

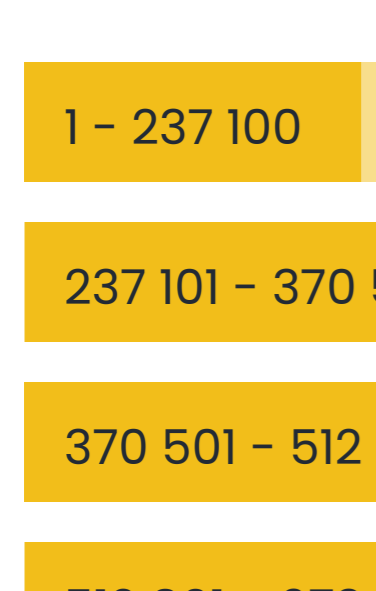
Annual BUDGET SPEECH 2023/24

Highlights of the tax proposals by National Treasury

WHAT IS IN THE BUDGET?

Every year we follow the Finance Minister's Budget Speech with all hands on deck to bring you the highlights presented in this short guide.

The ongoing effect of COVID-19, the stringent lockdowns in China, the outbreak of the Russia-Ukraine conflict, unreliable electricity supply, high unemployment rates and crime and corruption all has impacted our economy severely. Read here how Government will respond in its tax collection and spending to recover the economy.



TAX RATES

Income Tax: Individuals & Special Trusts

Tax payable by individuals for the tax year ending between 1 March 2023 and 29 February 2024.

TAXABLE INCOME (R)

1 - 237 100
237 101 - 370 500
370 501 - 512 800
512 801 - 673 000
673 001 - 857 900
857 901 - 1 817 000
1 817 001 and above

RATE OF TAX (R)

18% of taxable income
42 678 + 26% of taxable income above 237 100
77 362 + 31% of taxable income above 370 500
121 475 + 36% of taxable income above 512 800
179 147 + 39% of taxable income above 673 000
251 258 + 41% of taxable income above 857 900
644 489 + 45% of taxable income above 1 817 000

Trusts other than special trusts (Including Personal Service Provider Trusts) Rate of tax **45%**



PERSONAL INCOME TAX

Tax Thresholds	2022/23	2023/24	Tax Rebate	2022/23	2023/24
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Below age 65	R91 250	R95 750	Primary	R16 425	R17 235
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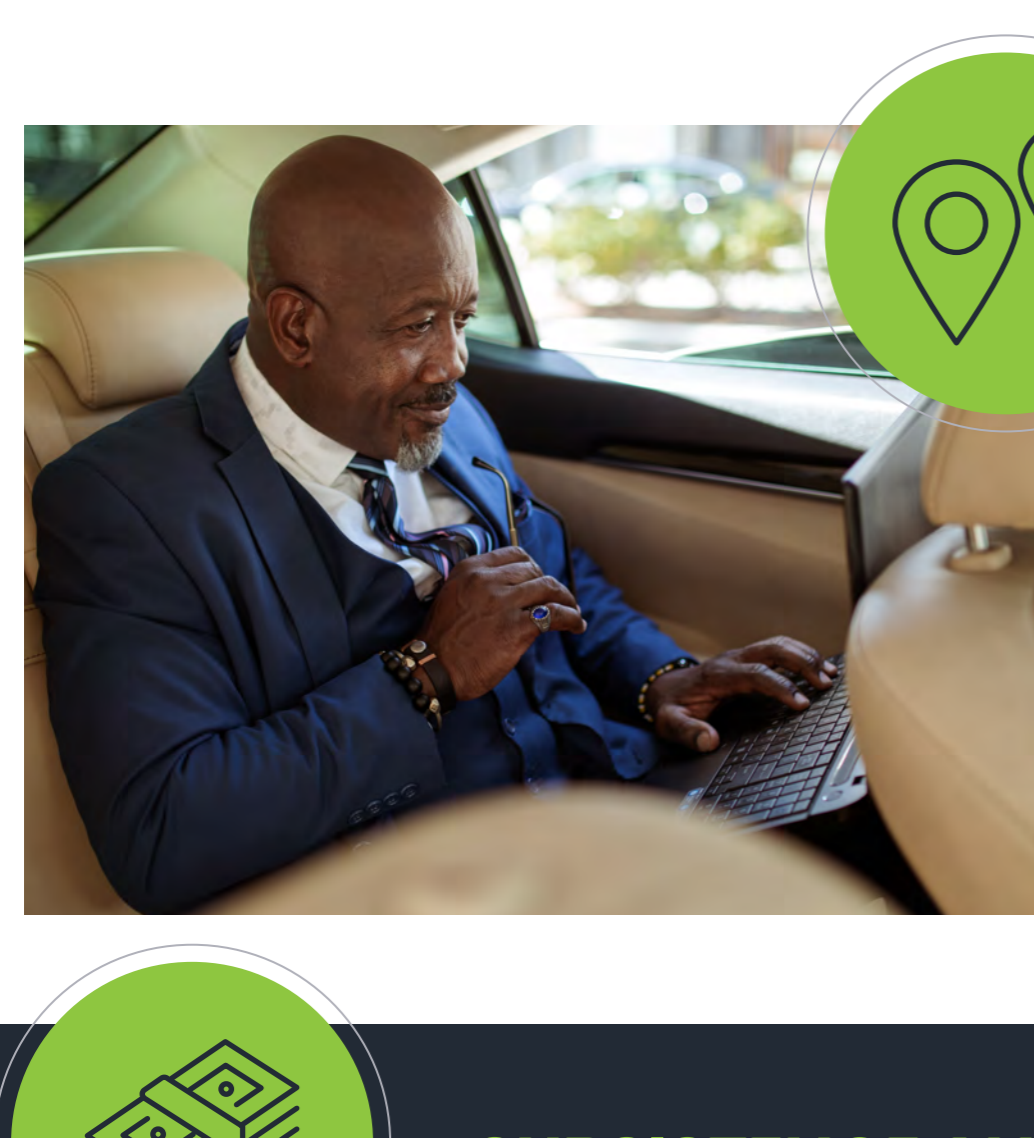
Age 65-74	R141 250	R148 217	Secondary	R9 000	R9 444
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Age 75+	R157 900	R165 689	Tertiary	R2 997	R3 145
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MEDICAL AID TAX CREDITS

Main Member 2022/23: R347 2023/24: R364	First Dependant 2022/23: R347 2023/24: R364	Additional Dependents 2022/23: R234 2023/24: R246
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PRESCRIBED RATE FOR THE REIMBURSEMENT OF KILOMETRES FOR BUSINESS TRAVEL

2022/23: R4.18 per kilometre	→	2023/24: R4.64 per kilometre
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SUBSISTENCE ALLOWANCE

	2022/23	2023/24
Spend at least one night away from their usual place of residence	Meals & Incidentals	R493
	Incidentals Only	R152
Spend a part of a day away from their usual place of work or employment	Meals & Incidentals	R152

Foreign subsistence rates on [SARS website](#)



TAX RATES

Income Tax: Companies (Including Personal Service Provider Companies)

- > **28%** for companies with years of assessment ending on any date between 1 April 2022 and 30 March 2023
- > **27%** for companies with years of assessment ending on any date on or after 31 March 2023

Income Tax: Trusts (Other Than Special Trust)

45%

Income Tax: Small Business Corporations

TAXABLE INCOME (R)	RATE OF TAX (R)
1 - 95 750	0% of taxable income
95 751 - 365 000	7% of taxable income above 95 750
365 001 - 550 000	18 848 + 21% of taxable income above 365 000
550 001 and above	57 698 + 27% of the amount above 550 000



SIN TAXES INCREASED BY

Cigarettes 98c per pack of 20	Cigarette Tobacco R1.10 per 50g	Pipe Tobacco 33c per 25g	Cigars R5.47 per 23g
Sparkling Wine 9c per 750ml bottle	Unfortified Wine 18c per 750ml bottle	Fortified Wine 31c per 750ml bottle	Spirits R3.90 per 750ml bottle
Malt Beer 10c per 340ml can	Ciders & Alcoholic Fruit Bev 10c per 340ml can	Heated tobacco product sticks 73c per pack of 20	



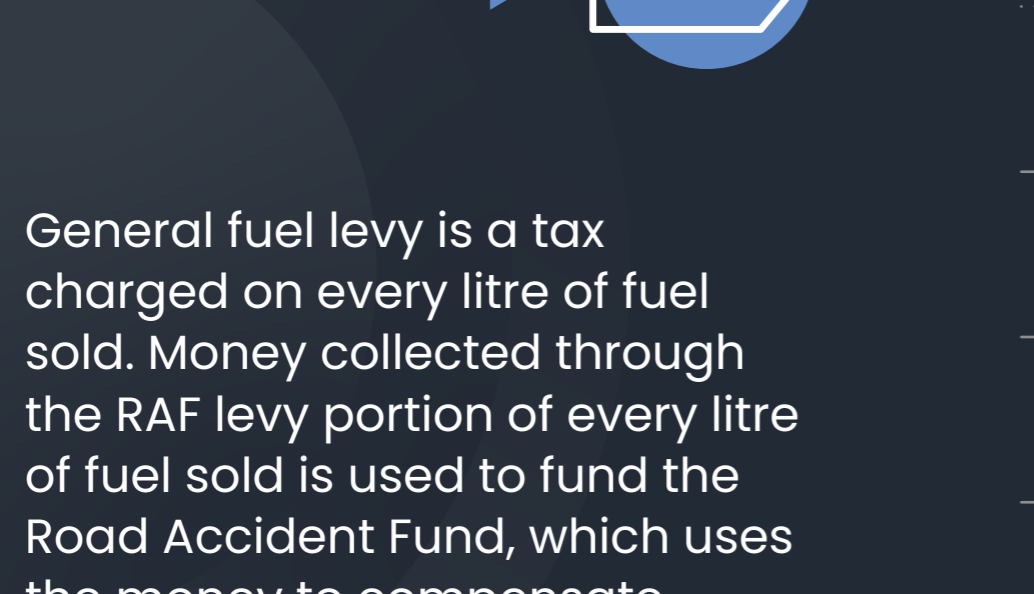
SOCIAL GRANTS

Government increased the child support grant by **R25 per month**, the foster care grant by **R55 per month**, and the old age grant by **R100 per month** for the 2023/24 tax year.

	2022/23	2023/24
State Old Age Grant	R1 985	R2 085
State Old Age Grant, over 75	R2 005	R2 105
War Veterans Grant	R2 005	R2 105
Disability Grant	R1 985	R2 085
Foster Care Grant	R1 070	R1 125
Care Dependency Grant	R1 985	R2 085
Child Support Grant	R480	R505

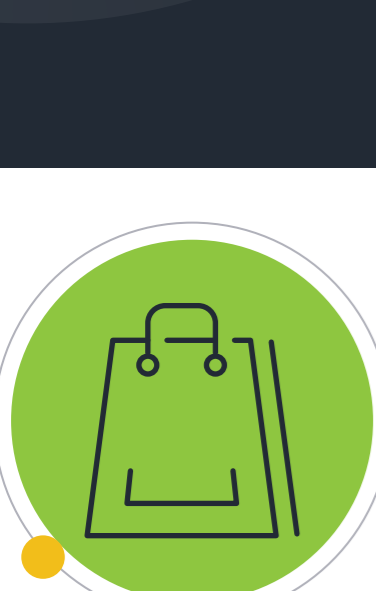


LEVIES AND TAX ON FUEL

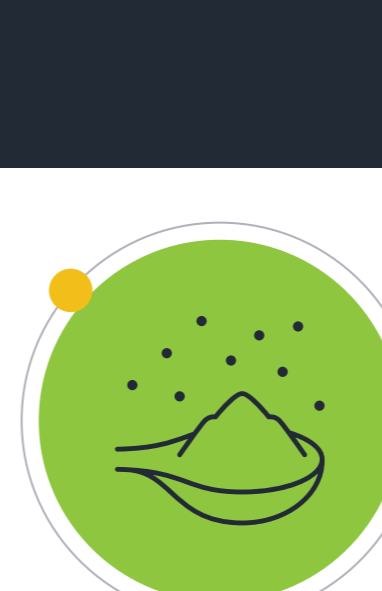


General fuel levy is a tax charged on every litre of fuel sold. Money collected through the RAF levy portion of every litre of fuel sold is used to fund the Road Accident Fund, which uses the money to compensate victims of road accidents.

Fuel Levies	2022/23	2023/24
Carbon Levy <i>Petrol</i>	R0.09p/l	R0.09p/l
Carbon Levy <i>Diesel</i>	R0.10p/l	R0.10p/l
General Fuel Levy <i>Petrol</i>	R3.85p/l	R3.85p/l
General Fuel Levy <i>Diesel</i>	R3.70p/l	R3.70p/l
Road Accident Fund <i>Petrol & Diesel</i>	R2.18p/l	R2.18p/l



The retirement fund lump sum benefit or severance benefit and retirement fund lump sum withdrawal benefit exemptions have increased with **10%**.



The increase of the health promotion levy on beverages to **2.3 cents** per gram of sugar is delayed until 1 April 2025



WHERE IS THE MONEY COMING FROM AND HOW WILL IT BE SPENT IN 2023/24?

GOVERNMENT SOURCES OF INCOME IN 2023/24

Taxes	R1 787.5bn 84.2%
Borrowing	R283.7bn 13.4%
Non-tax revenue	R51.6bn 2.4%

GOVERNMENT SPENDING IN 2023/24

Social development: R378.5bn 16.9%
Debt-service costs: R340.5bn 15.2%
Basic education: R309.5bn 13.8%
Community development: R259.7bn 11.6%
Health: R259.2bn 11.6%
Economic development: R237.6bn 10.6%
Peace and security: R227.3bn 10.1%
Post-school education and training: R135.6bn 6.0%



Data provided by: South African National Treasury SARS

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