Schedule paragraphs 2(1) and 9(3), General Notes and Retirement Fund Practice Notes
Other Legislation	Pension Funds Act No. 24 of 1956: Basic Conditions of Employment Act No. 75 of 1997: Section 44 Immigration Act, No 13 of 2002 Promotion of Administrative Justice Act No. 3 of 2000 Protection of Personal Information Act No. 4 of 2013 Promotion of Access to Information Act No. 2 of 2000
International Instruments	Double Tax Agreements

6.2 Cross References

DOCUMENT NUMBER	DOCUMENT TITLE
IT-AE-41-G02	Guide to Complete the Tax Directive Application Forms – External

6.3 Quality Records

NUMBER	TITLE
Form A&D	Request for Tax Deduction Directive Pension and Provident Funds – External Form
Form B	Request for Tax Deduction Directive Pension and Provident Funds – External Form
Form C	Request for Tax Deduction Directive Retirement Annuity Funds – External Form
Form E	Tax Deduction Directive After Retirement and Death Annuity Commutations –External Form
ROT01	Recognition of Transfer. To be submitted where a benefit was transferred from one approved Fund or public sector Fund to another approved or public sector Fund. The Receiving Fund must sign the manual document to be a valid document or confirm electronically the receipt of the lump sum benefit.
ROT02	Recognition of purchase of a member / beneficiary owned pension / annuity purchased from a Long-term Insurer. To be submitted where a member / beneficiary chooses to purchase an annuity from an instead of the Fund providing the annuity. The Long-term Insurer must sign the manual document to be a valid document or confirm electronically the receipt of the benefit.

7 DEFINITIONS AND ACRONYMS

a) Glossary A-M | South African Revenue Service (sars.gov.za)

The information contained in this guide is intended as guidance only and is not considered to be a legal reference, nor is it a binding ruling. The information does not take the place of legislation and readers who are in doubt regarding any aspect of the information displayed in the guide should refer to the relevant legislation or seek a formal opinion from a suitably qualified individual.

For more information about the contents of this publication, you may:

i) Visit the SARS website at www.sars.gov.za.
ii) Make a booking to visit the nearest SARS branch.
iii) Contact your own Customs agent / Excise representative / tax advisor / tax practitioner.
iv) If calling from within South Africa, contact the SARS Contact Centre on 0800 00 SARS (7277); or
v) If calling from outside South Africa, contact the SARS Contact Centre on +27 11 602 2093 (only between 8am and 4pm South African time).