

Why retirement planning is your **smartest tax move**

Retirement planning comes with tax benefits - but what does this mean?

Let's break it down with a practical example.
By investing in a retirement plan, you can get tax deductions now, while growing your retirement savings, tax-free.



Claim up to 27.5% of your taxable income or remuneration (max R350,000) every tax year*

If, for example, you earn R600,000 a year and contribute R165,000 (27.5%) into a retirement plan, you can **deduct the full R165,000** from your taxable income.

This means SARS only calculates your tax on the R435,000 (the R165,000 grows tax-free until retirement).



*Tax deduction limits are permitted every tax year as set out in Section 11F of the Income Tax Act.



Grow your retirement savings tax-free

Now imagine that R165,000 stays invested for 20 years with an average yearly return of 8%.

Because the growth is tax-free, your investment grows to R769,000 - and you **don't pay any tax** on interest, dividends or capital gains during that time.*

*This example is for illustrative purposes only and should not be considered financial, tax or investment advice.

Choose a retirement plan that suits your needs

There are many ways to invest to secure your financial future in retirement.

The right retirement plan should fit your lifestyle and goals. That's where a financial adviser comes in: helping you explore the choices and design a retirement strategy that works for you.



Ready to make your smartest tax move before 28 February 2026?

Contact your financial adviser today for more information.



Savings tip

If you get a bonus or tax refund before year-end, you can use this as an opportunity to kickstart or boost your retirement savings journey.

Enhanced retirement savings with Discovery Invest

Our retirement plans are designed to help you create financial independence in retirement by rewarding you for healthy investment behaviours. By investing longer, investing more, living well and withdrawing wisely, you can be rewarded with boosts.

[View our retirement plans](#)

[View our current offers](#)

This document is meant only as information and should not be taken as financial advice. For tailored financial advice, please contact your financial adviser. Discovery Life Investment Services (Pty) Limited, registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. All life insurance products are underwritten by Discovery Life Limited, registration number: 1966/003901/06, a licensed life insurer and an authorised financial services provider and registered credit provider, NCR registration number NCRC3555. All boosts are offered through the insurer, Discovery Life Limited. The insurer reserves the right to review and change the qualifying requirements for boosts at any time. Product rules, terms and conditions apply.