



# Budget tax outcomes 2023/24

Is there light at the end of the tunnel?

mazars



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### Marginal tax rates

Granting tax relief by adjusting personal income tax brackets and rebates for the effect of inflation.



### Estate duty and donations tax

To remain unchanged.



### Transfer duty

Minimum value increased to R1.1 million, brackets adjusted accordingly. Rates remain unchanged.



### Corporate income tax

Reduction in company income tax rate to 27% for tax years ending on or after 31 March 2023.



### Capital gains tax

To remain unchanged.



### Value added tax

To remain unchanged.



### Sin tax

Increase of 4,9% on alcohol and tobacco products, sparkling wine pegged at 3.2 times that of natural unfortified wine.



### Fuel levy and road accident fund levy

No increase.

# How this hits my pocket

## Budget highlights 2023/24

Rates of tax for individuals	2022 / 2023	Rates of tax for individuals	2023 / 2024
Taxable income	Rates of tax	Taxable income	Rates of tax
R1 – R226 000	18% of taxable income	R1 – R237 100	18% of taxable income
R226 001 – R353 100	R40 680 + 26% of taxable income above R226 000	R237 101 – R370 500	R42 678 + 26% of taxable income above R237 100
R353 101 – R488 700	R73 726 + 31% of taxable income above R353 100	R370 501 – R512 800	R77 362 + 31% of taxable income above R370 500
R488 701 – R641 400	R115 762 + 36% of taxable income above R488 700	R512 801 – R673 000	R121 475 + 36% of taxable income above R512 800
R641 401 – R817 600	R170 734 + 39% of taxable income above R641 400	R673 001 – R857 900	R179 147 + 39% of taxable income above R673 000
R817 601 – R1 731 600	R239 452 + 41% of taxable income above R817 600	R857 901 – R1 817 000	R251 258 + 41% of taxable income above R857 900
R1 731 601 and above	R614 192 + 45% of taxable income above R1 731 600	R1 817 001 and above	R644 489 + 45% of taxable income above R1 817 000

Medical tax credit rates (per month)	2022 / 2023	2023 / 2024
For the taxpayer; or for a member or dependant of a medical scheme or fund where the taxpayer him - or herself is not a member of a medical scheme or fund	R347	R364
For the taxpayer and one dependant; or in respect of two dependants where the taxpayer him - or herself is not a member of a medical scheme or fund	R694	R728
For each additional dependant(s)	R234	R246

Fuel levy	2022 / 2023	2023 / 2024
General levy	R3.85 p/l petrol; R3.70 p/l diesel (15c p/l for each)	No change
RAF levy	R2.18 p/l for petrol and diesel (11c p/l for each)	No change
Carbon levy	9c p/l on petrol, 10c p/l on diesel	10c p/l on petrol, 11c p/l on diesel

Sin taxes	2022 / 2023	2023 / 2024
Beer	Increased by 11c per 340ml can	Increased by 10.18c per 340ml can
Wines	Increased by between 22c to R1.01 per litre	Increased by between 12c to 24c per litre
Spirits	Increased by R4.83 per 750ml bottle	Increased by R3.90 per 750ml bottle
Cigarettes	Increased by R1.03 per pack of 20	Increased by 98c per pack of 20

Rebates: natural persons	2022 / 2023	2023 / 2024
Primary	R16 425	R17 235
Secondary (persons 65 and older)	R9 000	R9 444
Tertiary (persons 75 and older)	R2 997	R3 145

Tax thresholds: natural persons	2022 / 2023	2023 / 2024
Below age 65	R91 250	R95 750
Age 65 and over	R141 250	R148 217
Age 75 and over	R157 900	R165 689

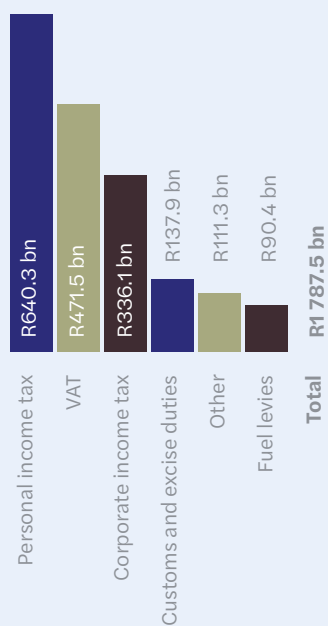
23,800	34,500	R1,25m
<b>Interest exemption</b>	<b>Interest exemption</b>	<b>Foreign employment income exemption</b>
Persons younger than 65 (2022 / 2023 = R23 800)	Persons 65 and older (2022 / 2023 = R34 500)	

# Balancing the budget

## Budget highlights 2023/24

Consolidated government expenditure by function					
R billion	2022 / 2023	2023 / 2024	2024 / 2025	2025 / 2026	2022 / 23 - 2025 / 26
	Revised estimate	Medium-term estimates			Average annual growth / reduction
Learning and culture	446.7	457.1	476.5	497.3	3.6%
Health	259.4	259.2	268.9	281.3	2.7%
Social development	357.8	378.5	361.3	357.0	-0.1%
Community development	230.0	259.7	276.2	289.9	8.0%
Economic development	221.8	237.6	259.3	277.1	7.7%
Peace and security	227.8	227.3	236.3	247.4	2.8%
General public services	71.7	73.6	74.1	76.9	2.3%
Payments for financial assets	46.3	4.1	3.6	3.9	
Debt service costs	307.2	340.5	362.8	397.1	8.9%
Contingency reserve	-	5.0	5.0	5.0	
Unallocated reserve	-	-	35.7	44.5	-
Consolidated expenditure	2168.8	2242.6	2359.7	2477.4	4.5%

### Tax revenue 2023 / 2024



### Small business corporations

Years of assessment ending on any date between 1 April 2023 and 31 March 2024.

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

Grants (average)	2022 / 2023	2023 / 2024
Old age and disability	R1 985 p/month	R2 085 p/month
Child support	R480 p/month	R505 p/month

# Contacts

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