



OLD MUTUAL

EMPLOYEE GROUP IN SUPERFUND



Don't overwhelm yourself with impossible retirement savings goals - 1% can make a huge difference!

We know that increasing your contribution rate isn't easy, especially when times are tough but a small sacrifice now can make a big difference to your retirement savings.

As a member of OMEGS, you have the opportunity to Increase your contribution rate before 15 July 2019.

Save more and reduce your tax bill

Cindy does not have much disposable income but she believes that by making small sacrifices she will be able to increase her contribution by 1% this year.



Meet Cindy

Pensionable salary (TGP) **R35 000**

15 years left until retirement

Increases contribution by **1%**

*Additional **1% (R350)** will increase her retirement savings by **R92 858** over the next **15** years.

***Assumptions: 0% salary growth, 5% earnings per year, administration costs and other expenses have not been taken into account.**

In addition to this great enhancement to her retirement savings, **Cindy will also gain the extra benefit of a tax saving.** You will remember that with effect from March 2016, retirement fund contributions are tax deductible up to 27.5% of the greater of your remuneration or taxable income (annual tax deductions are limited to R350 000).

In a nutshell, Cindy will be saving R350 extra each month but the net impact on her take home pay will only be R242.

That's the **true power** of **compound interest!**

As you can see, a little can indeed go a long way!

"Compound interest is the eighth wonder of the world. He who understands it, earns it; he who doesn't, pays it,"
Albert Einstein

Four simple steps to increase your contribution rate - closing date 15 July 2019

Step 1:



Log on to [Oracle HRMS](#) and select My Self Service (ZA)

Step 2:



Click on Remuneration Package Structuring under My Self Service

Step 3:



Select Update Benefits and choose the % contribution you want to contribute (Retirement Selection Employee)

Step 4:



Click on the Submit button and then the Finish button to ensure that your choice has been saved. A confirmation message will appear on the screen.

Note:



The Employer contribution is added to your Employee contribution - you can [read more](#) about how your OMEGS contributions work on the OMEGS website.