

# TAX CHRONOLOGY OF SOUTH AFRICA: 1979–2021

April 2021



SOUTH AFRICAN RESERVE BANK



A purposeful journey



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Public Finance Unit

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# Tax Chronology

## 1. Basis of the South African tax system

### 1.1 Introduction

This publication covers the period 1979 to 2021, and provides an overview of the current and historical rates for various taxes, duties and levies collected by the South African Revenue Service (SARS). For the most important types of taxes, the coverage goes back to 1979, but for the less important ones, only a more recent subset is covered. While care has been taken in the preparation of this supplement to ensure that the rates published at the date of publication are correct, minor errors may have occurred. The contents are intended for general information purposes and research only, and are not intended to serve as financial or other advice.

This publication will not be published in hard-copy format but will be published on the South African Reserve Bank's (SARB) website.

### 1.2 Source-based income tax before 2001

This is a tax system where income is taxed in the country where it originates. Its point of departure is that, irrespective of residence, any person who derives income in a country should contribute to the cost of rendering public services in that country. This shift was intended to bring South Africa closer to internationally accepted tax principles and to neutralise tax avoidance schemes.

### 1.3 Residence-based income tax from 2001 onwards

Residents of a country are taxed on their income, irrespective of where in the world that income is earned, and non-residents are only subject to tax on domestic-source income. This dispensation commenced on 1 January 2001.

## 2. Taxes on income, profits and capital gains

### 2.1 Persons and individuals\*

Table 2.1.1 Marginal tax rates applicable to the top income group

Period	Top income group starts at an annual income of: (Rand)	Marginal rate (per cent)	
		Married	Single
1961/62 – 1968/69 .....		50	50
1969/70 – 1970/71 .....		45	45
1971/72 – 1978/79 .....		60	60
1979/80 .....		55	55
1980/81 – 1981/82 .....		50	50
1982/83 .....		50	50
1983/84 – 1986/87 .....		50	50
1987/88 – 1989/90 .....		45	45
1990/91 .....		44	44
1991/92 – 1994/95 .....		43	43
1995/96 – 1999/2000 .....		45	45
2000/01 – 2001/02 .....		42	42
2002/03 – 2014/15 .....		40	40
2015/16 .....	701 301*	41	41
2016/17 .....	701 301*	45	45
2017/18 .....	1 500 001*	45	45
2018/19 .....	1 500 001*	45	45
2019/20 .....	1 500 001*	45	45
2020/21 .....	1 577 301*	45	45
2021/22 .....	1 656 601*	45	45

\* Annexure AQ: Taxable income level at which the maximum marginal rate kicks in (R per annum)





Table 2.1.2 Personal income tax rate and bracket adjustments

2020/21		2021/22	
Taxable income (annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
R1 – R205 900	18% of each R1	R0 – R216 200	18% of each R1
R205 901 – R321 600	R37 062 plus 26% of the amount above R205 900	R216 201 – R337 800	R389 916 plus 26% of the amount above R216 200
R321 601 – R445 100	R67 144 plus 31% of the amount above R321 600	R337 801 – R467 500	R70 532 plus 31% of the amount above R337 800
R445 101 – R584 200	R105 429 plus 36% of the amount above R445 100	R467 501 – R613 600	R110 739 plus 36% of the amount above R467 500
R584 201 – R744 800	R155 505 plus 39% of the amount above R584 200	R613 601 – R782 200	R163 335 plus 39% of the amount above R613 600
R744 801 – R1 577 300	R218 139 plus 41% of the amount above R744 800	R782 201 – R1 656 600	R229 089 plus 41% of the amount above R782 200
R1 577 301 and above	R559 464 plus 45% of the amount above R1 577 300	R1 656 601 and above	R587 593 plus 45% of the amount above R1 656 600
<b>Rebates</b>		<b>Rebates</b>	
Primary	R14 958	Primary	R15 714
Secondary	R8 199	Secondary	R8 613
Tertiary	R2 736	Tertiary	R2 871
<b>Tax threshold</b>		<b>Tax threshold</b>	
Below age 65	R83 100	Below age 65	R87 300
Age 65 and over	R128 650	Age 65 and over	R135 150
Age 75 and over	R143 850	Age 75 and over	R151 100

To ensure that the direct personal income tax (PIT) burden on individuals remains reasonable, PIT brackets and rebates are adjusted to take into account inflation or 'bracket creep', and occasionally also to provide limited real tax relief. In addition to the primary and secondary rebates, a third rebate was introduced for taxpayers of 75 years and older from 1 March 2011.

From 1 March 2015, a natural person of any age was exempt from provisional tax if:

- he/she did not carry on any business;
- his/her taxable income was below the tax threshold; or
- his/her taxable income derived from interest, foreign dividends and rental from fixed property did not exceed R30 000.

The 2017 Budget introduced a new top PIT bracket of 45% for taxable incomes above R1.5 million, effective from 1 March 2017.

The 2019 Budget announced that the primary, secondary and tertiary rebates would be increased by 1.1%, providing relief for inflation. However, for the first time since 1990, PIT brackets were not changed.

The 2020 Budget outlined that the main tax proposal would include PIT relief through inflation adjustments in all tax brackets. The PIT brackets as well as the primary, secondary and tertiary rebates were increased by 5.2% for 2020/21, which was above the expected inflation of 4.4%. The change in the primary rebate increased the tax-free threshold from R79 000 to R83 100.

The 2021 Budget proposed an above-inflation increase of 5% in PIT brackets and rebates, while withdrawing the previously announced tax increases of R40 billion over the next four years.

#### COVID-19 provisional tax relief

A qualifying taxpayer may defer 35% of the provisional tax payable in respect of the second provisional tax payment due between 1 April 2020 and 31 March 2021. The deferred amount must be paid as a third payment which would be due on 30 September 2021 for taxpayers with a February year end or within six months of the year end for other taxpayers. To be regarded as a qualifying taxpayer, the taxpayer must conduct a trade during the year of assessment ending on or after 1 April 2020, and before 1 April 2021 with gross income not exceeding R100 million during that year of assessment. The gross income must not include more than 20% in aggregate of the rental from letting of fixed property (unless that is the taxpayer's primary trading activity), interest, dividends, foreign dividends, royalties, annuities and remuneration. The taxpayer must be tax compliant when making the reduced payment.



## 2.1.1 Interest and dividend income exemption

Table 2.1.1.1 Interest and dividend income exemption

Fiscal year	Under 65 years	65 years and over
Pre-2000 .....	R2 000	R2 000
<i>Budget Review 2000*</i> .....	R3 000	R4 000
<i>Budget Review 2001*</i> .....	R4 000	R5 000
<i>Budget Review 2002*</i> .....	R6 000	R10 000
<i>Budget Review 2003*</i> .....	R10 000	R15 000
<i>Budget Review 2004*</i> .....	R11 000	R16 000
<i>Budget Review 2005*</i> .....	R15 000	R22 000
<i>Budget Review 2006*</i> .....	R16 500	R24 500
<i>Budget Review 2007*</i> .....	R18 000	R26 000
<i>Budget Review 2008*</i> .....	R19 000	R27 500
<i>Budget Review 2009*</i> .....	R21 000	R30 000
<i>Budget Review 2010*</i> .....	R22 300	R32 000
<i>Budget Review 2011*</i> .....	R22 800	R33 000
<i>Budget Review 2012*</i> .....	R22 800	R33 000
<i>Budget Review 2013*</i> .....	R22 800	R33 000
<i>Budget Review 2014*</i> .....	R23 800	R34 500
<i>Budget Review 2015*</i> .....	R23 800	R34 500
<i>Budget Review 2016*</i> .....	R23 800	R34 500
<i>Budget Review 2017*</i> .....	R23 800	R34 500
<i>Budget Review 2018*</i> .....	R23 800	R34 500
<i>Budget Review 2019*</i> .....	R23 800	R34 500
<i>Budget Review 2020*</i> .....	R23 800	R34 500
<i>Budget Review 2021*</i> .....	R23 800	R34 500

\* Effective from 1 March following the Budget announcement

As from 1 March 2010, the exemption applicable to foreign interest and foreign dividend income was increased from R3 500 per annum to R3 700 per annum. From 1 March 2012, this exemption was repealed.

For the first time, tax expenditure estimates were published for the participation exemption for foreign dividends and the sale of equity shares, which had been effective since March 2012 through section 10B of the Income Tax Act 58 of 1962.

Withholding tax on dividends took effect on 1 April 2012, replacing the secondary tax on companies (STC). The introduction of the tax corrected the impression that a tax on dividends was another tax on businesses. Legally and economically, dividend tax is a tax on individuals and non-resident shareholders. (Refer to company tax on pages 9 and 10.)

Table 2.1.1.2 Withholding tax on dividends\*

	Rate (Per cent)
<i>Budget Review 2012</i> .....	15
<i>Budget Reviews 2013–2016</i> .....	15
<i>Budget Reviews 2017–2021</i> .....	20

\* Effective from 1 March following the Budget announcement

Effective from 1 March 2015, the following applied:

- Taxpayers who were 65 years old and older were required to pay provisional tax.
- Individuals who were 65 years old and older were exempt from provisional tax if they were not company directors and only received employment income, interest, rental income or dividends amounting to a taxable income of up to R80 000 per annum. The threshold was then increased to R120 000.

Effective from 1 March 2017, the dividend withholding tax was increased from 15% to 20%.





## 2.1.2 Discontinuation of the standard income tax on employees system

The standard income tax on employees (SITE) system was introduced in March 1988 for the tax year 1988/89 to limit the number of personal income tax returns filed annually, freeing resources to deal with more complicated returns. Government repealed SITE with effect from 1 March 2011, and it was systematically phased out from the 2012 to 2014 tax years. It was totally abolished with effect from 1 March 2013.

## 2.1.3 Exchange controls

Following the announcement by the Minister of Finance in the 2014 Budget Speech, the SARB streamlined the Exchange Control Rulings and the *Exchange Control Manual*, which documents were withdrawn on 1 August 2016 and replaced by the Currency and Exchanges Manual for Authorised Dealers and the Currency and Exchanges Manual for Authorised Dealers in Foreign Exchange with Limited Authority. These manuals contain the permission and conditions applicable to transactions in foreign exchange that may be undertaken by authorised dealers and authorised dealers in foreign exchange with limited authority and/or on behalf of their clients in terms of Exchange Control regulation 2(2), as well as details of related administrative responsibilities and the reporting requirements for cross-border transactions. The manuals must be read in conjunction with the Exchange Control Regulations.

### Foreign investments by private individuals

- From 15 February 2006, the foreign capital allowance for individuals was increased from R750 000 to R2 million per person. From 27 October 2009, the R2 million was increased to R4 million. From 1 April 2015, the R4 million was increased to R10 million per annum. A duly completed Tax Compliance Status (TCS) PIN letter, issued by SARS, must be presented to an authorised dealer (i.e. a commercial bank) prior to authorising the transaction.
- The Financial Surveillance Department (FinSurv) of the SARB considers applications by private individuals who wish to invest in different asset classes offshore in excess of the above-mentioned allowance. Private individuals wishing to use this dispensation must first approach SARS to obtain a TCS PIN letter, in the prescribed format, which must accompany their application, and be submitted by an authorised dealer to FinSurv for consideration.
- Authorised dealers must also view a TCS PIN letter, issued by SARS, where a resident, who is temporarily abroad, uses the R10 million foreign capital allowance dispensation.

### Emigration

- From 15 February 2006, private individuals emigrating to any country outside of the Common Monetary Area qualified, at the time of emigration, for a foreign capital allowance of R2 million per private individual and R4 million per family unit. This allowance was increased to R4 million and R8 million respectively from 27 October 2009, and from 5 November 2010 the one-off limit was replaced with an annual limit. From 1 April 2015, the limits were increased to R10 million per private individual and R20 million per family unit per calendar year.
- All emigration applications had to be accompanied by a duly completed Tax Clearance Certificate and later, a TCS PIN letter, issued by SARS, which had to be presented to an authorised dealer.
- The concept of emigration as recognised by the SARB has been phased out with effect from 1 March 2021, and has been replaced by a verification process based on the requirements below.
- Authorised dealers may, on confirmation that a private individual has cleared his/her tax residency status with SARS, allow the transfer of assets abroad, subject to tax compliance.
- For transfers of up to R1 million per individual per calendar year, authorised dealers may transfer funds offshore without the requirement to obtain a TCS PIN letter.
- In addition to the transfers mentioned above, authorised dealers may allow the transfer of a total amount of up to R10 million per private individual per calendar year, who ceases to be a resident for tax purposes in South Africa and is 18 years old and older, provided that the individual is tax-compliant and submits the applicable TCS PIN letter for verification.
- South African non-tax residents who transfer more than R10 million offshore are subject, initially, to a more stringent verification process by SARS; as well as a subsequent approval process from the FinSurv. Such transfers will trigger a risk management test that will, among other things, include a verification of the tax status and the sources of funds, and will



risk-assess the private individual in terms of the anti-money laundering and countering terror financing requirements, as prescribed in the Financial Intelligence Centre Act, 2001 Act 38 of 2001.

- With regard to the above, it is imperative that the application to the FinSurv is accompanied by, among other things, a TCS PIN letter that will contain the tax number and TCS PIN to verify the taxpayer's tax compliance.
- Under the new framework, natural person emigrants and natural person residents will be treated identically.
- The current process of controlling or blocking an emigrant's remaining assets in a special 'blocked funds account' will fall away, and all transfers from these accounts will be handled as normal fund transfers in line with any other foreign capital allowance transfer.

## Exchange control amnesty

- South Africa has on three occasions announced a dispensation that allowed South African residents to disclose their unauthorised foreign assets held in contravention of the Exchange Control Regulations and certain Tax Acts.
- This dispensation was made available through the 2003 amnesty process, the 2010 Voluntary Disclosure Programme (VDP) and the 2016 Special Voluntary Disclosure Programme (SVDP). The 2016 SVDP came about as a result of a new global common reporting standard for the automatic exchange of tax and financial information on a global level between authorities, which came into effect in late 2017. To encourage compliance, the South African government proposed an SVDP for resident individuals and entities.
- All three opportunities for disclosure involved the regularisation of exchange control and tax affairs.
- Specific amnesty legislation (Exchange Control Amnesty and Amendment of Taxation Laws Act 12 of 2003) was enacted to give effect to the 2003 amnesty process. The 2003 amnesty process was a joint exchange control and related tax amnesty, while the 2010 VDP process and 2016 SVDP process were administered separately by the exchange control authorities and the tax authorities respectively. The 2010 Tax VDP and the Exchange Control (Excon) VDP were implemented by way of ministerial approval. On 1 November 2010, Exchange Control Regulation 24 was promulgated to enable FinSurv to proceed with administering the Excon VDP and the subsequent Excon SVDP.

### 2.1.4 Encouragement to take out medical scheme membership

From 1 March 2006, the following arrangements applied:

- A monthly monetary cap that took into account the number of beneficiaries covered by medical scheme membership replaced the two-thirds tax-free provision.
- The threshold for individual tax-deductible medical expenses increased from 5% to 7.5% of income.
- Taxpayers 65 years old and older continued to enjoy full deduction for all medical expenses.

Table 2.1.4.1 Medical deductions

Effective date	For each of the first two beneficiaries	For each additional beneficiary
01/03/2007 .....	R500 to R530	R300 to R320
01/03/2008 .....	R530 to R570	R320 to R345
01/03/2009 .....	R570 to R625	R345 to R380
01/03/2010 .....	R625 to R670	R380 to R410
01/03/2011 .....	R670 to R720	R410 to R440
01/03/2012 (medical tax credit) .....	R216 to R230	R144 to R154
01/03/2013 .....	R230 to R242	R154 to R162
01/03/2014 .....	R242 to R257	R162 to R172
01/03/2015 .....	R257 to R270	R172 to R181
01/03/2016 .....	R270 to R286	R181 to R192
01/03/2017 .....	R286 to R303	R192 to R204
01/03/2018 .....	R303 to R310	R204 to R209
01/03/2019 .....	R303 to R310	R204 to R209
01/03/2020 .....	R310 to R319	R209 to R215
01/03/2021 .....	R319 to R332	R215 to R224





Effective from 1 March 2012, the following applied:

- Medical deductions were converted to medical tax credits.
- Income tax deductions for medical scheme contributions for taxpayers below the age of 65 years old were converted into tax credits.

Effective from 1 March 2015, the following applied:

- All medical expenses for all taxpayers (below the age of 65 years old and 65 years or older) were converted into tax credits.

Medical credits were introduced in 2012/13 to replace income tax deductions for medical scheme contributions. The *2018 Budget Review* announced that medical tax credits would be increased below the rate of inflation over a three-year period to help fund the roll-out of a National Health Insurance programme. There would, however, be no change in the monthly medical tax credit for medical scheme contributions in 2019 as announced in the *2019 Budget Review*. The increases in the medical tax credits that were indicated in the February 2020 Budget increased the tax credit by 2.8%, in line with the announcement in the *2018 Budget Review*. The *2021 Budget Review* announced that an inflationary adjustment would apply to the value of medical tax credits.

## 2.1.5 Motor vehicle allowance

From 1 March 2005, the deemed method for calculating fixed business travel cost was adjusted by introducing a residual value element and by capping the maximum car value at R360 000. The revised tables assumed that vehicles that were five years old commonly had a 30% residual value.

The deemed private kilometres were increased from 14 000 to 16 000 on 1 March 2005, and to 18 000 on 1 March 2006.

From 1 March 2006, the percentage of the monthly motor vehicle allowances subject to tax was increased from 50% to 60%.

From 1 March 2009, this percentage was increased from 60% to 80%.

From 1 March 2010, the deemed business kilometres procedure was scrapped. A logbook was introduced for actual business kilometres travelled to record the beginning and end readings of each trip. From 1 March 2014, the maximum car value was fixed at R560 000.

### Company cars

In order to pre-empt a switch from travel allowance arrangements to company cars over the short to medium term, from 1 March 2006 the deemed value of a company car was increased from 1.8% per month of the car's value to 2.5% per month. The deemed value of a second or additional company car remained at 4% per month.

The deemed maintenance and fuel costs were adjusted to reflect the latest applicable average running cost rates for motor vehicles.

For value-added tax (VAT) purposes, the value for the deemed supply of the right of use of a motor vehicle was determined by applying a percentage to the determined value of the vehicle.

The company car fringe benefit rules were tightened by increasing the deemed monthly taxable values to limit the potential abuse of company car fringe benefits. With effect from 1 March 2011, the vehicle fringe benefit changed to 3.5% for a company car without a maintenance plan and to 3.25% for a company car with a maintenance plan.

The use of a company car by an employee is a taxable fringe benefit based on the market value of the vehicle. To align the treatment of company car fringe benefits for all employees, government introduced a requirement that the actual retail market value be used in all cases.

## 2.1.6 Employee-related fringe benefits

Employer contributions are deemed to be a fringe benefit in the hands of the employee. Both employee and employer contributions are then deductible, up to a limit, for income tax purposes by the employee.

The employee accommodation threshold was increased from R59 750 to R63 556 per annum with effect from 1 March 2012. The accommodation threshold was further increased as follows:

- From R63 556 to R67 111 on 1 March 2013; and
- From R67 111 to R70 700 on 1 March 2015.



## 2.1.7 Retrenchment package merger

The R30 000 income tax exemption for retrenchment packages had not been adjusted for many years. From 1 March 2011, the R30 000 exemption was repealed.

The above repealed exemption was merged into the retirement lump-sum tax exemption, resulting in all retirement and retrenchment lump-sum payments being treated equally.

## 2.1.8 Pre-retirement lump-sum taxation

Pre-retirement lump-sum taxation came into effect on 1 March 2009 and remained the same up until 2014/15, whereafter it remained unchanged as from 2015/16.

Table 2.1.8.1 Pre-retirement lump-sum taxation

2020/21		2021/22	
Taxable income (R per annum)	Rate of tax	Taxable income (R per annum)	Rate of tax
R0 – R25 000	0% of taxable income	R0 – R25 000	0% of taxable income
R25 001 – R660 000	18% of taxable income above R25 000	R25 001 – R660 000	18% of taxable income above R25 000
R660 001 – R990 000	R114 300 plus 27% of taxable income above R660 000	R660 001 – R990 000	R114 300 plus 27% of taxable income above R660 000
R900 001 and above	R203 400 plus 36% of taxable income above R990 000	R900 001 and above	R203 400 plus 36% of taxable income above R990 000

## 2.1.9 Tax on income of retirement funds

Retirement fund tax on interest and rental income of such funds was introduced in 1996 and abolished with effect from 1 March 2007.

Withholding taxes on lump-sum retirement payments to persons with a taxable income of less than R43 000 was abolished with effect from March 2007.

From March 2008, the taxation of other withdrawals from retirement funds was also simplified. From 1 March 2015, retirement fund members were able to defer the drawing of their retirement income until after their retirement date.

Table 2.1.9.1 Retirement funds

Year of assessment ending during the period:	Rate of normal tax on taxable income (Per cent)
01/03/1996 – 28/02/1997.....	17
01/03/1997 – 28/02/1998.....	17
01/03/1998 – 28/02/1999.....	25
01/03/1999 – 29/02/2000.....	25
01/03/2000 – 28/02/2001.....	25
01/03/2001 – 28/02/2002.....	25
01/03/2002 – 28/02/2003.....	25
01/03/2003 – 29/02/2004.....	18
01/03/2004 – 28/02/2005.....	18
01/03/2005 – 28/02/2006.....	18
01/03/2006 – 28/02/2007.....	9

**Note:**

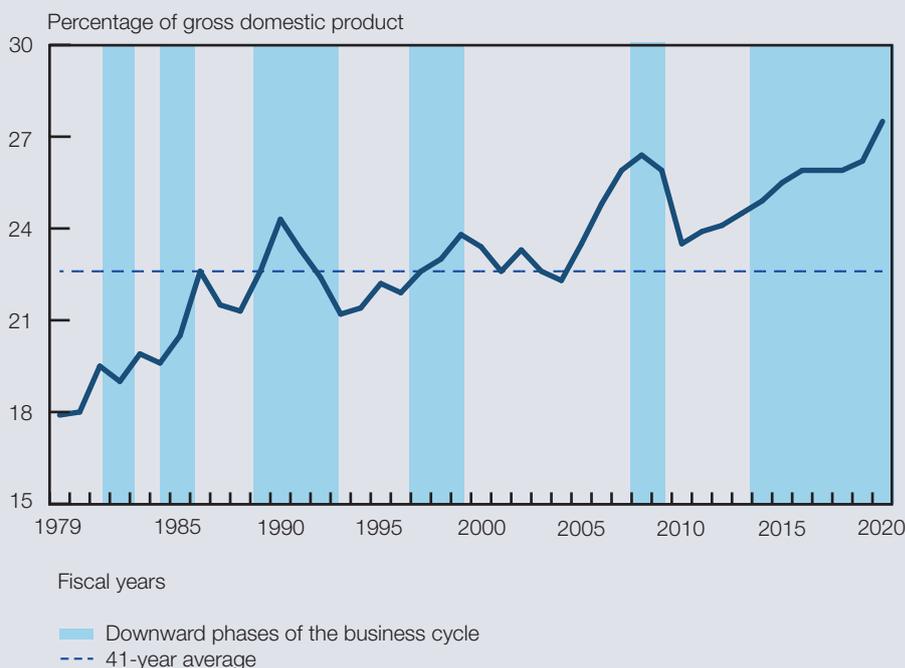
Tax on retirement funds was abolished with effect from 1 March 2007.





Taken as a proportion of gross domestic product, tax revenue fluctuated higher around its long-term average of 22.6% between 1985 and 2004. Since 2005, it has consistently exceeded the average.

### National government total gross tax revenue



## 2.1.10 Taxation of lump sums upon retirement

From March 2011, government increased the tax-free lump-sum benefit upon retirement from R300 000 to R315 000.

Table 2.1.10.1 Taxation of lump sums upon retirement

Taxable lump sum	Rate of tax (2011/12)
R0 – R315 000.....	0% of amount
R315 001 – R630 000.....	R0 plus 18% of amount exceeding R315 000
R630 001 – R945 000.....	R56 700 plus 27% of amount exceeding R630 000
R945 001 and above.....	R141 750 plus 36% of amount exceeding R945 000

Taxable lump sum	Rate of tax (2021/22)
R0 – R500 000.....	0% of amount
R500 001 – R700 000.....	R0 plus 18% of amount exceeding R500 000
R700 001 – R1 050 000 .....	R36 000 plus 27% of amount exceeding R700 000
R1 050 001 and above .....	R130 500 plus 36% of amount exceeding R1 050 000

Lump-sum withdrawals upon retirement from pension and retirement annuity funds are restricted to a maximum of one-third of accumulated savings. A uniform approach to retirement fund withdrawals was legislated in 2013, to be effective from 1 March 2016. This date has now been deferred.

Divorce settlement payments made by retirement funds are now taxable in the hands of the non-member spouse.

From 1 March 2012, the clean-break principle applied fully to the overall tax treatment of all retirement benefits paid out as a result of a divorce order.



## 2.1.11 Tax-free savings accounts

To encourage greater savings among South Africans, the *2012 Budget Review* proposed the tax-preferred savings and investment accounts as alternatives to the current tax-free interest-income caps. This will encourage a new generation of savings products. Returns generated within these savings and investment vehicles (including interest, capital gains and dividends) and withdrawals will be tax-exempt. Aggregate annual contributions could be limited to R30 000 per year per taxpayer, with a lifetime limit of R500 000, to ensure that high net-worth individuals do not benefit disproportionately. Where the annual or lifetime limits are exceeded, a penalty of 40% of the excess capital contributed is imposed.

The *2020 Budget Review* pronounced that the annual limit on contributions to tax-free savings accounts would increase from R33 000 to R36 000 from 1 March 2020. This remained unchanged in the *2021 Budget Review*.

## 2.2 Corporations and other enterprises

Companies include close corporations (Note 1) but exclude companies referred to in 2.2.1 to 2.2.10 for those particular years of assessment.

Table 2.2.1 South African company tax rates

Year of assessment ending during the period:	Rate of normal tax on taxable income	Surcharge	Transitional levy (Note 2)	UPT (Note 3) (Per cent)
01/04/1980 – 31/03/1981.....	40	5	–	33½
01/04/1981 – 31/03/1982.....	40	5	–	33½
01/04/1982 – 31/03/1983.....	42	10	–	33½
01/04/1983 – 31/03/1984.....	42	10	–	33½
01/04/1984 – 31/03/1985.....	50	–	–	33½
01/04/1985 – 31/03/1986.....	50	–	–	33½
01/04/1986 – 31/03/1987.....	50	–	–	33½
01/04/1987 – 31/03/1988.....	50	–	–	33½
01/04/1988 – 31/03/1989.....	50	–	–	33½
01/04/1989 – 31/03/1990.....	50	–	–	33½
01/04/1990 – 31/03/1991.....	50	–	–	–
01/04/1991 – 31/03/1992.....	48	–	–	–
01/04/1992 – 31/03/1993.....	48	–	–	–
01/04/1993 – 31/03/1994.....	40	–	–	–
01/04/1994 – 31/03/1995.....	35	–	5	–
01/04/1995 – 31/03/1996.....	35	–	–	–
01/04/1996 – 31/03/1997.....	35	–	–	–
01/04/1997 – 31/03/1998.....	35	–	–	–
01/04/1998 – 31/03/1999.....	35	–	–	–
01/04/1999 – 31/03/2000.....	30	–	–	–
01/04/2000 – 31/03/2001.....	30	–	–	–
01/04/2001 – 31/03/2002.....	30	–	–	–
01/04/2002 – 31/03/2003.....	30	–	–	–
01/04/2003 – 31/03/2004.....	30	–	–	–
01/04/2004 – 31/03/2005.....	30	–	–	–
01/04/2005 – 31/03/2006.....	29	–	–	–
01/04/2006 – 31/03/2007.....	29	–	–	–
01/04/2007 – 31/03/2008.....	29	–	–	–
01/04/2008 – 31/03/2009.....	28	–	–	–
01/04/2009 – 31/03/2010.....	28	–	–	–
01/04/2010 – 31/03/2011.....	28	–	–	–
01/04/2011 – 31/03/2012.....	28	–	–	–
01/04/2012 – 31/03/2013.....	28	–	–	–
01/04/2013 – 31/03/2014.....	28	–	–	–





Table 2.2.1 South African company tax rates (continued)

Year of assessment ending during the period:	Rate of normal tax on taxable income	Surcharge	Transitional levy (Note 2)	UPT (Note 3) (Per cent)
01/04/2014 – 31/03/2015.....	28	–	–	–
01/04/2015 – 31/03/2016.....	28	–	–	–
01/04/2016 – 31/03/2017.....	28	–	–	–
01/04/2017 – 31/03/2018.....	28	–	–	–
01/04/2018 – 31/03/2019.....	28	–	–	–
01/04/2019 – 31/03/2020.....	28	–	–	–
01/04/2020 – 31/03/2021.....	28	–	–	–
01/04/2021 – 31/03/2022.....	28	–	–	–

**Notes:**

(1) **Close corporations (CCs):** CCs became liable to tax with effect from the 1985 year of assessment.

(2) **Transitional levy:** To finance transitional costs incurred during the 1993 and 1994 transitional process to democracy, a one-off transitional levy was charged during the 1995 year of assessment. This levy was calculated as a certain percentage of taxable income in excess of R50 000 before set-off of any balance of assessed loss brought forward.

(3) **Undistributed profits tax (UPT):** UPT was payable by companies at a rate of 33¼% on the amount by which the distributable profit of a company exceeded the dividends distributed during the specified period relating to the year of assessment. In light of the exemption of income in the form of dividends in the hands of natural persons and CCs, this tax was no longer warranted as from 1 April 1990.

## Secondary tax on companies

STC was payable by a company net dividends declared during the company’s dividend cycle, of which the last cycle ended on 31 March 2012. The STC credits of such a company could be used until 31 March 2015 to ensure that the after-tax profits of a company that were distributed to shareholders, and that were subject to STC, were not also subjected to dividends tax when distributed to shareholders.

### Rate at which STC was levied

Period*	Rate of STC	Period*	Rate of STC
17/03/1993 – 21/06/1994	15%	14/03/1996 – 30/09/2000	12.5%
22/06/1994 – 13/03/1996	25%	01/10/2007 – 31/03/2012	10%

\* Dividends tax replaced STC from 1 April 2012.

## 2.2.1 Mining companies

### 2.2.1.1 Companies mining for gold

These companies are taxed according to one of the ‘gold-mining tax formulas’ listed below.

Table 2.2.1.1 Rate of normal tax on taxable income derived from mining for gold

Year of assessment ending during the period:	Mining company not exempt from STC	Mining company elected to be exempt from STC
01/04/1994 – 31/03/1995.....	$Y = 43 - (215/x)$	$Y = 58 - (290/x)$
01/04/1995 – 31/03/1996.....	$Y = 43 - (215/x)$	$Y = 58 - (290/x)$
01/04/1996 – 31/03/1997.....	$Y = 43 - (215/x)$	$Y = 51 - (255/x)$
01/04/1997 – 31/03/1998.....	$Y = 43 - (215/x)$	$Y = 51 - (255/x)$
01/04/1998 – 31/03/1999.....	$Y = 43 - (215/x)$	$Y = 51 - (255/x)$
01/04/1999 – 31/03/2000.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$
01/04/2000 – 31/03/2001.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$
01/04/2001 – 31/03/2002.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$
01/04/2002 – 31/03/2003.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$
01/04/2003 – 31/03/2004.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$
01/04/2004 – 31/03/2005.....	$Y = 37 - (185/x)$	$Y = 46 - (230/x)$



**Table 2.2.1.1 Rate of normal tax on taxable income derived from mining for gold (continued)**

Year of assessment ending during the period:	Mining company not exempt from STC	Mining company elected to be exempt from STC
01/04/2005 – 31/03/2006.....	$Y = 35 - (175/x)$	$Y = 45 - (225/x)$
01/04/2006 – 31/03/2007.....	$Y = 35 - (175/x)$	$Y = 45 - (225/x)$
01/04/2007 – 31/03/2008.....	$Y = 35 - (175/x)$	$Y = 45 - (225/x)$
01/04/2008 – 31/03/2009.....	$Y = 34 - (175/x)$	$Y = 43 - (225/x)$
01/04/2009 – 31/03/2010.....	$Y = 34 - (170/x)$	$Y = 43 - (215/x)$
01/04/2010 – 31/03/2011.....	$Y = 34 - (170/x)$	$Y = 43 - (215/x)$
01/04/2011 – 31/03/2012.....	$Y = 34 - (170/x)$	$Y = 43 - (215/x)$

In the formula:

$x$  = the ratio, expressed as a percentage, calculated as follows:

$$\frac{\text{Taxable income from gold mining}}{\text{Total revenue (turnover) from gold mining}}$$

and

$y$  = calculated percentage which represents the rate of tax to be levied

Only one formula (see below) was applied from 1 April 2012, as STC was replaced following the introduction of a dividend tax on that date.

Year of assessment ending during the period	Formula
01/04/2012 – 31/03/2013.....	$Y = 34 - (170/x)$
01/04/2013 – 31/03/2014.....	$Y = 34 - (170/x)$
01/04/2014 – 31/03/2015.....	$Y = 34 - (170/x)$

**Table 2.2.1.2 Rate of normal tax on taxable income other than that derived from mining for gold**

Year of assessment ending during the period	Mining company not exempt from STC (Per cent)	Mining company that elected to be exempt from STC (Per cent)
01/04/1994 – 31/03/1995.....	35	48
01/04/1995 – 31/03/1996.....	35	48
01/04/1996 – 31/03/1997.....	35	42
01/04/1997 – 31/03/1998.....	35	42
01/04/1998 – 31/03/1999.....	35	42
01/04/1999 – 31/03/2000.....	30	38
01/04/2000 – 31/03/2001.....	30	38
01/04/2001 – 31/03/2002.....	30	38
01/04/2002 – 31/03/2003.....	30	38
01/04/2003 – 31/03/2004.....	30	38
01/04/2004 – 31/03/2005.....	30	38
01/04/2005 – 31/03/2006.....	29	37
01/04/2006 – 31/03/2007.....	29	37
01/04/2007 – 31/03/2008.....	29	37
01/04/2008 – 31/03/2009.....	28	35
01/04/2009 – 31/03/2010.....	28	35
01/04/2010 – 31/03/2011.....	28	35
01/04/2011 – 31/03/2012.....	28	35

Only one rate (see below) was applied from 1 April 2012, as STC was replaced by the introduction of a dividend tax on that date.





Year of assessment ending during the period	Rate (Per cent)
01/04/2012 – 31/03/2013 .....	28
01/04/2013 – 31/03/2014 .....	28
01/04/2014 – 31/03/2015 .....	28

**Table 2.2.1.3 Companies mining for diamonds**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)	Surcharge (Per cent)
01/04/1983 – 31/03/1984.....	45	15
01/04/1984 – 31/03/1985.....	45	20
01/04/1985 – 31/03/1986.....	45	25
01/04/1986 – 31/03/1987.....	45	25
01/04/1987 – 31/03/1988.....	45	25
01/04/1988 – 31/03/1989.....	45	25

Note:

For years of assessment that ended on or after 1 April 1989, see Table 2.2.1.5 below for the tax rate.

**Table 2.2.1.4 Mining companies (other than companies mining for gold or diamonds)**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)	Surcharge (Per cent)
01/04/1983 – 31/03/1984.....	42	10
01/04/1984 – 31/03/1985.....	50	...
01/04/1985 – 31/03/1986.....	50	15
01/04/1986 – 31/03/1987.....	50	15
01/04/1987 – 31/03/1988.....	50	15
01/04/1988 – 31/03/1989.....	50	15

Note:

For years of assessment that ended on or after 1 April 1989, see Table 2.2.1 on pages 9 and 10 for the tax rate.

**Table 2.2.1.5 Mining companies (including companies mining for diamonds, but excluding companies mining for gold)**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)	Surcharge (Per cent)
01/04/1989 – 31/03/1990.....	50	12
01/04/1990 – 01/03/1991.....	50	9
01/04/1991 – 31/03/1992.....	48	6
01/04/1992 – 31/03/1993.....	48	3

Note:

For years of assessment that ended on or after 1 April 1993, see Table 2.2.1 on pages 9 and 10 for the tax rate.

## 2.2.2 Oil and gas companies

### 2.2.2.1 Rate of normal tax on taxable income derived by an oil and gas company

#### 2.2.2.1.1 For the years of assessment that ended on or after 1 January 1992

The same rate of normal tax applicable to companies is applicable to an oil and gas company on taxable income derived from oil and gas, plus an additional normal tax equal to 40% of the amount remaining after the deduction of the normal tax from such taxable income. The normal tax and the additional normal tax may, however, be reduced in terms of section 5(2A)(b) of the Taxation Laws Amendment Act.



#### **2.2.2.1.2 For years of assessment that commenced on or after 2 November 2006**

(See paragraph 2 of the Tenth Schedule to the Taxation Laws Amendment Act.)

The rate of tax on taxable income derived from oil and gas by an oil and gas company that:

- is a resident (or an oil and gas company which is not a resident that carries on a trade within the Republic of South Africa and which solely derives its income from oil and gas solely by virtue of an OP26 right (as defined in the Mineral and Petroleum Resources Development Act 28 of 2002) previously held by such a company) will not exceed 29%; and
- is not a resident, but carries on a trade within the Republic of South Africa, will not exceed 32% if it solely derives its income from oil and gas by virtue of an OP26 right.

#### **2.2.2.1.3 For years of assessment that ended on or after 1 April 2008**

The rate of tax on taxable income derived from oil and gas by an oil and gas company that:

- is a resident (or an oil and gas company which is not a resident that carries on a trade within the Republic of South Africa and which derives its income from oil and gas solely by virtue of an OP26 right (as defined in the Mineral and Petroleum Resources Development Act 28 of 2002) previously held by such a company) will not exceed 28%; and
- is not a resident, but carries on a trade within the Republic of South Africa, will not exceed 31%.

#### **2.2.2.1.4 For years of assessment that ended on or after 1 January 2010**

The definition of an 'oil and gas company' was narrowed to limit the benefits available under the Tenth Schedule to the Taxation Laws Amendment Act to 'oil and gas production' as defined in the said Schedule.

#### **2.2.2.1.5 For years of assessment that ended during the 12-month period up to 31 March 2013 and subsequent years of assessment**

The rate of tax on taxable income derived from oil and gas by an oil and gas company must not exceed 28%.

#### **2.2.2.2 Rate of STC on the net amount of any dividend declared by an oil and gas company**

The rate of STC on the net amount of any dividend declared by an oil and gas company will not exceed 5%. STC is not applicable where a company is engaged in refining.

The rate of STC on the net amount of any dividend declared by an oil and gas company derived from the profits of its oil and gas income, if all its oil and gas rights are solely derived (directly or indirectly) from an OP26 right previously held by that company, must not exceed 0%. STC is not applicable where the company is engaged in refining.

Dividends tax replaced STC from 1 April 2012.

#### **2.2.2.3 Rate of dividends tax in respect of dividends paid by an oil and gas company**

The rate of dividends tax payable by an oil and gas company will not exceed 5% of the amount of a dividend paid out of amounts attributable to its income from oil and gas.

The rate of dividends tax payable must not exceed 0% of the amount of any dividend paid by an oil and gas company out of the amounts attributable to its income from oil and gas if all its oil and gas rights are solely derived (directly or indirectly) by virtue of an OP26 right previously held by that company.

#### **2.2.2.4 For years of assessment commencing on or after 1 January 2014**

The rate of dividends tax that will be payable by an oil and gas company on the amount of any dividend arising from oil and gas income must not exceed 0% of the amount of that dividend.

### **2.2.3 Insurance companies**

#### **2.2.3.1 Long-term insurance companies**

For taxation purposes, the business of long-term insurance companies is disaggregated and the various 'funds' are taxed separately. There are four funds: (i) corporate fund (CF); (ii) individual policyholder fund (IPF); (iii) company policyholder fund (CPF); and (iv) untaxed policyholder fund (UPF).





Table 2.2.3.1.1 Rate of normal tax on taxable income derived by the four funds

Year of assessment ending during the period	CF (Per cent)	IPF (Per cent)	CPF (Per cent)	UPF	
				Administered retirement funds	Other (Per cent)
01/04/1998 – 31/03/1999.....	35	30	35	See table 2.1.9.1	0
01/04/1999 – 31/03/2000.....	30	30	30	See table 2.1.9.1	0
01/04/2000 – 31/03/2001.....	30	30	30	See table 2.1.9.1	0
01/04/2001 – 31/03/2002.....	30	30	30	See table 2.1.9.1	0
01/04/2002 – 31/03/2003.....	30	30	30	See table 2.1.9.1	0
01/04/2003 – 31/03/2004.....	30	30	30	See table 2.1.9.1	0
01/04/2004 – 31/03/2005.....	30	30	30	See table 2.1.9.1	0
01/04/2005 – 31/03/2006.....	29	30	29	See table 2.1.9.1	0
01/04/2006 – 31/03/2007.....	29	30	29	See table 2.1.9.1	0
01/04/2007 – 31/03/2008.....	29	30	29	See table 2.1.9.1	0
01/04/2008 – 31/03/2009.....	28	30	28	See table 2.1.9.1	0
01/04/2009 – 31/03/2010.....	28	30	28	See table 2.1.9.1	0
01/04/2010 – 31/03/2011.....	28	30	28	See table 2.1.9.1	0
01/04/2011 – 31/03/2012.....	28	30	28	See table 2.1.9.1	0
01/04/2012 – 31/03/2013.....	28	30	28	See table 2.1.9.1	0
01/04/2013 – 31/03/2014.....	28	30	28	See table 2.1.9.1	0
01/04/2014 – 31/03/2015.....	28	30	28	See table 2.1.9.1	0

### 2.2.3.2 Short-term insurance companies

The rate of normal tax on the taxable income of a company carrying on a short-term insurance business is the same rate as is applicable to companies.

### 2.2.4 Employment companies

A personal service company is a limited company that typically has a sole director – the contractor – who owns most or all of the shares. The contractor’s personal service company generally supplies professional services to end-user clients, either directly or via an agency.

A labour broker is any natural person who conducts or carries on any business whereby such a person, for a reward, provides the client of such a business with other persons to render a service or perform work for such a client, or procures such other persons for the client, for which services such other persons are remunerated by such a person. The labour broker must apply for an exemption certificate annually. (The certificate is only valid for one tax year.) A fully completed IRP30A application, together with supporting documents, must be submitted to the nearest SARS branch at least two months before the expiry of the current exemption certificate.

Table 2.2.4.1 Employment companies

Year of assessment ending during the period:	Rate of normal tax on taxable income (per cent)
01/04/2000 – 31/03/2001.....	35
01/04/2001 – 31/03/2002.....	35
01/04/2002 – 31/03/2003.....	35
01/04/2003 – 31/03/2004.....	35
01/04/2004 – 31/03/2005.....	35
01/04/2005 – 31/03/2006.....	34
01/04/2006 – 31/03/2007.....	34
01/04/2007 – 31/03/2008.....	34
01/04/2008 – 31/03/2012.....	33

**Note:**

For years of assessment that commenced on or after 1 March 2009, see Table 2.2.1 on pages 9 and 10 for the applicable tax rate.



## 2.2.5 Personal service providers that are companies

Table 2.2.5.1 Personal service providers that are companies

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
01/03/2009 – 31/03/2010.....	33
01/04/2010 – 31/03/2011.....	33
01/04/2011 – 31/03/2012.....	33

**Note:**

For years of assessment that commenced on or after 1 March 2013, see Table 2.2.1 on pages 9 and 10 for the tax rate.

## 2.2.6 Companies that are not residents and derive taxable income

Table 2.2.6.1 Companies that are not residents and derive taxable income

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
01/04/1996 – 31/03/1997.....	40
01/04/1997 – 31/03/1998.....	40
01/04/1998 – 31/03/1999.....	40
01/04/1999 – 31/03/2000.....	35
01/04/2000 – 31/03/2001.....	35
01/04/2001 – 31/03/2002.....	35
01/04/2002 – 31/03/2003.....	35
01/04/2003 – 31/03/2004.....	35
01/04/2004 – 31/03/2005.....	35
01/04/2005 – 31/03/2006.....	34
01/04/2006 – 31/03/2007.....	34
01/04/2007 – 31/03/2008.....	34
01/04/2008 – 31/03/2009.....	33
01/04/2009 – 31/03/2010.....	33
01/04/2010 – 31/03/2011.....	33
01/04/2011 – 31/03/2012.....	33

**Notes:**

Companies that are not residents are not subject to STC.

For years of assessment that ended after 31 March 2012, see Table 2.2.1 on pages 9 and 10 for the tax rate.

## 2.2.7 Tax-holiday companies

These are qualifying companies that enjoy ‘tax-holiday status’ in terms of section 37H of the Taxation Laws Amendment Act. Companies could only qualify under this section in terms of approved qualifying projects applied for up until 30 September 1999.

Table 2.2.7.1 Tax-holiday companies

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
During the tax-holiday status.....	0

**Note:**

Tax-holiday companies are exempt from STC.

This concession was repealed for years of assessment commencing on or after 1 January 2013.





## 2.2.8 Public benefit organisations or recreational clubs

A public benefit organisation (PBO) that is approved in terms of section 30(3) of the Taxation Laws Amendment Act is taxable on its taxable income as from its first year of assessment if it commenced operations on or after 1 April 2006.

A recreational club that is approved in terms of section 30A(2) of the Taxation Laws Amendment Act is taxable on its taxable income as from its first year of assessment if it commenced operations on or after 1 April 2007.

If a PBO fails to comply with specific requirements for receiving tax-deductible donations, SARS may regard these donations as taxable income for the organisation. If the failure is not addressed within a reasonable period, the receipts issued by the organisation will no longer be valid for claiming tax deductions. The sanctions do not apply to the requirement that an organisation conducting mixed activities, some of which qualify for the issue of receipts and some of which do not, obtain an audit certificate for the use of the funds for which the receipts have been issued.

**Table 2.2.8.1 Public benefit organisation**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
01/04/2006 – 31/03/2007 .....	29

**Table 2.2.8.2 Public benefit organisation or recreational club that is a person other than a company**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
01/03/2007 – 29/02/2008 .....	29
01/03/2008 – 29/02/2009 .....	28

**Table 2.2.8.3 Public benefit organisation or recreational club that is a company**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
01/04/2007 – 31/03/2008 .....	29
01/04/2008 – 31/03/2009 .....	28
01/04/2009 – 31/03/2010 .....	28
01/04/2010 – 31/03/2011 .....	28
01/04/2011 – 31/03/2012 .....	28
01/04/2012 – 31/03/2013 .....	28
01/04/2013 – 31/03/2014 .....	28

**Table 2.2.8.4 Public benefit organisation that is a trust**

Year of assessment ending during the period	Rate of normal tax on taxable income (Per cent)
28/02/2010 .....	28
28/02/2011 .....	28
29/02/2012 .....	28
That commenced on 01/03/2012 or ended on 28/02/2013 .....	28
That commenced on 01/03/2013 or ended on 28/02/2014 .....	28
That commenced on 01/03/2014 or ended on 28/02/2015 .....	28



## 2.2.9 Graduated tax on small business corporations

Tax relief for eligible small business companies came into operation in 2001. The amendments to section 12E of Income Tax Act 58 of 1962 on small business corporations, whereby they were given an accelerated depreciation regime and where personal service providers could get the benefit (if they employed four or more people) came into effect in 2005. They would benefit from a simplified and enhanced depreciation regime to encourage fixed capital formation.

A depreciation write-off at a 50:30:20% rate over a three-year period for all depreciable assets applied, while manufacturing assets could retain their immediate 100% write-off.

The R20 000 double deduction for start-ups was removed from 1 April 2005.

An immediate 100% depreciation was introduced for individual small items purchased for business purposes. This threshold was increased from R2 000 to R5 000 for assets purchased on or after 1 March 2006. This threshold of R5 000 was further increased to R7 000 for assets purchased on or after 1 March 2009.

**Table 2.2.9.1 Graduated tax on small business corporations**

Effective date	Turnover of small business corporation	Taxable income	Company tax rate applicable (per cent)
1 April 2000 and 1 April 2001.....	Less than R1 million	R1 – R100 000	15% of the amount not exceeding R100 000
		R100 001 and above	15% of the amount not exceeding R100 000 plus 30% of the amount that does exceed R100 000
1 April 2002.....	Less than R3 million	R1 – R150 000	15% of the amount not exceeding R150 000
		R150 001 and above	15% the amount not exceeding R150 000 plus 30% of the amount that does exceed R150 000
1 April 2003 and 1 April 2004.....	Less than R5 million	R1 – R150 000	15% of the amount not exceeding R150 000
		R150 001 and above	15% of the amount not exceeding R150 000 plus 30% of the amount that does exceed R150 000
1 April 2005.....	Less than R6 million	R1 – R35 000	0%
		R35 001 – R250 000	10% of the amount above R35 000
		R250 001 and above	R21 500 plus 29% of the amount above R250 000
1 April 2006.....	Less than R14 million	R1 – R40 000	0%
		R40 001 – R300 000	10% of the amount above R40 000
		R300 001 and above	R26 000 plus 29% of the amount above R300 000
1 April 2007.....	Less than R14 million	R1 – R43 000	0%
		R43 001 – R300 000	10% of the amount above R43 000
		R300 001 and above	R27 500 plus 29% of the amount above R300 000
1 April 2008.....	Less than R14 million	R1 – R46 000	0%
		R46 001 – R300 000	10% of the amount above R46 000
		R300 001 and above	R25 400 plus 28% of the amount above R300 000
1 April 2009.....	Less than R14 million	R1 – R54 200	0%
		R54 201 – R300 000	10% of the amount above R54 200
		R300 001 and above	R24 580 plus 28% of the amount above R300 000





**Table 2.2.9.1 Graduated tax on small business corporations (continued)**

Effective date	Turnover of small business corporation	Taxable income	Company tax rate applicable (per cent)
1 April 2010.....	Less than R14 million	R1 – R57 000	0%
		R57 001 – R300 000	10% of the amount above R57 000
		R300 001 and above	R24 300 plus 28% of the amount above R300 000
1 April 2011.....	Less than R14 million	R1 – R59 750	0%
		R59 751 – R300 000	10% of the amount above R59 750
		R300 001 and above	R24 025 plus 28% of the amount above R300 000
1 April 2012.....	Less than R14 million	R1 – R63 556	0%
		R63 557 – R350 000	7% of the amount above R63 556
		R350 001 and above	R20 051 plus 28% of the amount above R350 000
1 April 2013.....	Less than R20 million	R1 – R67 111	0%
		R67 112 – R365 000	7% of the amount above R67 111
		R365 001 – R550 000	R20 852 plus 21% of the amount above R365 000
		R550 001 and above	R59 702 plus 28% of the amount above R550 000
1 April 2014.....	Less than R20 million	R1 – R70 700	0%
		R70 701 – R365 000	7% of the amount above R70 700
		R365 001 – R550 000	R20 601 plus 21% of the amount above R365 000
		R550 001 and above	R59 451 plus 28% of the amount above R550 000
1 April 2015.....	Less than R20 million	R1 – R73 650	0%
		R73 651 – R365 000	7% of the amount above R73 650
		R365 001 – R550 000	R20 395 plus 21% of the amount above R365 000
		R550 001 and above	R59 245 plus 28% of the amount above R550 000
1 April 2016.....	Less than R20 million	R1 – R75 000	0%
		R75 001 – R365 000	7% of the amount above R75 000
		R365 001 – R550 000	R20 300 plus 21% of the amount above R365 000
		R550 001 and above	R59 150 plus 28% of the amount above R550 000
1 April 2017.....	Less than R20 million	R1 – R75 750	0%
		R75 751 – R365 000	7% of the amount above R75 750
		R365 001 – R550 000	R20 248 plus 21% of the amount above R365 000
		R550 001 and above	R59 098 plus 28% of the amount above R550 000
1 April 2018.....	Less than R20 million	R1 – R78 150	0%
		R78 151 – R365 000	7% of the amount above R78 150
		R365 001 – R550 000	R20 080 plus 21% of the amount above R365 000
		R550 001 and above	R58 930 plus 28% of the amount above R550 000
1 April 2019.....	Less than R20 million	R1 – R79 000	0%
		R79 001 – R365 000	7% of the amount above R79 000
		R365 001 – R550 000	R20 020 plus 21% of the amount above R365 000
		R550 001 and above	R58 870 plus 28% of the amount above R550 000



**Table 2.2.9.1 Graduated tax on small business corporations (continued)**

Effective date	Turnover of small business corporation	Taxable income	Company tax rate applicable (per cent)
1 April 2020.....	Less than R20 million	R1 – R83 100	0%
		R83 101 – R365 000	7% of the amount above R83 100
		R365 001 – R550 000	R19 733 plus 21% of the amount above R365 000
		R550 001 and above	R58 583 plus 28% of the amount above R550 000
1 April 2021.....	Less than R20 million	R1 – R87 300	0%
		R87 301 – R365 000	7% of the amount above R87 300
		R365 001 – 550 000	R19 439 plus 21% of the amount above R365 000
		R550 001 and above	R58 289 plus 28% of the amount above R550 000

From 1 March 2012, micro businesses (i.e. those businesses with an annual turnover below R1 million) were given the option of making payments for turnover tax, VAT and employee tax at twice-yearly intervals.

## 2.2.10 Micro businesses

A person qualifies as a micro business (as defined in the Sixth Schedule to the Taxation Laws Amendment Act) if:

- that person is a natural person (or the deceased or insolvent estate of a natural person that was a registered micro business at the time of death or insolvency); or
- that person is a company; and
- the qualifying turnover of that person for the year of assessment does not exceed an amount of R1 million.

**Table 2.2.10.1 Micro business corporations**

Year of assessment ending during the period	Taxable turnover	Rate of tax
01/03/2009 – 28/02/2010	R1 – R100 000	0%
	R100 001 – R300 000	1% of the amount above R100 000
	R300 001 – R500 000	R2 000 plus 3% of the amount above R300 000
	R500 001 – R750 000	R8 000 plus 5% of the amount above R500 000
	R750 001 and above	R20 500 plus 7% of the amount above R750 000
01/03/2010 – 28/02/2011	R1 – R100 000	0%
	R100 001 – R300 000	1% of the amount above R100 000
	R300 001 – R500 000	R2 000 plus 3% of the amount above R300 000
	R500 001 – R750 000	R8 000 plus 5% of the amount above R500 000
	R750 001 and above	R20 500 plus 7% of the amount above R750 000
01/03/2011 – 29/02/2012	R1 – R150 000	0%
	R150 001 – R300 000	1% of the amount above R150 000
	R300 001 – R500 000	R1 000 plus 2% of the amount above R300 000
	R500 001 – R750 000	R5 500 plus 4% of the amount above R500 000
	R750 001 and above	R15 500 plus 6% of the amount above R750 000
01/03/2012 – 28/02/2013	R1 – R150 000	0%
	R150 001 – R300 000	1% of the amount above R150 000
	R300 001 – R500 000	R1 500 plus 2% of the amount above R300 000
	R500 001 – R750 000	R5 500 plus 4% of the amount above R500 000
	R750 001 and above	R15 500 plus 6% of the amount above R750 000





Table 2.2.10.1 Micro business corporations (continued)

Year of assessment ending during the period	Taxable turnover	Rate of tax
01/03/2014 – 28/02/2014	R1 – R150 000	0%
	R150 001 – R300 000	1% of the amount above R150 000
	R300 001 – R500 000	R1 500 plus 2% of the amount above R300 000
	R500 001 – R750 000	R5 500 plus 4% of the amount above R500 000
	R750 000 and above	R15 500 plus 6% of the amount above R750 000
01/03/2014 – 28/02/2015	R1 – R150 000	0%
	R150 001 – R300 000	1% of the amount above R150 000
	R300 001 – R500 000	R1 500 plus 2% of the amount above R300 000
	R500 001 – R750 000	R5 500 plus 4% of the amount above R500 000
	R750 000 and above	R15 500 plus 6% of the amount above R750 000
01/03/2015 – 29/02/2016	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2016 – 29/02/2017	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2017 – 28/02/2018	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2018 – 28/02/2019	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2019 – 28/02/2020	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2020 – 28/02/2021	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000
01/03/2021 – 28/02/2022	R1 – R335 000	0%
	R335 001 – R500 000	1% of the amount above R335 000
	R500 001 – R750 000	R1 650 plus 2% of the amount above R500 000
	R750 001 and above	R6 650 plus 3% of the amount above R750 000

## 2.2.11 Regional Services Council levy reform

Regional Services Council (RSC) levies were abolished on 30 June 2006 and replaced with alternative funding arrangements to ensure the continued independence and financial viability of municipalities.

This provided significant direct tax relief to businesses. The administrative burden was significantly lowered as RSC levies required monthly submissions. Since one of the levies was imposed on payroll, its removal effectively lowered the costs of job creation.



## 2.2.12 Treatment of collective investment scheme distributions

Until 2009, a collective investment scheme (CIS) in shares was treated as a company whose distributions were treated as a special form of dividend.

The *2009 Budget Review* proposed that distributions by these schemes should generally follow a flow-through principle from 2010.

If a CIS distributes the dividends received, this should be viewed as dividends in the hands of holders of participatory interests. If it distributes the interest received, this should be viewed as interest in the hands of holders of participatory interests.

## 2.2.13 Energy-efficiency savings tax credit incentive

The energy-efficiency savings tax credit incentive complements the proposed future carbon tax and will be extended to cogeneration projects. It encourages firms to support a greener economy. Businesses can claim deductions based on energy saved.

Table 2.2.13.1 Energy-efficiency savings tax incentive

Effective date*	Rate per kWh
1 November 2013 .....	0.45c
To be determined in the Taxation Laws Amendment Act .....	0.95c

\* Effective from 1 April following the Budget announcement

## 2.2.14 Environmental fiscal reform

### Incentives for cleaner production: energy efficiency

Current legislation provides for a three-year 50:30:20% accelerated depreciation allowance for investments in renewable energy and biofuels production.

It was proposed that investments by companies in energy-efficient equipment should qualify for an additional allowance of up to 15% on condition that there is documentary proof of the resulting energy efficiencies (after a two- or three-year period), certified by the Energy Efficiency Agency.

## 2.2.15 Emission reduction credits from clean development projects

From 1 March 2009, income derived from the disposal of primary certified emission reductions (CERs) was tax-exempt or subject to capital gains tax (CGT) instead of normal income tax. From 1 March 2009, secondary CERs were classified as trading stock and taxed accordingly.

## 2.2.16 Tax incentives to support industrial policy

An amount of R5 billion was set aside for tax incentives to be used over the three financial years (2012/13 – 2014/15) in support of sectors identified as key to the emerging industrial strategy. This was addressed in the *2012 Budget Review*, under 'Business taxes: special economic zones'.

## 2.2.17 Bursaries for relatives of employees

To facilitate employer-sponsored education and training of the dependants of low- and middle-income workers, this tax-free fringe benefit was increased from 1 March 2008 to R10 000 per year for employees earning up to R100 000 per year.

With effect from 1 March 2013, this threshold was increased from R10 000 to R30 000 for students attending tertiary education, but remained at R10 000 for certain students at schools, for employees earning up to R200 000 per year.

With effect from 1 March 2017, the income eligibility threshold for employees to access the relief was increased from R400 000 to R600 000. The value of qualifying bursaries was increased from R15 000 to R20 000 for National Qualifications Framework (NQF) level 7, and from R40 000 to R60 000 for NQF levels above 7.





A number of employer bursary schemes seek to reclassify ordinary remuneration as a tax-exempt bursary granted to the dependents of an employee. Government proposed to close this loophole, and these amendments were introduced on 1 March 2020.

With effect from 1 March 2018, where the benefit is granted to a relative with a disability, the exemption will apply to the extent that the bursary does not exceed R90 000 per relative for higher education and R30 000 per relative for basic education to grade 12.

## 2.3 Capital gains tax

CGT was introduced on 1 October 2001, whereby income tax is levied on a portion of the gains realised from the disposal of certain assets by corporate and individual taxpayers. A capital gain arises when the proceeds of the disposal of an asset exceed the base cost of the asset.

The effective rate applicable to the four funds – CF, IPF, CPF and UPF – is calculated by multiplying the inclusion rate applicable to each fund by the tax rate of that particular fund.

From 1 March 2008, the annual capital gain or loss exclusion was increased from R15 000 to R16 000.

From 1 March 2009, the following applied:

- The annual exclusion ceiling for capital gains and losses for individuals was increased from R16 000 to R17 500.
- The CGT regime contains several exclusions. One such exclusion is for an individual's primary residence, where a capital gain or loss of up to R1.5 million upon the disposal of such a residence is excluded from taxable capital gains. The exclusion was extended so that an alternative would be available based on the gross sale proceeds of the residence.
- The CGT exclusions fully apply to the primary residence with a gross value of R2 million.
- Thus, people selling their primary residence with a gross value below R2 million are not liable for CGT. For primary residences valued above this threshold, the normal rules apply.

From 1 March 2012, the following applied:

- The annual exclusion increased from R20 000 to R30 000.
- The exclusion amount on death increased from R200 000 to R300 000.
- The exclusion amount on the disposal of a small business for persons over the age of 55 years increased from R900 000 to R1.8 million.
- The maximum market value of assets allowed for a small business disposal for business owners over 55 years increased from R5 million to R10 million.

**Table 2.3.1 Capital gains tax**

	Inclusion rate (per cent)	Effective rate of tax (per cent)
<i>Budget Review 2001</i>		
Individuals, special trusts and testamentary trusts set up for the benefit of minor children .....	25	0–10
All other trusts .....	50	20
Companies and close corporations .....	50	14.5
Individual policyholder fund.....	25	7.5
Company policyholder fund.....	50	14.5
Corporate fund.....	50	14.5
Untaxed policyholder fund.....	0	0
<i>Budget Review 2012</i>		
Individuals, special trusts and testamentary trusts set up for the benefit of minor children .....	33.3	13.3
All other trusts .....	66.6	27.3
Companies and close corporations .....	66.6	18.6
<i>Budget Review 2016</i>		
Individuals, special trusts and testamentary trusts set up for the benefit of minor children .....	40.0	16.4
All other trusts .....	80.0	32.8
Companies and close corporations .....	80.0	22.4



Table 2.3.1 Capital gains tax (continued)

	Inclusion rate (per cent)	Effective rate of tax (per cent)
<i>Budget Review 2017</i>		
Individuals, special trusts and testamentary trusts set up for the benefit of minor children .....	40.0	18.0
All other trusts .....	80.0	36.0
Companies and close corporations .....	80.0	22.4

## 3. Taxes on payroll and workforce

### 3.1 Skills development levy

The levy is meant to provide funding for the training and upgrading of skills levels of the workforce.

Table 3.1.1 Taxes on payroll and workforce: skills development levy

Effective date	Rate: percentage of payroll	Payroll bill
01/04/2000 – 31/03/2001 .....	0.5	More than R250 000
01/04/2001 – 31/07/2005 .....	1.0	More than R250 000
01/08/2005 to date .....	1.0	More than R500 000

From 1 August 2005, employers paying annual remuneration of less than R500 000 were exempt from the payment of skills development levies.

## 4. Taxes on property

Table 4.1 Natural person: amount exempt

Effective date	Rebate per year (natural persons)*
16/03/1988 – 29/02/1996 .....	R20 000
01/03/1996 – 28/02/2002 .....	R25 000
01/03/2002 – 28/02/2006 .....	R30 000
01/03/2006 – 28/02/2007 .....	R50 000
01/03/2007 to date .....	R100 000

\* Natural persons are defined as individuals

### 4.1 Estate, inheritance and gift taxes

#### 4.1.1 Estate duty

An estate consists of all property, including deemed property (e.g. life insurance policies, and payments from pension funds) of a deceased, wherever situated. The dutiable amount of the estate is calculated after the deduction of certain admissible amounts (such as the value of the property that accrues to the surviving spouse) and an exemption amounting to R3.5 million (R2.5 million up to 28 February 2007).

With effect from 1 January 2010, the following became applicable to the estate of a person who died on or after the date:

- If a person was a spouse at the time of death of one or more previously deceased persons, the dutiable amount of the estate of that person will be determined by deducting from the net value of that estate an amount equal to:
  - the specified amount multiplied by two (that equals R7 million) less so much of the specified amount already allowed as a deduction from the net value of the estate of any one of the previously deceased persons.





- If a person was one of the spouses at the time of death of a previously deceased person, the dutiable amount of the estate of that person will be determined by deducting from the net value of that estate an amount equal to the sum of:
  - the current specified amount, which is R3.5 million; and
  - an amount calculated as follows:
    - current specified amount, which is R3.5 million, reduced by so much of the specified amount already allowed as a deduction from the net value of the estate of the previously deceased person, divided by the number of spouses of that previously deceased person.

With effect from 1 March 2018, the *2018 Budget Review* increased the estate duty for estates worth more than R30 million to 25%.

**Table 4.1.1.1 Estate duty**

Effective date	Rate (Per cent)
16/03/1988 – 13/03/1996.....	15
14/03/1996 – 30/09/2001 .....	25
01/10/2001 to date .....	20

## 4.1.2 Transfer duties

**Table 4.1.2.1 Transfer duties for property acquired by natural persons\***

Effective date	Property value	Rate
01/03/1980 .....	R0 – R30 000	0%
	R30 001 and above	R300 plus 3% on the value above R30 001
19/03/1992 .....	R0 – R50 000	1%
	R50 001 and above	R300 plus 5% on the value above R50 000
07/04/1993 .....	R0 – R60 000	1%
	R60 001 – R250 000	R600 plus 5% on the value above R60 000
	R250 001 and above	R10 100 plus 8% on the value above R250 000
01/04/1999 .....	R0 – R70 000	1%
	R70 001 – R250 000	R700 plus 5% on the value above R70 000
	R250 001 and above	R9 700 plus 8% on the value above R250 000
01/03/2002 .....	R0 – R100 000	0%
	R100 001 – R300 000	5% on the value above R100 000
	R300 001 and above	R10 000 plus 8% on the value above R300 000
01/03/2003 .....	R0 – R140 000	0%
	R140 001 – R320 000	5% on the value above R140 000
	R320 001 and above	R9 000 plus 8% on the value above R320 000
01/03/2004 .....	R0 – R150 000	0%
	R150 001 – R320 000	5% on the value above R150 000
	R320 001 and above	R8 500 plus 8% on the value above R320 000
01/03/2005 .....	R0 – R190 000	0%
	R190 001 – R330 000	5% on the value above R190 000
	R330 001 and above	R7 000 plus 8% on the value above R330 000
01/03/2006 .....	R0 – R500 000	0%
	R500 001 – R1 000 000	5% on the value above R500 000
	R1 000 001 and above	R25 000 plus 8% on the value above R1 000 000
23/02/2011 .....	R0 – R600 000	0%
	R600 001 – R1 000 000	3% on the value above R600 000
	R1 000 001 – R1 500 000	R12 000 plus 5% on the value up to R1 500 000
	R1 500 001 and above	R37 000 plus 8% on the value above R1 500 000



Table 4.1.2.1 Transfer duties for property acquired by natural persons\* (continued)

Effective date	Property value	Rate
01/03/2015 .....	R0 – R750 000	0%
	R750 001 – R1 250 000	3% on the value above R750 000
	R1 250 001 – R1 750 000	R15 000 plus 6% on the value above R1 250 000
	R 1 750 001 – R2 250 000	R45 000 plus 8% on the value above R1 750 000
	R2 250 001 and above	R85 000 plus 11% on the value above R2 250 000
01/03/2016 .....	R0 – R750 000	0% of property value
	R750 001 – R1 250 000	3% on the value above R750 000
	R1 250 001 – R1 750 000	R15 000 plus 6% on the value above R1 250 000
	R 1 750 001 – R2 250 000	R45 000 plus 8% on the value above R1 750 000
	R10 000 001 and above	R937 500 plus 13% on the value above R10 000 000
01/03/2017 .....	R0 – R900 000	0% of property value
	R900 001 – R1 250 000	3% on the value above R900 000
	R1 250 001 – R1 750 000	R10 500 plus 6% on the value above R1 250 000
	R 1 750 001 – R2 250 000	R40 500 plus 8% on the value above R1 750 000
	R2 250 001 – R10 000 000	R80 500 plus 11% on the value above R2 250 000
01/03/2018 .....	R10 000 001 and above	R933 000 plus 13% on the value above R10 000 000
	R0 – 900 000	0% of property value
	R900 001 – R1 250 000	3% on the value above R900 000
	R1 250 001 – R1 750 000	R10 500 plus 6% on the value above R1 250 000
	R1 750 001 – R2 250 000	R40 500 plus 8% on the value above R1 750 000
01/03/2019 .....	R2 250 001 – R10 000 000	R80 500 plus 11% on the value above R2 250 000
	R10 000 001 and above	R933 000 plus 13% on the value above R10 000 000
	R0 – 900 000	0% of property value
	R900 001 – R1 250 000	3% on the value above R900 000
	R1 250 001 – R1 750 000	R10 500 plus 6% on the value above R1 250 000
01/03/2020 .....	R1 750 001 – R2 250 000	R40 500 plus 8% on the value above R1 750 000
	R2 250 001 – R10 000 000	R80 500 plus 11% on the value above R2 250 000
	R10 000 001 and above	R933 000 plus 13% on the value above R10 000 000
	R0 – 1 000 000	0% of property value
	R1 000 001 – R1 375 000	3% on the value above R1 000 000
01/03/2021 .....	R1 375 001 – R1 925 000	R11 250 plus 6% on the value above R1 375 000
	R1 925 001 – R2 475 000	R44 250 plus 8% on the value above R1 925 000
	R2 475 001 – R11 000 000	R88 250 plus 11% on the value above R2 475 000
	R11 000 001 and above	R1 026 000 plus 13% on the value above R11 000 000
	R0 – 1 000 000	0% of property value
01/03/2021 .....	R1 000 001 – R1 375 000	3% on the value above R1 000 000
	R1 375 001 – R1 925 000	R11 250 plus 6% on the value above R1 375 000
	R1 925 001 – R2 475 000	R44 250 plus 8% on the value above R1 925 000
	R2 475 001 – R11 000 000	R88 250 plus 11% on the value above R2 475 000
	R11 000 001 and above	R1 026 000 plus 13% on the value above R11 000 000

\* Natural persons are defined as individuals.





### 4.1.3 Donations tax

Effective from 1 March 2007, donations made by individuals to qualifying PBOs up to a maximum of 10% (previously 5%) of these individuals' taxable income during the tax year are deductible.

Effective from 1 March 2008, donations made by taxpayers to qualifying PBOs up to a maximum of 10% (previously 5%) of their taxable income during the tax year are deductible. The same rates that are applicable to estate duty are applicable to donations, except it is not triggered at death.

Effective from 1 March 2018, if a donation or the cumulative value of the donations in that year of assessment at the date of that donation exceeds R30 million, the donation will be taxed at 25%.

Exemptions from donations tax include:

- donations by natural persons up to R100 000 (2006: R50 000) per year;
- donations by corporate entities not considered to be public companies up to R10 000 per year;
- donations between spouses;
- *bona fide* maintenance payments;
- donations to public PBOs as well as qualifying traditional councils and communities;
- donations where the donee will not benefit until the death of the donor;
- donations made by companies that are recognised as public companies for tax purposes;
- donations cancelled within six months of the effective date;
- property disposed of under and in pursuance of any trust;
- the donation of a property or a right in a property situated outside of South Africa if acquired by the donor:
  - before becoming a resident in South Africa for the first time; or
  - by inheritance or donation from a non-resident; and
- donations between companies forming part of the same group of companies.

## 4.2 Taxes on financial and capital transactions

### 4.2.1 Marketable securities tax

Tax payable by stockbrokers on behalf of clients is in respect of purchases of marketable securities at a rate of 0.25% of the consideration. Some securities such as bonds were exempted, but marketable securities tax applied to share transactions. From 1 July 2008, the name was changed to securities transfer tax.

Table 4.2.1.1 Marketable securities tax

Effective date	Rate (per cent)
Prior to 1 April 1996 .....	1.00
01/04/1996 – 31/08/1997 .....	0.50
01/04/1997 – 21/12/2003* .....	0.25

\* The Marketable Securities Tax Act 32 of 1948 was promulgated on 22 December 2003. This was replaced by the Uncertified Securities Tax Act 31 of 1998.

### 4.2.2 Uncertified securities tax

Before 2007, this was a tax payable in respect of the issue of, and change in, beneficial ownership in any listed securities. From 2007, there was a proposed migration of the tax on unlisted shares to the Uncertified Securities Tax Act 31 of 1998, which was renamed the Securities Transfer Tax Act 25 of 2007. The Securities Transfer Tax Act replaced the Uncertified Securities Tax Act and the Marketable Securities Tax Act.



Table 4.2.2.1 Uncertified securities tax

Effective date	Rate (per cent)
01/06/1999 .....	0.25

## 5. Taxes on goods and services

Government proposed to raise VAT by one percentage point, from 14% to 15%, effective from 1 April 2018. The increase was deemed necessary to meet new spending commitments and prevent further erosion of public finances.

### 5.1 Trends in general sales tax and VAT

Table 5.1.1 Trends in general sales tax (GST) and VAT

	Effective date	Rate (per cent)
GST .....	03/07/1978	4
GST .....	01/03/1982	5
GST .....	01/09/1982	6
GST .....	01/02/1984	7
GST .....	01/07/1984	10
GST .....	25/03/1985	12
GST .....	08/05/1989	13
VAT .....	30/09/1991	10
VAT .....	07/04/1993	14
VAT .....	01/04/2018	15

#### Zero-rated and exempt supplies

Table 5.1.2 Zero-rated and exempt supplies

The following goods and services are zero-rated:

Exports

19 basic food items (Table 5.1.3)

Illuminating paraffin

Goods which are subject to the fuel levy (petrol and diesel)

International transport services

Farming inputs

Sales of going concerns

Certain grants by government

The following goods and services are exempted from VAT:

Non-fee-related financial services

Educational services provided by an approved educational institution

Residential rental accommodation

Public road and rail transport





## Basic food zero-rated in South Africa

Table 5.1.3 Basic food zero-rated in South Africa

Brown bread	Rice
Maize meal	Vegetables
Samp	Fruit
Mealie rice	Vegetable oil
Dried mealies	Milk
Dried beans	Cultured milk
Lentils	Brown wheaten meal
Pilchards/sardinella in tins	Eggs
Milk powder	Edible legumes and pulses of leguminous plants
Dairy powder blend	White bread flour
Cake flour	Sanitary pads

Table 5.1.4 Calculation of VAT and duties (domestic) – only an example

	Tariff	Cost (Rand)
Cost of goods .....		100.00
Ad valorem (dependent on the tariff book) for example.....	3%	3.00
		103.00
VAT (cost of goods and all duties) .....	15%	15.45
Total .....		118.45

## 5.2 VAT voluntary registration threshold

Effective from 1 March 2010, the threshold was increased from R20 000 to R50 000.

To encourage taxpayers to come forward and avoid the future imposition of interest, a voluntary disclosure programme was instituted from 1 November 2010 to 31 October 2011. During this period, taxpayers could disclose their defaults and regularise their tax affairs.

A defaulting taxpayer was granted relief under the programme, provided:

- the disclosure was complete; and
- SARS was not aware of the default.

A penalty or additional tax would have been imposed had SARS discovered the default in the normal course of business. Government proposed to do away with the discretion of SARS to waive interest charged on unpaid provisional tax.

## 5.3 False statements on VAT reforms

Any false statement on any VAT form submitted to SARS, not only on returns, is considered an offence.

## 5.4 VAT and residential property developers

The sale of residential property by developers is subject to VAT at the standard rate, while the leasing is VAT-exempt. The temporary leasing of residential units requires a full claw-back of the VAT input credits for leased units. Options are investigated to determine equitable value and the rate of claw-back for developers.



## 5.5 Specific excise duties

Table 5.5.1 Specific excise duties

Product	Unit	Fiscal years				
		2010/11	2011/12	2012/13	2013/14	2014/15
Malt beer						
Average alcohol.....	ℓ	50.2000	53.9700	59.3600	63.8100	68.9200
Average can.....	340 ml	0.8534	...	...	0.1085	0.1170
Traditional beer.....	ℓ	0.0782	0.0782	0.0782	0.0782	0.0782
Traditional beer powder.....	kg	0.3470	0.3470	0.3470	0.3470	0.3470
Unfortified wine.....	ℓ	2.1400	2.3200	2.5000	2.7000	2.8700
Fortified wine.....	ℓ	4.0300	4.3300	4.5900	4.8500	5.2100
Sparkling wine.....	ℓ	6.6700	6.9700	7.5300	8.2800	9.1100
Ciders and alcoholic fruit beverages..	ℓ	2.5200	2.7100	2.9700	3.1900	3.4500
Spirits						
Absolute alcohol.....	ℓ	84.5700	93.0300	111.6400	122.8000	137.5400
Average bottle.....	750 ml	27.2700	...	...	39.6000	44.3600
Cigarettes.....	20 pkt	8.9400	9.7400	10.3200	10.9200	11.6000
Cigarette tobacco.....	50 g	9.7300	10.5300	11.0500	12.1600	13.0300
Pipe tobacco.....	25 g	2.7000	2.9800	3.2200	3.5400	3.6300
Cigars.....	23 g	47.6600	50.5200	53.0500	56.7600	61.8700

... Not available

Cider and alcoholic fruit beverages were previously taxed at a volumetric rate, assuming 5% alcohol levels. The tax rate is based on the excise rate applicable to beer. Going forward, it will be taxed at the absolute alcohol rate.

Table 5.5.1 Specific excise duties (continued)

Product	Unit	Fiscal years						
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Malt beer								
Average alcohol.....	ℓ	68.9200	73.0500	79.2600	86.3900	102.0700	106.5600	115.0800
Average can.....	340 ml	0.1240	0.1350	0.1469	0.1616	0.1735	0.1812	0.1956
Traditional beer.....	ℓ	0.7820	0.7820	0.7820	0.7820	0.7820	0.7820	0.7820
Traditional beer powder.....	kg	0.3470	0.3470	0.3470	0.3470	0.3470	0.3470	0.3470
Unfortified wine.....	ℓ	3.0700	3.3100	3.6100	3.9100	4.2000	4.3900	4.7400
Fortified wine.....	ℓ	5.4600	5.8200	6.1700	6.5400	7.0300	7.3400	7.9200
Sparkling wine.....	ℓ	9.7500	10.5300	11.4600	12.4300	13.5500	14.3600	15.5100
Ciders and alcoholic fruit beverages.....	ℓ	3.6500	3.9600	4.3200	4.7500*	5.1000*	5.3300*	5.7500*
Spirits								
Absolute alcohol.....	ℓ	149.2300	161.4700	175.1900	190.0800	204.1500	213.1300	230.1800
Average bottle.....	750 ml	48.1300	52.0700	56.5000	61.3000	65.8400	68.7300	74.2300
Cigarettes.....	20 pkt	12.4200	13.2400	14.3000	15.5200	15.5200	17.4000	18.7900
Cigarette tobacco.....	50 g	13.9400	14.8800	16.0700	17.4400	18.7300	19.5500	21.1200
Pipe tobacco.....	25 g	3.8900	4.1600	4.5600	4.9400	5.3900	5.7900	6.2600
Cigars.....	23 g	64.9600	69.2800	75.8600	82.3100	89.7200	96.4500	104.1600

... Not available

Cider and alcoholic fruit beverages were previously taxed at a volumetric rate, assuming 5% alcohol levels. The tax rate is based on the excise rate applicable to beer. Going forward, it will be taxed at the absolute alcohol rate.





## 5.6 Ad valorem excise duties

The list of products subject to ad valorem excise duties is revisited on an ongoing basis. For example, ad valorem excise duties on the following items were abolished in 2004 and 2005:

- from 2004, computer monitors, based on the assumption that they were used as computer screens; and
- from 1 April 2005, cosmetic sun-protection products with a sun-protection factor of 15 and above.

Digital video cameras with a value in excess of R15 000 were not subjected to ad valorem excise duties from 1 April 2005 as such cameras are used almost exclusively for commercial purposes.

The following ad valorem excise duties were abolished from 1 April 2006:

- aqueous distillates and aqueous solutions of essential oils;
- automatic goods vending machines;
- facsimile machines;
- parts of facsimile transmission apparatus; and
- road tractors.

The following ad valorem excise duties were abolished from 1 April 2007:

- air-conditioning machines installed in motor vehicles;
- domestic dish-washing machines;
- camera lenses;
- sunglasses;
- binoculars;
- telescopes;
- instant print cameras;
- other photographic cameras;
- flashlights and flashbulbs;
- cinematographic cameras;
- cinematographic projectors;
- slide projectors; and
- image projectors.

The following ad valorem excise duties were abolished from 1 April 2008:

- sound-recording or reproducing apparatus operated by coins, banknotes, bank cards, tokens or other means of payment;
- turntables (record decks);
- sound-recording or reproducing apparatus using magnetic media;
- magnetic tapes; and
- video games with a self-contained screen and games of skill or chance with an electronic display, including parts thereof.

Passenger cars and light commercial vehicles are subject to a 'luxury' excise tax that increases with the price of the vehicle. The *2011 Budget Review* proposed that the maximum nominal ad valorem excise tax rate on these vehicles be increased from 20% to 25%.

With effect from 1 April 2018, the ad valorem excise duties on motor vehicles were increased from 25% to 30%. In addition, the ad valorem excise duties on 'smart phones' were also increased from 7% to 9%. Furthermore, government also consulted on a proposal to replace the flat rate for cellphones with a progressive rate structure based on the value of the cellphone.



## 5.7 General fuel levy

The equalisation fund levy was abolished from 1 March 2000.

Table 5.7.1 Total combined fuel levy on leaded petrol and diesel

Cents/litre	2003/04		2004/05		2005/06	
	93 octane petrol	Diesel	93 octane petrol	Diesel	93 octane petrol	Diesel
General fuel levy .....	101.0	85.0	111.0	85.0	116.0	100.0
Road Accident Fund (RAF) levy .....	21.5	21.5	26.5	26.5	31.5	31.5
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	-	0.2	-	0.2	-	0.0
<b>Total .....</b>	<b>126.5</b>	<b>110.7</b>	<b>141.5</b>	<b>125.7</b>	<b>151.5</b>	<b>135.5</b>
Pump price: Gauteng (as in February)* ..	392.0	355.1	408.0	347.5	420.0	384.5
<i>Taxes as a percentage of pump price.....</i>	<i>32.3</i>	<i>31.2</i>	<i>34.7</i>	<i>36.2</i>	<i>36.1</i>	<i>35.2</i>

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.

Table 5.7.1 Total combined fuel levy on leaded petrol and diesel (continued)

Cents/litre	2006/07		2007/08		2008/09	
	93 octane petrol	Diesel	93 octane petrol	Diesel	93 octane petrol	Diesel
General fuel levy .....	116.0	100.0	121.0	105.0	127.0	111.0
Road Accident Fund (RAF) levy .....	36.5	36.5	41.5	41.5	46.5	46.5
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	-	0.0	-	0.0	-	0.0
<b>Total .....</b>	<b>156.5</b>	<b>135.5</b>	<b>166.5</b>	<b>150.5</b>	<b>177.5</b>	<b>161.5</b>
Pump price: Gauteng (as in February)* ..	550.0	504.9	561.0	542.1	750.0	732.3
<i>Taxes as a percentage of pump price.....</i>	<i>28.5</i>	<i>35.2</i>	<i>29.7</i>	<i>27.8</i>	<i>23.7</i>	<i>22.1</i>

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.

Table 5.7.1 Total combined fuel levy on leaded petrol and diesel (continued)

Cents/litre	2009/10		2010/11		2011/12	
	93 octane petrol	Diesel	93 octane petrol	Diesel	93 octane petrol	Diesel
General fuel levy .....	150.0	135.0	167.5	152.5	177.5	162.5
Road Accident Fund (RAF) levy .....	64.0	64.0	72.0	72.0	80.0	80.0
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	-	0.0	-	0.0	-	0.0
<b>Total .....</b>	<b>218.0</b>	<b>203.0</b>	<b>243.5</b>	<b>228.5</b>	<b>261.5</b>	<b>246.5</b>
Pump price: Gauteng (as in February)* ..	643.0	649.4	785.0	699.5	884.0	814.1
<i>Taxes as a percentage of pump price.....</i>	<i>33.9</i>	<i>31.3</i>	<i>31.0</i>	<i>32.6</i>	<i>29.6</i>	<i>30.3</i>

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.





Table 5.7.1 Total combined fuel levy on leaded petrol and diesel (continued)

Cents/litre	2012/13		2013/14		2014/15		2015/16	
	93 octane petrol	Diesel						
General fuel levy .....	197.5	182.5	212.5	197.5	224.5	209.5	255.0	240.0
Road Accident Fund (RAF) levy .....	88.0	88.0	96.0	96.0	104.0	104.0	154.0	154.0
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	-	0.0	-	0.0	-	0.0	-	0.0
<b>Total .....</b>	<b>289.5</b>	<b>274.5</b>	<b>312.5</b>	<b>297.5</b>	<b>332.5</b>	<b>317.5</b>	<b>413.0</b>	<b>398.0</b>
Pump price: Gauteng (as in February)*	1 077.0	1 026.7	1 206.0	1 129.2	1 375.0	1 311.4	1 009.0	926.1
Taxes as a percentage of pump price.....	26.9	26.7	29.0	29.0	27.6	28.1	40.9	43.0

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.

Table 5.7.1 Total combined fuel levy on leaded petrol and diesel (continued)

Cents/litre	2016/17		2017/18		2018/19	
	93 octane petrol	Diesel	93 octane petrol	Diesel	93 octane petrol	Diesel
General fuel levy .....	285.0	270.0	315.0	300.0	337.0	322.0
Road Accident Fund (RAF) levy .....	154.0	154.0	163.0	163.0	193.0	193.0
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	-	0.0	-	-	-	-
<b>Total .....</b>	<b>443.0</b>	<b>428.1</b>	<b>482.0</b>	<b>467.1</b>	<b>534.0</b>	<b>519.0</b>
Pump price: Gauteng (as in February)* ...	1 215.0	943.2	1 338.0	1 162.8	1 390.0	1 256.6
Taxes as a percentage of pump price.....	36.5	45.4	35.6	39.0	34.9	36.5

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.

Table 5.7.1 Total combined fuel levy on leaded petrol and diesel (continued)

Cents/litre	2019/20		2020/21		2021/22	
	93 octane petrol	Diesel	93 octane petrol	Diesel	93 octane petrol	Diesel
General fuel levy .....	354.0	339.0	370.0	355.0	385.0	370.0
Road Accident Fund (RAF) levy .....	198.0	198.0	207.0	207.0	218.0	218.0
Customs and excise levy .....	4.0	4.0	4.0	4.0	4.0	4.0
Illuminating paraffin marker .....	7.0	8.0	7.0	8.0	8.0	9.0
<b>Total .....</b>	<b>563.0</b>	<b>549.0</b>	<b>588.0</b>	<b>574.0</b>	<b>615.0</b>	<b>601.0</b>
Pump price: Gauteng (as in February)* .....	1 588.0	1 464.0	1 406.0	1 247.0	1 550.0	1 358.0
Taxes as a percentage of pump price.....	35.5	37.5	41.8	46.0	39.7	44.3

\* Diesel (0.05% sulphur) wholesale price (retail price not regulated)

- A value equal to nil

0 A value between nil and half of the measuring unit.



Table 5.7.2 General fuel levy

Date	Petrol: unleaded*	Petrol: leaded	Distillate fuels (diesel)
	Rate (cents)		
01/07/1987 – 31/03/1988.....	-	23.5	24.7
01/04/1988 – 31/08/1988.....	-	22.5	18.0
01/09/1988 – 15/01/1989.....	-	22.9	19.9
16/01/1989 – 14/04/1989.....	-	31.9	28.9
15/04/1989 – 24/03/1991.....	-	31.9	31.4
25/03/1991 – 22/08/1991.....	-	36.9	33.4
23/08/1991 – 20/03/1992.....	-	46.9	41.4
21/03/1992 – 01/04/1993.....	-	54.9	47.4
02/04/1993 – 04/04/1995.....	-	60.9	53.4
05/04/1995 – 02/05/1995.....	-	61.9	54.4
03/05/1995 – 31/03/1996.....	-	62.9	55.4
01/02/1996 – 31/03/1996.....	56.7	62.9	55.4
01/04/1996 – 02/04/1996.....	59.9	66.1	58.6
03/04/1996 – 02/07/1996.....	62.9	69.1	61.6
03/07/1996 – 06/08/1996.....	63.9	70.1	62.6
07/08/1996 – 04/02/1997.....	65.4	71.6	62.6
05/02/1997 – 01/04/1997.....	66.4	72.6	63.6
02/04/1997 – 31/03/1998.....	70.4	76.6	66.1
01/04/1998 – 31/03/1999.....	80.4	86.6	76.1
01/04/1999 – 04/04/2000.....	84.4	90.6	76.1
05/04/2000 – 03/04/2001.....	89.4	95.6	79.1
04/04/2001 – 01/04/2003.....	91.8	98.0	81.0
02/04/2003 – 06/04/2004.....	101.0	101.0	85.0
07/04/2004 – 05/04/2005.....	111.0	111.0	85.0
07/04/2005 – 03/04/2006.....	116.0	116.0	100.0
06/04/2006 – 03/04/2007.....	116.0	116.0	100.0
04/04/2007 – 01/04/2008.....	121.0	121.0	105.0
02/04/2008 – 31/03/2009.....	127.0	127.0	111.0
01/04/2009 – 31/03/2010.....	150.0	150.0	135.0
01/04/2010 – 31/03/2011.....	167.5	167.5	152.5
01/04/2011 – 31/03/2012.....	177.5	177.5	162.5
01/04/2012 – 31/03/2013.....	197.5	197.5	182.5
01/04/2013 – 31/03/2014.....	212.5	212.5	197.5
01/04/2014 – 31/03/2015.....	224.5	224.5	209.5
01/04/2015 – 31/03/2016.....	255.0	255.0	240.0
01/04/2016 – 31/03/2017.....	285.0	285.0	270.0
01/04/2017 – 31/03/2018.....	315.0	315.0	300.0
01/04/2018 – 02/04/2019.....	337.0	337.0	322.0
03/04/2019 – 31/03/2020.....	354.0	354.0	339.0
01/04/2020 – 31/03/2021.....	370.0	370.0	355.0
01/04/2021 – 31/03/2022.....	385.0	385.0	370.0

\* Unleaded petrol has been available to South African motorists since 1996.

- A value equal to nil





### Diesel fuel rebate

This rebate started on 1 June 2000 and was afterwards extended to other industries. It applied to all coastal industries along with the fishing, agricultural, mining, forestry, farming and rail freight industries.

The general fuel levy and RAF levy are partially refunded. Refunds are administered through the VAT system. From 6 April 2005, the biodiesel fuel concession refund percentage to producers in agriculture, mining and forestry increased from 38.8% to 40% of the general fuel levy. The actual concession increased from 36.86 cents per litre to 40.00 cents per litre. From 2008, the biodiesel fuel tax concession increased from 40% to 50%.

From 7 April 2010, an increase of 7.5 cents per litre on both petrol and diesel was implemented to help fund the new multi-product petroleum pipeline between Durban and Johannesburg.

**Table 5.7.3 Road Accident Fund levy**

Date	93 octane petrol	Diesel
	Rate (cents)	
05/04/2000 – 03/04/2001*	–	–
04/04/2001 – 01/04/2003	21.5	21.5
02/04/2003 – 06/04/2004	26.5	26.5
07/04/2004 – 05/04/2005	31.5	31.5
06/04/2005 – 03/04/2007	36.5	31.5
04/04/2007 – 01/04/2008	41.5	41.5
02/04/2008 – 31/03/2009	46.5	46.5
01/04/2009 – 31/03/2010	64.0	64.0
01/04/2010 – 31/03/2011	72.0	72.0
01/04/2011 – 31/03/2012	80.0	80.0
01/04/2012 – 31/03/2013	88.0	88.0
01/04/2013 – 31/03/2014	96.0	96.0
01/04/2014 – 31/03/2015	104.0	104.0
01/04/2015 – 31/03/2016	154.0	154.0
01/04/2016 – 31/03/2017	154.0	154.0
01/04/2017 – 31/03/2018	163.0	163.0
01/04/2018 – 31/03/2019	193.0	193.0
01/04/2019 – 31/03/2020	198.0	198.0
01/04/2020 – 31/03/2021	207.0	207.0
01/04/2021 – 31/03/2022	218.0	218.0

\* The levy was introduced from 1 June 2000 according to a phased-in approach.

### Customs and excise levy

The customs and excise levy remained at 4 cents per litre for 2012/13.

Diesel power plants with a capacity of more than 200 megawatts can receive a full refund of the general fuel and RAF levies.

Effective from 3 April 2019, the following applied:

- an increase in the general fuel levy of 15 cents per litre; and
- an increase in the RAF levy of 5 cents per litre.

Effective from 1 April 2020, the following applied:

- an increase in the general fuel levy of 16 cents per litre; and
- an increase in the RAF levy of 9 cents per litre.



Effective from 7 April 2021, the following applied:

- an increase in the general fuel levy of 15 cents per litre; and
- an increase in the RAF levy of 11 cents per litre.

### Carbon tax

Effective from 5 June 2019, the following applied:

- a carbon tax on the general fuel levy of 9 cents per litre on petrol; and
- a carbon tax on the general fuel levy of 10 cents per litre on diesel.

Effective from 1 April 2020, the following applied:

- an increase in the carbon tax rate of 5.6% for the 2020 calendar year – (this increase includes an annual inflation rate of 3.6% plus two percentage points in line with the Carbon Tax Act 15 of 2019); and
- accordingly, an increase in the carbon tax rate from R120 per tonne of carbon dioxide equivalent to R127 per tonne of carbon dioxide.

Effective from 1 January 2021, the following applied:

- an increase in the carbon tax rate of 5.2% from R127 per tonne of carbon dioxide equivalent to R134 per tonne of carbon dioxide; and
- the levy for 2021 will increase by 1 cent to 8 cents/litre for petrol and 9 cents/litre for diesel from 7 April 2021.

To support South Africa's climate change commitments under the Paris Agreement, the Department of Environment, Forestry and Fisheries is considering enhancing the carbon budgeting system to regulate greenhouse gas emissions by imposing caps on companies for a five-year period. Once legislation on carbon budgets is enacted, government will phase out the carbon budget allowance of 5% provided under the carbon tax.

## 5.8 Mineral and petroleum royalties

The Mineral and Petroleum Resources Royalty Act 28 of 2008 was scheduled to be implemented on 1 May 2009. Mineral royalties are classified as a resource rent and therefore fall into the non-tax revenue category. The introduction of mining royalties was postponed for a year due to the recession and was levied on minerals disposed of or exported from 1 March 2010.

## 5.9 Base oils for lubricating

The excise duty on base oils for lubrication was abolished from 1 April 2005. The duty was 20 cents per litre for many years.

## 5.10 Plastic bag levy (environmental levy)

From 2009, government introduced a 2c/kWh tax on the sale of electricity generated from non-renewable sources, to be collected at source by the producers or generators of electricity.

The levy on plastic shopping bags, which had been at 4 cents per bag since 2009, was increased to 6 cents per bag from 1 April 2013. From 1 April 2016, this levy was increased to 8 cents per bag. From 1 April 2018, this levy was increased to 12 cents per bag.

Plastic pollution remains a significant domestic environment problem, particularly for marine life. Government proposed to raise the plastic bag levy from 12 cents to 25 cents per bag, effective from 1 April 2020.

To support the shift to a greener economy, the *2021 Budget Review* announced that government would differentiate levies on fossil-based and bio-based plastic bags. Plastic bags are currently taxed at 25 cents per bag. A reduced levy of 12.5 cents per bag will apply to bio-based plastic bags. The implementation date and technical specifications will be included in the Taxation Laws Amendment Bill.

## 5.11 Electricity tax/levy

From 2009, government introduced a 2c/kWh tax on the sale of electricity generated from non-renewable sources, to be collected at source by the producers or generators of electricity.

From 1 April 2011, the levy applied to electricity generated from renewable and nuclear energy sources increased by 0.5c/kWh to 2.5c/kWh. The increase had no impact on electricity tariffs because it had already been taken into account in the National Energy Regulator tariff structure.

From 1 April 2012, the electricity levy was increased by 1c/kWh to 3.5c/kWh. This would be used to fund energy-efficiency initiatives such as the solar water-heater programme.





Table 5.12.1 Electricity tax/levy

Effective date*	Rate per kWh
<i>Budget Review 2009</i> .....	2.0 c
<i>Budget Review 2011</i> .....	2.5 c
<i>Budget Review 2012</i> .....	3.5 c

\* Effective from 1 April following the Budget announcement

## 5.12 Taxation of incandescent (filament) light bulbs

An environmental levy on incandescent light bulbs to promote energy efficiency and reduce electricity demand was proposed in the *2009 Budget Review*. An environmental levy of about R3 per bulb (between 1 cent and 3 cents per watt) was levied on incandescent light bulbs at the manufacturing level and on imports from 1 November 2009. The levy on incandescent light bulbs increased to R4 per bulb. From 1 April 2016, this levy increased to R6 per bulb. With effect from 1 April 2018, the environmental levy on incandescent light bulbs was increased from R6 to R8 per bulb.

## 5.13 Carbon dioxide vehicle emissions tax

The carbon dioxide (CO<sub>2</sub>) vehicle emissions tax was implemented on 1 September 2010 as a specific tax, instead of the previously proposed ad valorem tax. New passenger vehicles were taxed based on their certified CO<sub>2</sub> emissions at R75 per gram per kilometre (g/km) for each g/km above 120 g/km. This emissions tax was in addition to the current ad valorem luxury tax on new vehicles. With effect from 1 April 2016, passenger vehicles tax was increased from R75 to R100 for every gram of emissions/km above 120 g CO<sub>2</sub>/km and, for double cabs, from R125 to R140 for every gram of emissions/km in excess of 175 g CO<sub>2</sub>/km. From 1 April 2018, passenger vehicles tax was increased from R100 to R110 for every gram of emissions/km above 120 gCO<sub>2</sub>/km and, for double cabs, from R140 to R150 for every gram of emissions/km in excess of 175 gCO<sub>2</sub>/km.

Table 5.13.1 CO<sub>2</sub> vehicle emissions tax, example of tax per vehicle and tax incidence: passenger cars

CO <sub>2</sub> emissions g/km	Average CO <sub>2</sub> emissions g/km	Number of vehicles: 12 months	Percentage of vehicles: 12 months	CO <sub>2</sub> * emissions above threshold: g/km > 120 g/km	Tax at R100* per g/km (Rand)	Average price (Rand)	Average tax rate (per cent)
Below 120	110	342	0.2	-	-	177 000	0.0
	120	493	0.2	-	-	170 000	0.0
	130	10 904	4.9	10	1 000	121 000	0.8
	140	15 856	7.2	20	2 000	164 000	1.2
	150	20 794	9.4	30	3 000	169 000	1.7
	160	21 694	9.8	40	4 000	181 000	2.2
	170	33 552	15.2	50	5 000	166 000	3.0
	180	46 664	21.1	60	6 000	164 000	3.6
	190	24 224	11.0	70	7 000	244 000	2.8
	200	10 183	4.6	80	8 000	293 000	3.0
	220	22 928	10.4	100	10 000	391 000	2.5
	280	8 083	3.7	160	16 000	552 000	2.8
	320	4 161	1.9	200	20 000	551 000	3.6
	370	778	0.4	250	25 000	947 000	2.6
Above 400	410	25	0.01	290	29 000	606 000	4.7
Average/Total	178	220 681	100.0	58	10 462	227 000	2.7

\* The CO<sub>2</sub> emissions threshold for passenger vehicles (as identified in terms of the Customs and Excise Act 91 of 1964) remains at 120g/km. The tax rate changed from R75 to R100 g/km above the threshold in April 2016.



## 5.14 Environmental levy on tyres

This levy was implemented at a rate of R2.30/kg of tyres, effective from 1 October 2016.

## 5.15 Health promotion levy

The health promotion levy, which taxes sugar beverages, was implemented on 1 April 2018. It applies to beverages with more than 4 grams of sugar content per 100 ml. A tax of 2.1 cents per gram is applied for every gram of sugar beyond the first 4 grams, which are levy-free. To avoid erosion in the value of the tax due to inflation, from 1 April 2019 the levy rate increased to 2.21 cents per gram in excess of 4 grams of sugar per 100ml.

## 5.16 Taxes on use of goods and permission to use goods or to perform activities

Table 5.16.1 Air departure tax

Effective date	Rate
01/11/2000 .....	R50 per fee-paying passenger travelling to SACU countries R100 per fee-paying passenger travelling to all other international destinations
01/07/2003 .....	R55 per fee-paying passenger travelling to SACU countries R110 per fee-paying passenger travelling to all other international destinations
01/08/2005 .....	R60 per fee-paying passenger travelling to SACU countries R120 per fee-paying passenger travelling to all other international destinations
01/10/2009 .....	R80 per fee-paying passenger travelling to SACU countries R150 per fee-paying passenger travelling to all other international destinations
01/10/2011 .....	R100 per fee-paying passenger travelling to SACU countries R190 per fee-paying passenger travelling to all other international destinations

Southern African Customs Union (SACU) countries: Botswana, Lesotho, Namibia, South Africa and Swaziland

## 5.17 Mining leases and ownership

Mining leases and ownership were reclassified as non-tax revenue. The historical years from 2000/01 were adjusted for comparative purposes.

## 6. Taxes on international trade and transactions

Table 6.1 Calculation of taxes on international trade and transactions – only an example

Calculation of VAT and duties (imports) .....	Tariff	Cost (Rand)
Goods are imported free on board (fob) for R100 .....		
Import value (fob).....		100.00
Adjustment.....	10%	10.00
The reason for the 10% adjustment relates to the import value (R100 and above) based on the fob cost .....		
Adjusted value for VAT purposes .....		110.00
Customs duty (dependent on the tariff book), for example .....	2%	
Ad valorem (dependent on the tariff book), for example.....	3%	
<b>Total cost for importer .....</b>		
Purchase price .....		100.00
Customs duty on R100 (based on import value).....	2%	2.00
Ad valorem on R100 (based on import value).....	3%	3.00
Adjustment.....		10.00
		115.00
VAT (based on adjusted value plus all duties) .....	15%	17.25
<b>Total .....</b>		<b>132.25</b>



## 6.1 Surcharge on imports

Table 6.1.1 Surcharge

Fiscal year	Announcement	Implementation date	Rate (Per cent)	Important provisions	Amount collected: fiscal year ending 31 March (R millions)
1978/79	Budget Speech on 1978/03/29	1978/03/30	12.5	Provisions remain unchanged.	359.4
1979/80	Budget Speech on 1979/03/28	1979/03/29	7.5	Provisions remain unchanged.	250.6
1980/81	Budget Speech on 1980/03/26	1980/03/27	Abolished	Surcharge on all goods is abolished. This abolishment is also applicable to all goods at customs and excise offices which have not yet been cleared for domestic consumption.	-2.9
1981/82	Partial appropriation draft Act on 1982/02/10	1982/02/11	10.0	Surcharge is reinstated on all imported goods, with the exception of goods for government stock.	100.3
1982/83	Special government notice on 1982/11/26	1982/11/26	7.5	The 2.5% reduction applies to comply with the IMF's agreement to phase out the surcharge completely by the end of 1983.	598.2
	Special government notice on 1983/11/25	1983/11/25	5.0		
1983/84	Special government notice on 1983/11/29	1983/11/29	Abolished		226.0
1985/86	Special government notice on 1985/09/23	1985/09/23	10	Surcharge is reinstated on all imported goods, with the exception of goods for government stock. Goods are subject to the General Agreement on Tariffs and Trade (GATT).	498.6
1986/87	Budget Speech on 1986/03/17	1986/03/18	10	Surcharge on all books is abolished.	837.8
	Special notice	1986/06	10	Surcharge on certain imported natural resources and goods used in the production processes (as specified in the annexures to the Customs and Excise Act) is abolished	
1987/88	Budget Speech on 1987/06/03	1987/06/04	10	All natural resources and intermediate products that are subject to the customs duties and which are used in the production process are exempted from the surcharge.	742.6
1988/89	Special notice on 1988/08/12	1988/08/15	0 – 60	As above and essential food imports are exempted from the surcharge. Certain discounts on natural resources and intermediate products are implemented.	1 875.6
1989/90	Special notice on 1989/05/05	1989/05/05	0 – 60	Discounts in respect of intermediate goods are abolished, but taxed at a lower rate (15% previously 30%).	2 625.4
1990/91	Budget Speech on 1990/03/14	1990/03/14	0 – 40	Reduction in differentiated rates: Luxury goods 60% to 40% White goods 20% to 15% Capital goods 15% to 10% Intermediate goods 10% to 7.5%	2 075.3



Table 6.1.1 Surcharge (continued)

Fiscal year	Announcement	Implementation date	Rate (Per cent)	Important provisions	Amount collected: fiscal year ending 31 March (R millions)
1991/92	Budget Speech on 1991/03/20		0 – 40	Change in differentiated rates: Luxury goods 40% White goods 15% Capital goods 5% Intermediate goods 5%	1 455.5
1992/93		Unchanged			1 520.8
1993/94		Unchanged			1 756.1
1994/95	<i>Budget Review 1994</i>	1994/06/23	0 – 40	Surcharge on capital and intermediate goods is abolished.	1 170.8
	<i>Government Gazette on 1994/09/02</i>	1994/09/02		Surcharge on vehicles is abolished.	
1995/96	<i>Budget Review 1995</i>	1995/10/01		Remaining surcharge on luxury and white goods is abolished.	

## 7. Other taxes

### 7.1 Stamp duty

A duty was imposed on debit entries by banks, instalment credit agreements, lease agreements of fixed property, unlisted marketable securities, and previously on the issue of official documents such as passports, contracts, deeds for the transfer of ownership and cheques.

Stamp duties applied as follows:

- share transactions were reduced from 1% to 0.5% from 1 April 1996;
- share transactions were reduced from 0.5% to 0.25% from 1 April 1997;
- antenuptial and postnuptial contracts, duplicate originals, partnership agreements and power of attorney were abolished from 1 April 1999;
- bills of exchange, bills of entry, and securities and suretyships were abolished from 1 April 2001;
- the cession of mortgages and the cession of insurance policies were abolished from 1 April 2002;
- insurance policies against accident, bodily injury, incapacity or sickness were abolished from 1 April 2002;
- insurance policies and fixed deposits were abolished from 1 April 2003;
- mortgages were abolished from 1 March 2004;
- negotiable certificates of deposits (NCDs) were abolished from 1 April 2004;
- all debit entries were eliminated from 1 March 2005; and
- the issue of shares was eliminated from 1 January 2006.

The threshold exemption for stamp duties on leases was increased from R200 to R500 per agreement from 1 March 2006.

From March 2007, stamp duties on short-term leases (less than five years) were abolished.

Stamp duties were abolished with effect from 1 April 2009 when the Stamp Duties Act 77 of 1968 (Stamp Duties Act) was repealed. The scrapping of the Stamp Duties Act allowed the reduction in the scope of stamp duties over the preceding few years so that prior to the abolition only property leases concluded for a period of more than five years required such duties to be paid. However, a stamp duty is still applicable on lease agreements, or other dutiable instruments, if they were executed before 1 April 2009 and were not duly stamped at the time.





## 7.2 Implementing the Municipal Property Rates Act

The Local Government Municipal Property Rates Act 6 of 2004 regulates municipalities' powers to impose rates on properties. The Act took effect on 2 July 2005 and provides for:

- the exclusion of certain properties from rates in the national interest;
- a transparent and fair system of granting relief measures;
- fair and equitable valuation methods; and
- objections and appeals processes.

Municipalities that historically have not charged rates on the market value of the land and buildings combined are expected to reduce the rate charged (percentage or cents per rand) to ensure that there is a broad continuity in revenue collected from the expanded tax base.

## 7.3 Closure of sophisticated tax loopholes

Certain schemes for closure were identified, and details were provided in the *2010 Budget Review*, specifically Annexure C, for:

- cross-border mismatches;
- interest cost allocation for finance operations;
- 'protected cell' companies;
- cross-border insurance payments;
- participation preference and guaranteed shares;
- cross-border interest exemption; and
- transfer pricing.

## 7.4 Tax expenditure statements

The *2011 Budget Review* included, for the first time, a tax expenditure statement. The statement is a summary of tax revenues that were foregone as a result of various tax incentives to help achieve government's social and economic objectives. Government is committed to transparency in the Budget process. The publication of the tax expenditure statement promotes that objective.

**Table 7.1** Details of the tax expenditure statements

<i>Budget Reviews</i>	Page number
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## 8. National government tax revenue

Table 8.1 National government tax revenue (R millions)

Fiscal year*	Taxes on income, profits and capital gains	Of which: personal income tax (including interest)	Of which: corporate income tax (including interest)	Taxes on payroll and work-force	Taxes on property	Taxes on goods and services	Taxes on international trade and transactions	Other taxes	Total gross tax revenue
1979	4 645	...	...	...	116	1 994	772	95	7 622
1980	5 662	...	...	...	173	2 671	757	124	9 387
1981	8 107	2 297	5 499	...	251	3 802	805	139	13 104
1982	8 669	3 506	4 822	...	264	4 293	1 258	146	14 630
1983	10 273	4 821	5 185	...	317	5 233	1 590	150	17 563
1984	11 531	6 063	5 186	...	448	6 192	1 419	213	19 803
1985	13 904	7 861	5 759	...	421	8 215	1 449	244	24 233
1986	17 404	9 097	7 920	...	467	10 654	1 832	273	30 630
1987	19 638	10 453	8 738	...	581	11 719	2 364	321	34 623
1988	22 092	12 586	9 059	...	824	13 924	2 657	439	39 936
1989	26 665	14 958	11 308	...	823	18 698	4 518	469	51 173
1990	34 419	20 210	13 782	...	1 034	24 044	5 104	685	65 286
1991	39 245	24 249	14 577	...	1 098	25 984	4 882	657	71 866
1992	44 618	30 070	14 213	...	1 128	28 428	4 347	712	79 233
1993	47 514	33 935	13 306	...	1 187	29 552	4 640	760	83 653
1994	50 911	38 320	11 714	...	1 501	38 957	5 242	847	97 458
1995	60 834	45 559	13 972	...	2 074	44 074	5 629	944	113 555
1996	68 885	51 323	16 300	...	2 234	48 867	6 170	1 025	127 181
1997	82 876	59 912	19 060	...	2 359	53 621	6 993	1 202	147 051
1998	95 004	68 864	21 464	...	2 618	60 600	5 620	1 484	165 326
1999	108 381	78 032	23 308	...	2 831	65 948	6 052	1 490	184 702
2000	116 149	86 390	21 279	...	3 808	72 258	6 778	1 619	200 612
2001	126 145	86 939	29 956	1 257	3 979	79 073	8 227	1 562	220 243
2002	147 310	90 977	42 980	2 717	4 628	86 853	8 680	1 767	251 955
2003	164 566	94 924	56 327	3 352	5 085	97 552	9 620	2 005	282 180
2004	171 963	99 220	61 712	3 896	6 707	110 147	8 414	1 353	302 480
2005	195 219	111 697	71 629	4 443	9 013	131 379	13 287	1 037	354 378
2006	230 804	126 416	87 326	4 872	11 138	150 636	18 202	957	416 609
2007	279 991	141 397	120 111	5 597	10 332	174 486	24 002	955	495 363
2008	332 058	169 553	141 622	6 331	11 884	194 565	27 082	769	572 689
2009	383 483	196 068	167 202	7 327	9 477	201 209	22 852	544	624 892
2010	359 045	206 484	136 978	7 805	8 826	203 442	19 319	44	598 481
2011	379 941	228 089	134 642	8 652	9 102	249 235	26 977	20	673 927
2012	426 584	251 339	153 272	10 173	7 817	263 875	34 121	6	742 576
2013	457 314	276 679	160 896	11 378	8 645	296 766	39 549	18	813 670
2014	507 759	310 929	179 520	12 476	10 487	324 421	44 732	13	899 888
2015	561 790	353 927	186 612	14 032	12 472	356 378	41 463	-16	986 118
2016	606 821	389 280	193 385	15 220	15 044	385 757	46 942	0	1 069 784
2017	664 526	425 924	207 027	15 315	15 661	402 189	46 102	12	1 143 806
2018	711 703	462 903	220 239	16 012	16 585	422 928	51 162	-24	1 218 366
2019	738 741	493 829	214 388	17 439	15 252	461 131	56 778	-9	1 289 332
2020	772 681	529 170	214 984	18 486	15 980	492 078	56 322	10	1 355 557

\* Ending on 31 March of each fiscal year  
... Not available





## Annexures: A–AQ

## 9. Annexures: Personal income tax rate and bracket adjustments

Annexure A <i>Budget Review 1979</i>			
1979/80			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–1 000	7	0
	1 000–2 000	8	70
	2 000–3 000	9	150
	3 000–4 000	10	240
	4 000–5 000	11	340
	5 000–6 000	12	450
	6 000–7 000	14	570
	7 000–8 000	16	710
	8 000–9 000	18	870
	9 000–10 000	20	1 050
	10 000–11 000	22	1 250
	11 000–12 000	24	1 470
	12 000–13 000	26	1 710
	13 000–14 000	28	1 970
	14 000–15 000	30	2 250
	15 000–16 000	33	2 550
	16 000–18 000	36	2 880
	18 000–20 000	39	3 600
	20 000–22 000	42	4 380
	22 000–24 000	45	5 220
	24 000–26 000	48	6 120
	26 000–28 000	51	7 080
	28 000–30 000	54	8 100
	30 000–	55	9 180
Single.....	1–1 000	10	0
	1 000–2 000	11	100
	2 000–3 000	12	210
	3 000–4 000	13	330





Annexure A Budget Review 1979 (continued)			
1979/80			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	4 000–5 000	14	460
	5 000–6 000	16	600
	6 000–7 000	18	760
	7 000–8 000	20	940
	8 000–9 000	22	1 140
	9 000–10 000	24	1 360
	10 000–11 000	27	1 600
	11 000–12 000	30	1 870
	12 000–13 000	33	2 170
	13 000–14 000	36	2 500
	14 000–15 000	39	2 860
	15 000–16 000	42	3 250
	16 000–18 000	45	3 670
	18 000–20 000	48	4 570
	20 000–22 000	52	5 530
	22 000–	55	6 570
Rebates			
Married.....	R1 500		
Single.....	R1 000		
Dependants.....	R200 if maintenance is R200		R350 if maintenance is R350
Child.....	R600 for first two children;	R200 for each child thereafter	
Age over 65.....	R1 000		
Medical and insurance (Married).....	R1 200		
Medical and insurance (Single).....	R950		

#### Loan levy

If the normal tax calculated at these rates amounts to R150 or more, a loan levy at the following rate is added thereto:

- If the taxpayer falls in the age group '60 and older' and his/her taxable income does not exceed R5 000, no levy is added.
- In all other cases, the loan levy amounts to 10%; in calculating the loan levy, fractions of the rand are discarded.

1980/81			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–6 000	8	0
	6 001–7 000	10	480
	7 001–8 000	12	580
	8 001–9 000	14	700
	9 001–10 000	16	840
	10 001–11 000	18	1 000
	11 001–12 000	20	1 180
	12 001–13 000	22	1 380
	13 001–14 000	24	1 600
	14 001–15 000	26	1 840
	15 001–16 000	28	2 100
	16 001–18 000	30	2 380
	18 001–20 000	32	2 980
	20 001–22 000	34	3 620
	22 001–24 000	36	4 300
	24 001–26 000	38	5 020
	26 001–28 000	40	5 780
	28 001–30 000	42	6 580
	30 001–32 000	44	7 420
	32 001–34 000	46	8 300
	34 001–36 000	47	9 220
	36 001–38 000	48	10 160
	38 001–40 000	49	11 120
	40 001–	50	12 100
Single.....	1–6 000	8	0
	6 001–7 000	10	480
	7 001–8 000	12	580
	8 001–9 000	14	700
	9 001–10 000	16	840
	10 001–11 000	18	1 000
	11 001–12 000	20	1 180





**Annexure B Budget Review 1980 (continued)**

1980/81			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	12 001–13 000	22	1 380
	13 001–14 000	24	1 600
	14 001–15 000	26	1 840
	15 001–16 000	28	2 100
	16 001–18 000	30	2 380
	18 001–20 000	32	2 980
	20 001–22 000	34	3 620
	22 001–24 000	36	4 300
	24 001–26 000	38	5 020
	26 001–28 000	40	5 780
	28 001–30 000	42	6 580
	30 001–32 000	44	7 420
	32 001–34 000	46	8 300
	34 001–36 000	47	9 220
	36 001–38 000	48	10 160
	38 001–40 000	49	11 120
	40 001–	50	12 100
<b>Rebates</b>			
Married.....	R200		
Single .....	R120		
Dependants.....	R350	R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age over 60.....	R120		
Medical and insurance.....	10% (max. R75)		

**Surcharge on normal tax payable by unmarried persons**

Where the taxable income does not exceed R28 000, a surcharge is added equal to 20% of the tax so calculated, after deducting an amount equal to the rebates. Where the taxable income of such a person exceeds R28 000, the tax payable is the amount of tax calculated as aforesaid on the taxable income of R28 000, plus 50% of the amount by which the taxable income exceeds R28 000.



1981/82			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1-6 000	8	0
	6 001-7 000	10	480
	7 001-8 000	12	580
	8 001-9 000	14	700
	9 001-10 000	16	840
	10 001-11 000	18	1 000
	11 001-12 000	20	1 180
	12 001-13 000	22	1 380
	13 001-14 000	24	1 600
	14 001-15 000	26	1 840
	15 001-16 000	28	2 100
	16 001-18 000	30	2 380
	18 001-20 000	32	2 980
	20 001-22 000	34	3 620
	22 001-24 000	36	4 300
	24 001-26 000	38	5 020
	26 001-28 000	40	5 780
	28 001-30 000	42	6 580
	30 001-32 000	44	7 420
	32 001-34 000	46	8 300
	34 001-36 000	47	9 220
	36 001-38 000	48	10 160
	38 001-40 000	49	11 120
	40 001-	50	12 100
Single.....	1-6 000	8	0
	6 001-7 000	10	480
	7 001-8 000	12	580
	8 001-9 000	14	700
	9 001-10 000	16	840





**Annexure C Budget Review 1981 (continued)**

1981/82			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	10 001–11 000	18	1 000
	11 001–12 000	20	1 180
	12 001–13 000	22	1 380
	13 001–14 000	24	1 600
	14 001–15 000	26	1 840
	15 001–16 000	28	2 100
	16 001–18 000	30	2 380
	18 001–20 000	32	2 980
	20 001–22 000	34	3 620
	22 001–24 000	36	4 300
	24 001–26 000	38	5 020
	26 001–28 000	40	5 780
	28 001–30 000	42	6 580
	30 001–32 000	44	7 420
	32 001–34 000	46	8 300
	34 001–36 000	47	9 220
	36 001–38 000	48	10 160
	38 001–40 000	49	11 120
	40 001–	50	12 100
<b>Rebates</b>			
Married.....	R200		
Single.....	R120		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–70.....	R120	Age 70 and over	R80
Medical and insurance.....	10% (max. R75)		

**Surcharge on normal tax payable by unmarried persons.**

Where the taxable income does not exceed R28 000, a surcharge is added equal to 20% of the tax so calculated, after deducting an amount equal to the rebates. Where the taxable income of such a person exceeds R28 000, the tax payable is the amount of tax calculated as aforesaid on the taxable income of R28 000, plus 50% of the amount by which the taxable income exceeds R28 000.



1982/83			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–7 000	10	0
	7 001–8 000	12	700
	8 001–9 000	14	820
	9 001–10 000	16	960
	10 001–11 000	18	1 120
	11 001–12 000	20	1 300
	12 001–13 000	22	1 500
	13 001–14 000	24	1 720
	14 001–15 000	26	1 960
	15 001–16 000	28	2 220
	16 001–18 000	30	2 500
	18 001–20 000	32	3 100
	20 001–22 000	34	3 740
	22 001–24 000	36	4 420
	24 001–26 000	38	5 140
	26 001–28 000	40	5 900
	28 001–30 000	42	6 700
	30 001–32 000	44	7 540
	32 001–34 000	46	8 420
	34 001–36 000	47	9 340
	36 001–38 000	48	10 280
	38 001–40 000	49	11 240
Single.....	1–7 000	10	0
	7 001–8 000	12	700
	8 001–9 000	14	820
	9 001–10 000	16	960
	10 001–11 000	18	1 120
	11 001–12 000	20	1 300
	12 001–13 000	22	1 500
	13 001–14 000	24	1 720





Annexure D Budget Review 1982 (continued)			
1982/83			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	14 001–15 000	26	1 960
	15 001–16 000	28	2 220
	16 001–18 000	30	2 500
	18 001–20 000	32	3 100
	20 001–22 000	34	3 740
	22 001–24 000	36	4 420
	24 001–26 000	38	5 140
	26 001–28 000	40	5 900
	28 001–30 000	42	6 700
	30 001–32 000	44	7 540
	32 001–34 000	46	8 420
	34 001–36 000	47	9 340
	36 001–38 000	48	10 280
	38 001–40 000	49	11 240
	40 001–	50	12 220
Rebates			
Married.....	R320		
Single.....	R240		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–70.....	R120	Age 70 and over	R80
Medical and insurance.....	10% (max. R75)	Single (min. R20)	

#### Surcharge on normal tax payable by unmarried persons

Where the taxable income does not exceed R28 000, a surcharge is added equal to 20% of the tax so calculated, after deducting an amount equal to the rebates. Where the taxable income of such a person exceeds R28 000, the tax payable is the amount of tax calculated as aforesaid on the taxable income of R28 000, plus 50% of the amount by which the taxable income exceeds R28 000.

#### Loan levy

A 5% loan levy must be added to normal tax calculated according to the above-mentioned rates of tax.

#### A loan levy is not payable:

- where the taxable income does not exceed R7 000;
- where the basic normal tax is less than R150; and
- by a person over the age of 70 whose taxable income does not exceed R15 000.

In calculating the loan levy, fractions of the rand are discarded.



1983/84			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–7 000	10	0
	7 001–8 000	12	700
	8 001–9 000	14	820
	9 001–10 000	16	960
	10 001–11 000	18	1 120
	11 001–12 000	20	1 300
	12 001–13 000	22	1 500
	13 001–14 000	24	1 720
	14 001–15 000	26	1 960
	15 001–16 000	28	2 220
	16 001–18 000	30	2 500
	18 001–20 000	32	3 100
	20 001–22 000	34	3 740
	22 001–24 000	36	4 420
	24 001–26 000	38	5 140
	26 001–28 000	40	5 900
	28 001–30 000	42	6 700
	30 001–32 000	44	7 540
	32 001–34 000	46	8 420
	34 001–36 000	47	9 340
	36 001–38 000	48	10 280
	38 001–40 000	49	11 240
	40 001–	50	12 220
Single.....	1–7 000	10	0
	7 001–8 000	12	700
	8 001–9 000	14	820
	9 001–10 000	16	960
	10 001–11 000	18	1 120
	11 001–12 000	20	1 300
	12 001–13 000	22	1 500
	13 001–14 000	24	1 720





Annexure E Budget Review 1983 (continued)			
1983/84			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	14 001–15 000	26	1 960
	15 001–16 000	28	2 220
	16 001–18 000	30	2 500
	18 001–20 000	32	3 100
	20 001–22 000	34	3 740
	22 001–24 000	36	4 420
	24 001–26 000	38	5 140
	26 001–28 000	40	5 900
	28 001–30 000	42	6 700
	30 001–32 000	44	7 540
	32 001–34 000	46	8 420
	34 001–36 000	47	9 340
	36 001–38 000	48	10 280
	38 001–40 000	49	11 240
	40 001–	50	12 220
Rebates			
Married.....	R460		
Single.....	R380		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–70.....	R120	Age 70 and over	R300
Medical and insurance.....	10% (max. R75) (min. R30)	Single (min. R20)	

**Surcharge on normal tax payable by unmarried persons.**

Where the taxable income does not exceed R28 000, a surcharge is added equal to 20% of the tax so calculated, after deducting an amount equal to the rebates. Where the taxable income of such a person exceeds R28 000, the tax payable is the amount of tax calculated as aforesaid on the taxable income of R28 000, plus 50% of the amount by which the taxable income exceeds R28 000.

1984/85			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–8 000	12	0
	8 001–9 000	14	960
	9 001–10 000	16	1 100
	10 001–11 000	18	1 260
	11 001–12 000	20	1 440
	12 001–13 000	22	1 640
	13 001–14 000	24	1 860
	14 001–15 000	26	2 100
	15 001–16 000	28	2 360
	16 001–18 000	30	2 640
	18 001–20 000	32	3 240
	20 001–22 000	34	3 880
	22 001–24 000	36	4 560
	24 001–26 000	38	5 280
	26 001–28 000	40	6 040
	28 001–30 000	42	6 840
	30 001–32 000	44	7 680
	32 001–34 000	46	8 560
	34 001–36 000	47	9 480
	36 001–38 000	48	10 420
	38 001–40 000	49	11 380
	40 001–	50	12 360
Single.....	1–8 000	12	0
	8 001–9 000	14	960
	9 001–10 000	16	1 100
	10 001–11 000	18	1 260
	11 001–12 000	20	1 440





**Annexure F Budget Review 1984 (continued)**

1984/85			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	12 001–13 000	22	1 640
	13 001–14 000	24	1 860
	14 001–15 000	26	2 100
	15 001–16 000	28	2 360
	16 001–18 000	30	2 640
	18 001–20 000	32	3 240
	20 001–22 000	34	3 880
	22 001–24 000	36	4 560
	24 001–26 000	38	5 280
	26 001–28 000	40	6 040
	28 001–30 000	42	6 840
	30 001–32 000	44	7 680
	32 001–34 000	46	8 560
	34 001–36 000	47	9 480
	36 001–38 000	48	10 420
	38 001–40 000	49	11 380
	40 001–	50	12 360

**Rebates**

Married.....	R460		
Single .....	R380		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–70.....	R120	Age 70 and over	R300
Medical and insurance.....	10% (max. R75) (min. R30)	Single (min. R20)	

Surcharge on normal tax payable by unmarried persons.  
 Where the taxable income does not exceed R28 000, a surcharge is added equal to 20% of the tax so calculated, after deducting an amount equal to the rebates. Where the taxable income of such a person exceeds R28 000, the tax payable is the amount of tax calculated as aforesaid on the taxable income of R28 000, plus 50% of the amount by which the taxable income exceeds R28 000.

1985/86			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–12 000	16	0
	12 000–13 000	18	1 920
	13 000–14 000	20	2 100
	14 000–15 000	22	2 300
	15 000–16 000	24	2 520
	16 000–18 000	26	2 760
	18 000–20 000	28	3 280
	20 000–22 000	30	3 840
	22 000–24 000	32	4 440
	24 000–26 000	34	5 080
	26 000–28 000	36	5 760
	28 000–30 000	38	6 480
	30 000–32 000	40	7 240
	32 000–34 000	42	8 040
	34 000–36 000	43	8 880
	36 000–38 000	44	9 740
	38 000–40 000	45	10 620
	40 000–50 000	46	11 520
	50 000–60 000	48	16 120
	60 000–	50	20 920
Single.....	1–10 000	16	0
	10 000–11 000	18	1 600
	11 000–12 000	20	1 780
	12 000–13 000	22	1 980
	13 000–14 000	24	2 200





Annexure G Budget Review 1985 (continued)			
1985/86			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	14 000–15 000	26	2 440
	15 000–16 000	28	2 700
	16 000–18 000	30	2 980
	18 000–20 000	32	3 580
	20 000–22 000	34	4 220
	22 000–24 000	36	4 900
	24 000–26 000	38	5 620
	26 000–28 000	40	6 380
	28 000–30 000	42	7 180
	30 000–32 000	44	8 020
	32 000–34 000	45	8 900
	34 000–36 000	46	9 800
	36 000–38 000	47	10 720
	38 000–40 000	48	11 660
	40 000–42 000	49	12 620
	42 000–	50	13 600
Rebates			
Married.....	R880		
Single.....	R620		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–64.....	R120	Age 65 and over	R500
Medical and insurance.....	10% (max. R75) (min. R30)	Single (min. R20)	

**Surcharge on normal tax payable.**

A surcharge is added to the tax calculated in accordance with the rates above. The surcharge is calculated at the rate of 7% on the tax (after deduction of the rebates) if it exceeds R750. (The surcharge is payable by all married and unmarried persons, regardless of their ages.)

1986/87			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–12 000	16	0
	12 000–13 000	18	1 920
	13 000–14 000	20	2 100
	14 000–15 000	22	2 300
	15 000–16 000	24	2 520
	16 000–18 000	26	2 760
	18 000–20 000	28	3 280
	20 000–22 000	30	3 840
	22 000–24 000	32	4 440
	24 000–26 000	34	5 080
	26 000–28 000	36	5 760
	28 000–30 000	38	6 480
	30 000–32 000	40	7 240
	32 000–34 000	42	8 040
	34 000–36 000	43	8 880
	36 000–38 000	44	9 740
	38 000–40 000	45	10 620
	40 000–50 000	46	11 520
	50 000–60 000	48	16 120
	60 000–	50	20 920
Single.....	1–10 000	16	0
	10 000–11 000	18	1 600
	11 000–12 000	20	1 780
	12 000–13 000	22	1 980
	13 000–14 000	24	2 200
	14 000–15 000	26	2 440
	15 000–16 000	28	2 700





Annexure H Budget Review 1986 (continued)			
1986/87			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	16 000–18 000	30	2 980
	18 000–20 000	32	3 580
	20 000–22 000	34	4 220
	22 000–24 000	36	4 900
	24 000–26 000	38	5 620
	26 000–28 000	40	6 380
	28 000–30 000	42	7 180
	30 000–32 000	44	8 020
	32 000–34 000	45	8 900
	34 000–36 000	46	9 800
	36 000–38 000	47	10 720
	38 000–40 000	48	11 660
	40 000–42 000	49	12 620
	42 000–	50	13 600
Rebates			
Married.....	R880		
Single.....	R620		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–64.....	R120	Age 65 and over	R500
Medical and insurance.....	10% (max. R75) (min. R30)	Single (min. R20)	

According to the above tax rates, after rebates, a discount of 5% is given.

1987/88			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–12 000	15	0
	12 000–13 000	16	1 800
	13 000–14 000	18	1 960
	14 000–15 000	20	2 140
	15 000–16 000	22	2 340
	16 000–18 000	24	2 560
	18 000–20 000	26	3 040
	20 000–22 000	28	3 560
	22 000– 24 000	30	4 120
	24 000–26 000	32	4 720
	26 000–28 000	34	5 360
	28 000–30 000	36	6 040
	30 000–35 000	38	6 760
	35 000–40 000	40	8 660
	40 000–45 000	42	10 660
	45 000–50 000	43	12 760
	50 000–60 000	44	14 910
	60 000–	45	19 310
Single.....	1–10 000	15	0
	10 000–11 000	16	1 500
	11 000–12 000	18	1 660





Annexure I Budget Review 1987 (continued)			
1987/88			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	12 000–13 000	20	1 840
	13 000–14 000	22	2 040
	14 000–15 000	24	2 260
	15 000–16 000	26	2 500
	16 000–18 000	28	2 760
	18 000–20 000	30	3 320
	20 000–22 000	32	3 920
	22 000– 24 000	34	4 560
	24 000–26 000	36	5 240
	26 000–28 000	38	5 960
	28 000–30 000	40	6 720
	30 000–34 000	42	7 520
	34 000–38 000	43	9 200
	38 000–42 000	44	10 920
	42 000–	45	12 680
Rebates			
Married.....	R920		
Single.....	R650		
Dependants.....		R30 if maintenance is > R200	R50 if maintenance is > R350
Child.....	R100	Extra R50 in excess of five children	
Age 60–70.....	R120	Age 70 and over	R500
Medical and insurance.....	10% (max. R75) (min. R30)	Single (min. R20)	

1988/89			
	Income (R per annum)	Rate (per cent)	Tax scale (R)
Married.....	1–12 000	14	0
	12 000–13 000	15	1 680
	13 000–14 000	17	1 830
	14 000–15 000	19	2 000
	15 000–16 000	21	2 190
	16 000–18 000	23	2 400
	18 000–20 000	25	2 860
	20 000–22 000	27	3 360
	22 000–24 000	29	3 900
	24 000–26 000	31	4 480
	26 000–28 000	33	5 100
	28 000–30 000	35	5 760
	30 000–35 000	37	6 460
	35 000–40 000	39	8 310
	40 000–50 000	41	10 260
	50 000–60 000	42	14 360
	60 000–70 000	43	18 560
	70 000–80 000	44	22 860
	80 000–	45	27 260
Single.....	1–10 000	14	0
	10 000–11 000	15	1 400





Annexure J Budget Review 1988 (continued)			
1988/89			
	Income (R per annum)	Rate (per cent)	Tax scale (R)
	11 000–12 000	17	1 550
	12 000–13 000	19	1 720
	13 000–14 000	21	1 910
	14 000–15 000	23	2 120
	15 000–16 000	25	2 350
	16 000–18 000	27	2 600
	18 000–20 000	29	3 140
	20 000–22 000	31	3 720
	22 000–24 000	33	4 340
	24 000–26 000	35	5 000
	26 000–28 000	37	5 700
	28 000–30 000	39	6 440
	30 000–36 000	41	7 220
	36 000–42 000	42	9 680
	42 000–48 000	43	12 200
	48 000–54 000	44	14 780
	54 000–	45	17 420
<b>Rebates</b>			
Married.....	R1 100		
Single.....	R750		
Child.....	R100	Extra R50 in excess of five children	
Age 60–64.....	R120	Age 65 and over	R500

1989/90			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–12 000	14	0
	12 000–13 000	15	1 680
	13 000–14 000	17	1 830
	14 000–15 000	19	2 000
	15 000–16 000	21	2 190
	16 000–18 000	23	2 400
	18 000–20 000	25	2 860
	20 000–22 000	27	3 360
	22 000–24 000	29	3 900
	24 000–26 000	31	4 480
	26 000–28 000	33	5 100
	28 000–30 000	35	5 760
	30 000–35 000	37	6 460
	35 000–40 000	39	8 310
	40 000–50 000	41	10 260
	50 000–60 000	42	14 360
	60 000–70 000	43	18 560
	70 000–80 000	44	22 860
	80 000–	45	27 260
Single.....	1–10 000	14	0
	10 000–11 000	15	1 400
	11 000–12 000	17	1 550
	12 000–13 000	19	1 720
	13 000–14 000	21	1 910
	14 000–15 000	23	2 120





**Annexure K Budget Review 1989 (continued)**

1989/90			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
	15 000–16 000	25	2 350
	16 000–18 000	27	2 600
	18 000–20 000	29	3 140
	20 000–22 000	31	3 720
	22 000–24 000	33	4 340
	24 000–26 000	35	5 000
	26 000–28 000	37	5 700
	28 000–30 000	39	6 440
	30 000–36 000	41	7 220
	36 000–42 000	42	9 680
	42 000–48 000	43	12 200
	48 000–54 000	44	14 780
	54 000–	45	17 420
Married women .....	1–20 000	25	0
	20 000–24 000	28	5 000
	24 000–28 000	30	6 120
	28 000–32 000	32	7 320
	32 000–36 000	34	8 600
	36 000–40 000	36	9 960
	40 000	38	11 400
<b>Rebates</b>			
Married.....	R1 250		
Single .....	R850		
Married women .....	R1 075		
Child.....	R100		
Age 1 .....	R120		
Age 2 .....	R1 450		

1990/91			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–5 000	16	0
	5 000–10 000	18	800
	10 000–15 000	20	1 700
	15 000–20 000	22	2 700
	20 000–25 000	24	3 800
	25 000–30 000	27	5 000
	30 000–35 000	30	6 350
	35 000–40 000	33	7 850
	40 000–45 000	36	9 500
	45 000–50 000	39	11 300
	50 000–55 000	40	13 250
	55 000–60 000	41	15 250
	60 000–70 000	42	17 300
	70 000–80 000	43	21 500
	80 000–	44	25 800
Single.....	1–4 000	15	0
	4 000–8 000	18	600
	8 000–12 000	21	1 320
	12 000–16 000	24	2 160
	16 000–20 000	27	3 120
	20 000–24 000	30	4 200
	24 000–28 000	33	5 400
	28 000–32 000	36	6 720
	32 000–36 000	39	8 160
	36 000–40 000	40	9 720
	40 000–44 000	41	11 320
	44 000–48 000	42	12 960
	48 000–56 000	43	14 640
	56 000–	44	18 080





**Annexure L**     *Budget Review 1990 (continued)*

1990/91			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married women .....	1-4 000	15	0
	4 000-8 000	18	600
	8 000-12 000	21	1 320
	12 000-16 000	24	2 160
	16 000-20 000	27	3 120
	20 000-24 000	30	4 200
	24 000-28 000	32	5 400
	28 000-32 000	34	6 680
	32 000-36 000	36	8 040
	36 000-40 000	37	9 480
	40 000	38	10 960
<b>Rebates</b>			
Married.....	R2 100		
Single .....	R1 800		
Married women .....	R700		
Child.....	R100		
Age 1 .....	R120		
Age 2 .....	R2 100		

1991/92			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–5 000	15	0
	5 000–10 000	17	750
	10 000–15 000	19	1 600
	15 000–20 000	21	2 550
	20 000–25 000	23	3 600
	25 000–30 000	26	4 750
	30 000–35 000	29	6 050
	35 000–40 000	32	7 500
	40 000–45 000	35	9 100
	45 000–50 000	38	10 850
	50 000–55 000	39	12 750
	55 000–60 000	40	14 700
	60 000–70 000	41	16 700
	70 000–80 000	42	20 800
	80 000–	43	25 000
Single.....	1–5 000	14	0
	5 000–10 000	17	700
	10 000–15 000	21	1 550
	15 000–20 000	25	2 600
	20 000–25 000	29	3 850
	25 000–30 000	33	5 300
	30 000–35 000	36	6 950
	35 000–40 000	39	8 750
	40 000–45 000	40	10 700
	45 000–50 000	41	12 700
	50 000–56 000	42	14 750
	56 000–	43	17 270





**Annexure M** *Budget Review 1991 (continued)*

1991/92			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married women .....	1-4 000	15	0
	4 000-8 000	18	600
	8 000-12 000	21	1 320
	12 000-16 000	24	2 160
	16 000-20 000	27	3 120
	20 000-24 000	30	4 200
	24 000-28 000	32	5 400
	28 000-32 000	34	6 680
	32 000-36 000	36	8 040
	36 000-40 000	37	9 480
	40 000-	38	10 960
<b>Rebates</b>			
Married.....	R2 000		
Single .....	R1 625		
Married women .....	R800		
Child.....	R100		
Age 1 .....	R120		
Age 2 .....	R2 100		

1992/93			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1–5 000	17	0
	5 000–10 000	18	850
	10 000–15 000	19	1 750
	15 000–20 000	20	2 700
	20 000–30 000	21	3 700
	30 000–40 000	28	5 800
	40 000–50 000	36	8 600
	50 000–60 000	41	12 200
	60 000–80 000	42	16 300
	80 000–	43	24 700
Single.....	1–5 000	17	0
	5 000–10 000	19	850
	10 000–15 000	21	1 800
	15 000–20 000	24	2 850
	20 000–30 000	28	4 050
	30 000–40 000	36	6 850
	40 000–50 000	41	10 450
	50 000–56 000	42	14 550
	56 000–	43	17 070
Married women.....	1–5 000	17	0
	5 000–10 000	19	850
	10 000–15 000	21	1 800
	15 000–20 000	24	2 850
	20 000–30 000	28	4 050
	30 000–40 000	36	6 850
	40 000–50 000	38	10 450
	50 000–	40	14 250
<b>Rebates</b>			
Married.....	R2 225		
Single.....	R1 950		
Married women.....	R900		
Child.....	R100		
Age 1.....	R120		
Age 2.....	R2 500		





**Annexure O** *Budget Review 1993*

1993/94			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1-5 000	17	0
	5 000-10 000	18	850
	10 000-15 000	19	1 750
	15 000-20 000	20	2 700
	20 000-30 000	21	3 700
	30 000-40 000	28	5 800
	40 000-50 000	36	8 600
	50 000-60 000	41	12 200
	60 000-80 000	42	16 300
	80 000-	43	24 700
Single .....	1-5 000	17	0
	5 000-10 000	19	850
	10 000-15 000	21	1 800
	15 000-20 000	24	2 850
	20 000-30 000	28	4 050
	30 000-40 000	36	6 850
	40 000-50 000	41	10 450
	50 000-56 000	42	14 550
	56 000-	43	17 070
	Married women .....	1-5 000	17
5 000-10 000		19	850
10 000-15 000		21	1 800
15 000-20 000		24	2 850
20 000-30 000		28	4 050
30 000-40 000		36	6 850
40 000-50 000		38	10 450
50 000-		40	14 250
<b>Rebates</b>			
Married.....	R2 225		
Single .....	R1 950		
Married women .....	R900		
Child.....	R100		
Age 1 .....	R120		
Age 2 .....	R2 500		



1994/95			
	Income (R per annum)	Rate (Per cent)	Tax scale (R)
Married.....	1-5 000	17	0
	5 000-10 000	18	850
	10 000-15 000	19	1 750
	15 000-20 000	20	2 700
	20 000-30 000	21	3 700
	30 000-40 000	28	5 800
	40 000-50 000	36	8 600
	50 000-60 000	41	12 200
	60 000-80 000	42	16 300
Single.....	80 000-	43	24 700
	1-5 000	17	0
	5 000-10 000	19	850
	10 000-15 000	21	1 800
	15 000-20 000	24	2 850
	20 000-30 000	28	4 050
	30 000-40 000	36	6 850
	40 000-50 000	41	10 450
	50 000-56 000	42	14 550
Married women.....	56 000-	43	17 070
	1-5 000	17	0
	5 000-10 000	19	850
	10 000-15 000	21	1 800
	15 000-20 000	24	2 850
	20 000-30 000	28	4 050
	30 000-40 000	36	6 850
	40 000-50 000	38	10 450
50 000-	40	14 250	
<b>Rebates</b>			
Married.....	R2 225		
Single.....	R1 950		
Married women.....	R900		
Child.....	R100		
Age 1.....	R120		
Age 2.....	R2 500		

Note: The transitional levy is applicable and calculated as follows:

1. Married and unmarried persons:  
3.33% of taxable income exceeding R50 000 (taxable income excludes certain retirement benefits).
2. Married women:  
3.33% of taxable income exceeding R175 000 (taxable income excludes certain retirement benefits).
3. Companies (including close corporations): 5% of taxable income exceeding R50 000.
4. Trusts and estates (taxable as unmarried persons): 3.33% of taxable income exceeding R50 000.





## Personal income tax relief

Personal income tax (PIT) provides the foundation for an equitable and progressive tax system. PIT brackets and rebates are partially adjusted for ‘fiscal drag’ to take inflation into account. To compensate for the effects of inflation, which pushes some individuals into higher tax brackets and reduces their purchasing power, the PIT and rebates were adjusted, providing individuals with PIT relief, as shown in the annexure below.

### Annexure P *Budget Review 1994 (continued)*

#### Impact on tax proposals

Proposals after fiscal drag (R billions)		
	Fiscal relief	Rate increase in income tax
2015/16 .....	-8 500	9 420
2014/15 .....	-9 250	...
2013/14 .....	-7 032	...
2012/13 .....	-9 500	...
2011/12 .....	-8 100	...
2010/11 .....	-6 500	...
2009/10 .....	-13 000	...
2008/09 .....	-7 700	...
2007/08 .....	-8 400	...
2006/07 .....	-12 125	...
2005/06 .....	-6 800	...
2004/05 .....	-4 000	...
1994/95 to 2003/04 .....	-62 763	...
<b>Total .....</b>	<b>-100 907</b>	<b>9 420</b>

**Annexure Q Budget Review 1995**

1995/96

Taxable income (R per annum)	Rates of tax
1–5 000	17% of each R1
5 001–10 000	R850 + 18% of the amount above R5 000
10 001–15 000	R1 750 + 19% of the amount above R10 000
15 001–20 000	R2 700 + 20% of the amount above R15 000
20 001–30 000	R3 700 + 21% of the amount above R20 000
30 001–40 000	R5 830 + 31% of the amount above R30 000
40 001–50 000	R8 900 + 42% of the amount above R40 000
50 001–70 000	R13 100 + 43% of the amount above R50 000
70 001–80 000	R21 700 + 44% of the amount above R70 000
80 001 and above	R26 100 + 45% of the amount above R80 000

Rebates	
Primary	R2 625
Age 65 and over (additional to primary rebate)	R2 500
<b>Tax threshold</b>	
Below age 65	R14 600
Age 65 and over	R26 785

Note: In addition, a transitional levy of 1.67% of taxable income exceeding R50 000 is applicable to all persons, including trusts and estates.

**Annexure R Budget Review 1996**

1996/97

Taxable income (R per annum)	Rates of tax
1–15 000	17% of each R1
15 001–20 000	R2 550 + 19% of the amount above R15 000
20 001–30 000	R3 500 + 21% of the amount above R20 000
30 001–40 000	R5 600 + 30% of the amount above R30 000
40 001–60 000	R8 600 + 41% of the amount above R40 000
60 001–80 000	R16 800 + 43% of the amount above R60 000
80 001–100 000	R25 400 + 44% of the amount above R80 000
100 001 and above	R34 200 + 45% of the amount above R100 000

Rebates	
Primary	R2 660
Age 65 and over (additional to primary rebate)	R2 500
<b>Tax threshold</b>	
Below age 65	R15 800
Age 65 and over	R27 905





<b>Annexure S</b> <i>Budget Review 1997</i>	
1997/98	
Taxable income (R per annum)	Rates of tax
1–30 000	19% of each R1
30 001–35 000	R5 700 + 30% of the amount above R30 000
35 001–45 000	R7 200 + 32% of the amount above R35 000
45 001–60 000	R10 400 + 41% of the amount above R45 000
60 001–70 000	R16 550 + 43% of the amount above R60 000
70 001–100 000	R20 850 + 44% of the amount above R70 000
100 001 and above	R34 050 + 45% of the amount above R100 000
Rebates	
Primary	R3 215
Age 65 and over (additional to primary rebate)	R2 500
Tax threshold	
Below age 65	R16 921
Age 65 and over	R30 050

<b>Annexure T</b> <i>Budget Review 1998</i>	
1998/99	
Taxable income (R per annum)	Rates of tax
1–31 000	19% of each R1
31 001–46 000	R5 890 + 30% of the amount above R31 000
46 001–60 000	R10 390 + 39% of the amount above R46 000
60 001–70 000	R15 850 + 43% of the amount above R60 000
70 001–120 000	R20 150 + 44% of the amount above R70 000
120 001 and above	R42 150 + 45% of the amount above R120 000
Rebates	
Primary	R3 515
Age 65 and over (additional to primary rebate)	R2 660
Tax threshold	
Below age 65	R18 500
Age 65 and over	R31 950



**Annexure U Budget Review 1999**

1999/2000	
Taxable income (R per annum)	Rates of tax
1–33 000	19% of each R1
33 001–50 000	R6 270 + 30% of the amount above R33 000
50 001–60 000	R11 370 + 35% of the amount above R50 000
60 001–70 000	R14 870 + 40% of the amount above R60 000
70 001–120 000	R18 870 + 44% of the amount above R70 000
120 001 and above	R40 870 + 45% of the amount above R120 000
Rebates	
Primary	R3 710
Age 65 and over (additional to primary rebate)	R2 775
Tax threshold	
Below age 65	R19 526
Age 65 and over	R33 717

**Annexure V Budget Review 2000**

1999/2000		2000/01	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–33 000	19% of each R1	1–35 000	18% of each R1
33 001–50 000	R6 270 + 30% of the amount above R33 000	35 001–45 000	R6 300 + 26% of the amount above R35 000
50 001–60 000	R11 370 + 35% of the amount above R50 000	45 001–60 000	R8 900 + 32% of the amount above R45 000
60 001–70 000	R14 870 + 40% of the amount above R60 000	60 001–70 000	R13 700 + 37% of the amount above R60 000
70 001–120 000	R18 870 + 44% of the amount above R70 000	70 001–200 000	R17 400 + 40% of the amount above R70 000
120 001 and above	R40 870 + 45% of the amount above R120 000	200 001 and above	R69 400 + 42% of the amount above R200 000
Rebates		Rebates	
Primary	R3 710	Primary	R3 800
Age 65 and over (additional to primary rebate)	R2 775	Age 65 and over (additional to primary rebate)	R2 900
Tax threshold		Tax threshold	
Below age 65	R19 526	Below age 65	R21 111
Age 65 and over	R33 717	Age 65 and over	R36 538





<b>Annexure W Budget Review 2001</b>			
2000/01		2001/02	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–35 000	18% of each R1	1–38 000	18% of each R1
35 001–45 000	R6 300 + 26% of the amount above R35 000	38 001–55 000	R6 840 + 26% of the amount above R38 000
45 001–60 000	R8 900 + 32% of the amount above R45 000	55 001–80 000	R11 260 + 32% of the amount above R55 000
60 001–70 000	R13 700 + 37% of the amount above R60 000	80 001–100 000	R19 260 + 37% of the amount above R80 000
70 001–200 000	R17 400 + 40% of the amount above R70 000	100 001–215 000	R26 660 + 40% of the amount above R100 000
200 001 and above	R69 400 + 42% of the amount above R200 000	215 001 and above	R72 660 + 42% of the amount above R215 000
Rebates		Rebates	
Primary	R3 800	Primary	R4 140
Secondary	R2 900	Secondary	R3 000
Tax threshold		Tax threshold	
Below age 65	R21 111	Below age 65	R23 000
Age 65 and over	R36 538	Age 65 and over	R39 154

<b>Annexure X Budget Review 2002</b>			
2001/02		2002/03	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–38 000	18% of each R1	1–40 000	18% of each R1
38 001–55 000	R6 840 + 26% of the amount above R38 000	40 001–80 000	R7 200 + 25% of the amount above R40 000
55 001–80 000	R11 260 + 32% of the amount above R55 000	80 001–110 000	R17 200 + 30% of the amount above R80 000
80 001–100 000	R19 260 + 37% of the amount above R80 000	110 001–170 000	R26 200 + 35% of the amount above R110 000
100 001–215 000	R26 660 + 40% of the amount above R100 000	170 001–240 000	R47 200 + 38% of the amount above R170 000
215 001 and above	R72 660 + 42% of the amount above R215 000	240 001 and above	R73 800 + 40% of the amount above R240 000
Rebates		Rebates	
Primary	R4 140	Primary	R4 860
Secondary	R3 000	Secondary	R3 000
Tax threshold		Tax threshold	
Below age 65	R23 000	Below age 65	R27 000
Age 65 and over	R39 154	Age 65 and over	R42 640



<b>Annexure Y Budget Review 2003</b>			
2002/03		2003/04	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–40 000	18% of each R1	1–70 000	18% of each R1
40 001–80 000	R7 200 + 25% of the amount above R40 000	70 001–110 000	R12 600 + 25% of the amount above R70 000
80 001–110 000	R17 200 + 30% of the amount above R80 000	110 001–140 000	R22 600 + 30% of the amount above R110 000
110 001–170 000	R26 200 + 35% of the amount above R110 000	140 001–180 000	R31 600 + 35% of the amount above R140 000
170 001–240 000	R47 200 + 38% of the amount above R170 000	180 001–255 000	R45 600 + 38% of the amount above R180 000
240 001 and above	R73 800 + 40% of the amount above R240 000	255 001 and above	R74 100 + 40% of the amount above R255 000
Rebates		Rebates	
Primary	R4 860	Primary	R5 400
Secondary	R3 000	Secondary	R3 100
Tax threshold		Tax threshold	
Below age 65	R27 000	Below age 65	R30 000
Age 65 and over	R42 640	Age 65 and over	R47 222

<b>Annexure Z Budget Review 2004</b>			
2003/04		2004/05	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–70 000	18% of each R1	1–74 000	18% of each R1
70 001–110 000	R12 600 + 25% of the amount above R70 000	74 001–115 000	R13 320 + 25% of the amount above R74 000
110 001–140 000	R22 600 + 30% of the amount above R110 000	115 001–155 000	R23 570 + 30% of the amount above R115 000
140 001–180 000	R31 600 + 35% of the amount above R140 000	155 001–195 000	R35 570 + 35% of the amount above R155 000
180 001–255 000	R45 600 + 38% of the amount above R180 000	195 001–270 000	R49 570 + 38% of the amount above R195 000
255 001 and above	R74 100 + 40% of the amount above R255 000	270 001 and above	R78 070 + 40% of the amount above R270 000
Rebates		Rebates	
Primary	R5 400	Primary	R5 800
Secondary	R3 100	Secondary	R3 200
Tax threshold		Tax threshold	
Below age 65	R30 000	Below age 65	R32 222
Age 65 and over	R47 222	Age 65 and over	R50 000





<b>Annexure AA Budget Review 2005</b>			
2004/05		2005/06	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–74 000	18% of each R1	1–80 000	18% of each R1
74 001–115 000	R13 320 + 25% of the amount above R74 000	80 001–130 000	R14 400 + 25% of the amount above R80 000
115 001–155 000	R23 570 + 30% of the amount above R115 000	130 001–180 000	R26 900 + 30% of the amount above R130 000
155 001–195 000	R35 570 + 35% of the amount above R155 000	180 001–230 000	R41 900 + 35% of the amount above R180 000
195 001–270 000	R49 570 + 38% of the amount above R195 000	230 001–300 000	R59 400 + 38% of the amount above R230 000
270 001 and above	R78 070 + 40% of the amount above R270 000	300 001 and above	R86 000 + 40% of the amount above R300 000
Rebates		Rebates	
Primary	R5 800	Primary	R6 300
Secondary	R3 200	Secondary	R4 500
Tax threshold		Tax threshold	
Below age 65	R32 222	Below age 65	R35 000
Age 65 and over	R50 000	Age 65 and over	R60 000

<b>Annexure AB Budget Review 2006</b>			
2005/06		2006/07	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–80 000	18% of each R1	1–100 000	18% of each R1
80 001–130 000	R14 400 + 25% of the amount above R80 000	100 001–160 000	R18 000 + 25% of the amount above R100 000
130 001–180 000	R26 900 + 30% of the amount above R130 000	160 001–220 000	R33 000 + 30% of the amount above R160 000
180 001–230 000	R41 900 + 35% of the amount above R180 000	220 001–300 000	R51 000 + 35% of the amount above R220 000
230 001–300 000	R59 400 + 38% of the amount above R230 000	300 001–400 000	R79 000 + 38% of the amount above R300 000
300 001 and above	R86 000 + 40% of the amount above R300 000	400 001 and above	R117 000 + 40% of the amount above R400 000
Rebates		Rebates	
Primary	R6 300	Primary	R7 200
Secondary	R4 500	Secondary	R4 500
Tax threshold		Tax threshold	
Below age 65	R35 000	Below age 65	R40 000
Age 65 and over	R60 000	Age 65 and over	R65 000



**Annexure AC Budget Review 2007**

2006/07		2007/08	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–100 000	18% of each R1	1–112 500	18% of each R1
100 001–160 000	R18 000 + 25% of the amount above R100 000	112 501–180 000	R20 250 + 25% of the amount above R112 500
160 001–220 000	R33 000 + 30% of the amount above R160 000	180 001–250 000	R37 125 + 30% of the amount above R180 000
220 001–300 000	R51 000 + 35% of the amount above R220 000	250 001–350 000	R58 125 + 35% of the amount above R250 000
300 001–400 000	R79 000 + 38% of the amount above R300 000	350 001–450 000	R93 125 + 38% of the amount above R350 000
400 001 and above	R117 000 + 40% of the amount above R400 000	450 001 and above	R131 125 + 40% of the amount above R450 000
Rebates		Rebates	
Primary	R7 200	Primary	R7 740
Secondary	R4 500	Secondary	R4 680
Tax threshold		Tax threshold	
Below age 65	R40 000	Below age 65	R43 000
Age 65 and over	R65 000	Age 65 and over	R69 000

**Annexure AD Budget Review 2008**

2007/08		2008/09	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–112 500	18% of each R1	1–122 000	18% of each R1
112 501–180 000	R20 250 + 25% of the amount above R112 500	122 001–195 000	R21 960 + 25% of the amount above R122 000
180 001–250 000	R37 125 + 30% of the amount above R180 000	195 001–270 000	R40 210 + 30% of the amount above R195 000
250 001–350 000	R58 125 + 35% of the amount above R250 000	270 001–380 000	R62 710 + 35% of the amount above R270 000
350 001–450 000	R93 125 + 38% of the amount above R350 000	380 001–490 000	R101 210 + 38% of the amount above R380 000
450 001 and above	R131 125 + 40% of the amount above R450 000	490 001 and above	R143 010 + 40% of the amount above R490 000
Rebates		Rebates	
Primary	R7 740	Primary	R8 280
Secondary	R4 680	Secondary	R5 040
Tax threshold		Tax threshold	
Below age 65	R43 000	Below age 65	R46 000
Age 65 and over	R69 000	Age 65 and over	R74 000





<b>Annexure AE Budget Review 2009</b>			
2008/09		2009/10	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–122 000	18% of each R1	1–132 000	18% of each R1
122 001–195 000	R21 960 + 25% of the amount above R122 000	132 001–210 000	R23 760 + 25% of the amount above R132 000
195 001–270 000	R40 210 + 30% of the amount above R195 000	210 001–290 000	R43 260 + 30% of the amount above R210 000
270 001–380 000	R62 710 + 35% of the amount above R270 000	290 001–410 000	R67 260 + 35% of the amount above R290 000
380 001–490 000	R101 210 + 38% of the amount above R380 000	410 001–525 000	R109 260 + 38% of the amount above R410 000
490 001 and above	R143 010 + 40% of the amount above R490 000	525 001 and above	R152 960 + 40% of the amount above R525 000
Rebates		Rebates	
Primary	R8 280	Primary	R9 756
Secondary	R5 040	Secondary	R5 400
Tax threshold		Tax threshold	
Below age 65	R46 000	Below age 65	R54 200
Age 65 and over	R74 000	Age 65 and over	R84 200

<b>Annexure AF Budget Review 2010</b>			
2009/10		2010/11	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–132 000	18% of each R1	1–140 000	18% of each R1
132 001–210 000	R23 760 + 25% of the amount above R132 000	140 001–221 000	R25 200 + 25% of the amount above R140 000
210 001–290 000	R43 260 + 30% of the amount above R210 000	221 001–305 000	R45 450 + 30% of the amount above R221 000
290 001–410 000	R67 260 + 35% of the amount above R290 000	305 001–431 000	R70 650 + 35% of the amount above R305 000
410 001–525 000	R109 260 + 38% of the amount above R410 000	431 001–552 000	R114 750 + 38% of the amount above R431 000
525 001 and above	R152 960 + 40% of the amount above R525 000	552 001 and above	R160 730 + 40% of the amount above R552 000
Rebates		Rebates	
Primary	R9 756	Primary	R10 260
Secondary	R5 400	Secondary	R5 675
Tax threshold		Tax threshold	
Below age 65	R54 200	Below age 65	R57 000
Age 65 and over	R84 200	Age 65 and over	R88 528



**Annexure AG Budget Review 2011**

2010/11		2011/12	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–140 000	18% of each R1	1–150 000	18% of each R1
140 001–221 000	R25 200 + 25% of the amount above R140 000	150 001–235 000	R27 000 + 25% of the amount above R150 000
221 001–305 000	R45 450 + 30% of the amount above R221 000	235 001–325 000	R48 250 + 30% of the amount above R235 000
305 001–431 000	R70 650 + 35% of the amount above R305 000	325 001–455 000	R75 250 + 35% of the amount above R325 000
431 001–552 000	R114 750 + 38% of the amount above R431 000	455 001–580 000	R120 750 + 38% of the amount above R455 000
552 001 and above	R160 730 + 40% of the amount above R552 000	580 001 and above	R168 250 + 40% of the amount above R580 000
Rebates		Rebates	
Primary	R10 260	Primary	R10 755
Secondary	R5 675	Secondary	R6 012
		Tertiary	R2 000
Tax threshold		Tax threshold	
Below age 65	R57 000	Below age 65	R59 750
Age 65 and over	R88 528	Age 65 and over	R93 150
		Age 75 and over	R104 261

**Annexure AH Budget Review 2012**

2011/12		2012/13	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–150 000	18% of each R1	1–160 000	18% of each R1
150 001–235 000	R27 000 + 25% of the amount above R150 000	160 001–250 000	R28 800 + 25% of the amount above R160 000
235 001–325 000	R48 250 + 30% of the amount above R235 000	250 001–346 000	R51 300 + 30% of the amount above R200 000
325 001–455 000	R75 250 + 35% of the amount above R325 000	346 001–484 000	R80 100 + 35% of the amount above R346 000
455 001–580 000	R120 750 + 38% of the amount above R455 000	484 001–617 000	R128 400 + 38% of the amount above R484 000
580 001 and above	R168 250 + 40% of the amount above R580 000	617 001 and above	R178 940 + 40% of the amount above R617 000
Rebates		Rebates	
Primary	R10 755	Primary	R11 440
Secondary	R6 012	Secondary	R6 390
Tertiary	R2 000	Tertiary	R2 130
Tax threshold		Tax threshold	
Below age 65	R59 750	Below age 65	R63 556
Age 65 and over	R93 150	Age 65 and over	R99 056
Age 75 and over	R104 261	Age 75 and over	R110 889





<b>Annexure AI Budget Review 2013</b>			
2012/13		2013/14	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–160 000	18% of each R1	1–165 600	18% of each R1
160 001–250 000	R28 800 + 25% of the amount above R160 000	165 601–258 750	R29 808 + 25% of the amount above R165 600
250 001–346 000	R51 300 + 30% of the amount above R230 000	258 751–358 110	R53 096 + 30% of the amount above R258 750
346 001–484 000	R80 100 + 35% of the amount above R346 000	358 111–500 940	R82 904 + 35% of the amount above R358 110
484 001–617 000	R128 400 + 38% of the amount above R484 000	500 941–638 600	R132 894 + 38% of the amount above R500 940
617 001 and above	R178 940 + 40% of the amount above R617 000	638 601 and above	R185 205 + 40% of the amount above R638 600
Rebates		Rebates	
Primary	R11 440	Primary	R12 080
Secondary	R6 930	Secondary	R6 750
Tertiary	R2 130	Tertiary	R2 250
Tax threshold		Tax threshold	
Below age 65	R63 556	Below age 65	R67 111
Age 65 and over	R99 056	Age 65 and over	R104 611
Age 75 and over	R110 889	Age 75 and over	R117 111

<b>Annexure AJ Budget Review 2014</b>			
2013/14		2014/15	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–165 600	18% of each R1	1–174 550	18% of each R1
165 601–258 750	R29 808 + 25% of the amount above R165 600	174 551–272 700	R31 419 + 25% of the amount above R174 550
258 751–358 110	R53 096 + 30% of the amount above R258 750	272 701–377 450	R55 957 + 30% of the amount above R272 700
358 111–500 940	R82 904 + 35% of the amount above R358 110	377 451–528 000	R87 382 + 35% of the amount above R377 450
500 941–638 600	R132 894 + 38% of the amount above R500 940	528 001–673 100	R140 074 + 38% of the amount above R528 000
638 601 and above	R185 204 + 40% of the amount above R638 600	673 101 and above	R195 212 + 40% of the amount above R673 100
Rebates		Rebates	
Primary	R12 080	Primary	R12 726
Secondary	R6 750	Secondary	R7 110
Tertiary	R2 250	Tertiary	R2 367
Tax threshold		Tax threshold	
Below age 65	R67 111	Below age 65	R70 700
Age 65 and over	R104 611	Age 65 and over	R110 200
Age 75 and over	R117 111	Age 75 and over	R123 350



**Annexure AK Budget Review 2015**

2014/15		2015/16	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–174 550	18% of each R1	1–181 900	18% of each R1
174 551–272 700	R31 419 + 25% of the amount above R174 550	181 901–284 100	R32 742 + 26% of the amount above R181 900
272 701–377 450	R55 957 + 30% of the amount above R272 700	284 101–393 200	R59 314 + 31% of the amount above R284 100
377 451–528 000	R87 382 + 35% of the amount above R377 450	393 201–550 100	R93 135 + 36% of the amount above R393 200
528 001–673 100	R140 074 + 38% of the amount above R528 000	550 101–701 300	R149 619 + 39% of the amount above R550 100
673 101 and above	R195 212 + 40% of the amount above R673 100	701 301 and above	R208 587 + 41% of the amount above R701 300
Rebates		Rebates	
Primary	R12 726	Primary	R13 257
Secondary	R7 110	Secondary	R7 407
Tertiary	R2 367	Tertiary	R2 466
Tax threshold		Tax threshold	
Below age 65	R70 700	Below age 65	R73 650
Age 65 and over	R110 200	Age 65 and over	R114 800
Age 75 and over	R123 350	Age 75 and over	R128 500

**Annexure AL Budget Review 2016**

2015/16		2016/17	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–181 900	18% of each R1	1–188 000	18% of each R1
181 901–284 100	R32 742 + 26% of the amount above R181 900	188 001–293 600	R33 840 + 26% of the amount above R188 000
284 101–393 200	R59 314 + 31% of the amount above R284 100	293 601–406 400	R61 296 + 31% of the amount above R293 600
393 201–550 100	R93 135 + 36% of the amount above R393 200	406 401–550 100	R96 264 + 36% of the amount above R406 400
550 101–701 100	R149 619 + 39% of the amount above R550 100	550 101–701 300	R147 996 + 39% of the amount above R550 100
701 301 and above	R208 587 + 41% of the amount above R701 300	701 301 and above	R206 964 + 41% of the amount above R701 300
Rebates		Rebates	
Primary	R13 257	Primary	R13 500
Secondary	R7 407	Secondary	R7 407
Tertiary	R2 466	Tertiary	R2 466
Tax threshold		Tax threshold	
Below age 65	R73 650	Below age 65	R75 000
Age 65 and over	R114 800	Age 65 and over	R116 150
Age 75 and over	R128 500	Age 75 and over	R129 850





<b>Annexure AM Budget Review 2017</b>			
2016/17		2017/18	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–181 900	18% of each R1	1–189 880	18% of each R1
181 001–293 600	R33 840 + 26% of the amount above R188 000	188 881–296 540	R34 178 + 26% of the amount above R189 880
293 601–406 400	R61 298 + 31% of the amount above R293 600	296 541–410 460	R61 910 + 31% of the amount above R296 540
406 401–550 100	R96 264 + 36% of the amount above R406 400	410 461–550 600	R97 225 + 36% of the amount above R410 460
550 101–701 300	R149 996 + 39% of the amount above R550 100	550 601–708 310	R149 475 + 39% of the amount above R555 600
701 301 and above	R206 964 + 41% of the amount above R701 300	708 311–1 500 000	R209 032 + 41% of the amount above R708 310
1 500 001 and above		1 500 001 and above	R533 625 + 45% of the amount above R1 500 000
Rebates		Rebates	
Primary	R13 500	Primary	R13 635
Secondary	R7 407	Secondary	R7 479
Tertiary	R2 466	Tertiary	R2 493
Tax threshold		Tax threshold	
Below age 65	R75 000	Below age 65	R75 750
Age 65 and over	R116 150	Age 65 and over	R117 300
Age 75 and over	R129 850	Age 75 and over	R131 150

<b>Annexure AN Budget Review 2018</b>			
2017/18		2018/19	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–189 880	18% of each R1	1–195 850	18% of each R1
189 881–296 540	R34 178 + 26% of the amount above R189 880	195 851–305 850	R35 253 + 26% of the amount above R195 850
296 541–410 460	R61 910 + 31% of the amount above R296 540	305 851–423 300	R63 853 + 31% of the amount above R305 850
410 461–555 600	R97 225 + 36% of the amount above R410 460	423 301–555 600	R100 263 + 36% of the amount above R423 300
555 601–708 310	R149 475 + 39% of the amount above R555 600	555 601–708 310	R147 891 + 39% of the amount above R555 600
708 311–1500 000	R209 032 + 41% of the amount above R708 310	708 311–1 500 000	R207 448+ 41% of the amount above R708 310
1 500 001 and above	R533 625 + 45% of the amount above R1 500 000	1 500 001 and above	R532 041 + 45% of the amount above R1 500 000
Rebates		Rebates	
Primary	R13 635	Primary	R14 067
Secondary	R7 479	Secondary	R7 713
Tertiary	R2 493	Tertiary	R2 574
Tax threshold		Tax threshold	
Below age 65	R75 750	Below age 65	R78 150
Age 65 and over	R117 300	Age 65 and over	R121 000
Age 75 and over	R131 150	Age 75 and over	R135 300



**Annexure AO Budget Review 2019**

2018/19		2019/20	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–189 850	18% of each R1	1–195 850	18% of each R1
195 851–305 850	R35 253 + 26% of the amount above R195 850	195 851–305 850	R35 253 + 26% of the amount above R195 850
305 851–423 300	R63 853 + 31% of the amount above R305 850	305 851–423 300	R63 853 + 31% of the amount above R305 850
423 301–555 600	R100 263 + 36% of the amount above R423 300	423 301–555 600	R100 263 + 36% of the amount above R423 300
555 601–708 310	R147 891 + 39% of the amount above R555 600	555 601–708 310	R147 891 + 39% of the amount above R555 600
708 311–1500 000	R207 448 + 41% of the amount above R708 310	708 311–1 500 000	R207 448 + 41% of the amount above R708 310
1 500 001 and above	R532 041 + 45% of the amount above R1 500 000	1 500 001 and above	R532 041 + 45% of the amount above R1 500 000
Rebates		Rebates	
Primary	R14 067	Primary	R14 220
Secondary	R7 713	Secondary	R7 794
Tertiary	R2 574	Tertiary	R2 601
Tax threshold		Tax threshold	
Below age 65	R78 150	Below age 65	R79 000
Age 65 and over	R121 000	Age 65 and over	R122 300
Age 75 and over	R135 300	Age 75 and over	R136 750

**Annexure AP Budget Review 2020**

2019/20		2020/21	
Taxable income (R per annum)	Rates of tax	Taxable income (R per annum)	Rates of tax
1–195 850	18% of each R1	1–205 900	18% of each R1
195 851–305 850	R35 253 + 26% of the amount above R195 850	205 901–321 600	R37 062 + 26% of the amount above R205 900
305 851–423 300	R63 853 + 31% of the amount above R305 850	321 601–445 100	R67 144 + 31% of the amount above R321 600
423 301–555 600	R100 263 + 36% of the amount above R423 300	445 101–584 200	R105 429 + 36% of the amount above R445 100
555 601–708 310	R147 891 + 39% of the amount above R555 600	584 201–744 800	R155 505 + 39% of the amount above R584 200
708 311–1500 000	R207 448 + 41% of the amount above R708 310	744 801–1 577 300	R218 139 + 41% of the amount above R744 800
1 500 001 and above	R532 041 + 45% of the amount above R1 500 000	1 577 301 and above	R559 464 + 45% of the amount above R1 577 300
Rebates		Rebates	
Primary	R14 220	Primary	R14 958
Secondary	R7 794	Secondary	R8 199
Tertiary	R2 601	Tertiary	R2 736
Tax threshold		Tax threshold	
Below age 65	R79 000	Below age 65	R83 100
Age 65 and over	R122 300	Age 65 and over	R128 650
Age 75 and over	R136 750	Age 75 and over	R143 850





Annexure AQ Various editions of the <i>Budget Review</i> *				
R millions				
Fiscal year**	All	Married	Single	Married women
Nominal				
1980	...	22 000	22 000	...
1981	...	40 001	40 001	...
1982	...	40 001	40 001	...
1983	...	40 001	40 001	...
1984	...	40 001	40 001	...
1985	...	40 001	40 001	...
1986	...	60 000	42 000	...
1987	...	60 000	42 000	...
1988	...	60 000	42 000	...
1989	...	80 000	54 000	...
1990	...	80 000	54 000	40 000
1991	...	80 000	56 000	40 000
1992	...	80 000	56 000	40 000
1993	...	80 000	56 000	50 000
1994	...	80 000	56 000	50 000
1995	...	80 000	56 000	50 000
1996	80 000	...	...	...
1997	100 000	...	...	...
1998	100 000	...	...	...
1999	120 000	...	...	...
2000	120 000	...	...	...
2001	200 001	...	...	...
2002	215 001	...	...	...
2003	240 001	...	...	...
2004	255 001	...	...	...
2005	270 001	...	...	...
2006	300 001	...	...	...
2007	400 001	...	...	...
2008	450 001	...	...	...
2009	490 001	...	...	...
2010	525 001	...	...	...
2011	552 001	...	...	...
2012	580 001	...	...	...
2013	617 001	...	...	...
2014	638 601	...	...	...
2015	673 101	...	...	...
2016	701 301	...	...	...
2017	1 500 001	...	...	...
2018	1 500 001	...	...	...
2019	1 500 001	...	...	...
2020	1 500 001	...	...	...
2021	1 577 301	...	...	...
2022	1 656 601	...	...	...

\* Taxable income level at which the maximum marginal rate kicks in (R per annum)

\*\* Ending 31 March of each fiscal year



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## Abbreviations

CER	certified emission reduction
CF	corporate fund
CGT	capital gains tax
CIS	collective investment scheme
CO <sup>2</sup>	carbon dioxide
CPF	company policyholder fund
Excon	Exchange Control
FinSurv	Financial Surveillance Department [of the South African Reserve Bank]
fob	free on board
GST	general sales tax
IMF	International Monetary Fund
IPF	individual policyholder fund
NCD	negotiable certificate of deposit
NQF	National qualifications Framework
PBO	public benefit organisation
PIT	personal income tax
RSC	Regional Services Council
SACU	Southern African Customs Union
SARB	South African Reserve Bank
SARS	South African Revenue Service
SITE	standard income tax on employees
STC	secondary tax on companies
SVDP	Special Voluntary Disclosure Programme
UPF	untaxed policyholder fund
UPT	undistributed profits tax
VAT	value-added tax
VDP	Voluntary Disclosure Programme



