



QUICK TAX GUIDE 2025 | 2026

INDIVIDUAL INCOME TAX

Rates and rebates

All persons (including deceased estates) other than companies and trusts, but including special trusts

Taxable income

Rate of Tax – 2025/2026 tax year ¹	
R0 – R237 100	18% of taxable income
R237 101 – R370 500	R42 678 + 26% of taxable income above R237 100
R370 501 – R512 800	R77 362 + 31% of taxable income above R370 500
R512 801 – R673 000	R121 475 + 36% of taxable income above R512 800
R673 001 – R857 900	R179 147 + 39% of taxable income above R673 000
R857 901 – R1 817 000	R251 258 + 41% of taxable income above R857 900
R1 817 001 and above	R644 489 + 45% of taxable income above R1 817 000

¹The 2025/2026 tax year refers to the tax year that starts on 1 March 2025 and ends 28 February 2026.

Rebates²

	2024/2025	2025/2026
Primary	R17 235	R17 235
Secondary – 65 years and older	R9 444	R9 444
Third rebate – 75 years and older	R3 145	R3 145

²Tax rebates do not apply to special trusts.

Tax thresholds

	2024/2025	2025/2026
Below 65	R95 750	R95 750
65 to below 75 years	R148 217	R148 217
75 years and older	R165 689	R165 689

Retirement fund lump sums and severance benefits – Withdrawal benefits

Rates of tax	
R0 – R27 500	0%
R27 501 – R726 000	18% of each R above R27 500
R726 001 – R1 089 000	R125 730 + 27% of each R above R726 000
R1 089 001 +	R223 740 + 36% of each R above R1 089 000

Retirement³, death and retrenchment benefits

Rates of tax	
R0 – R550 000	0%
R550 001 – R770 000	18% of each R above R550 000
R770 001 – R1 155 000	R39 600 + 27% of each R above R770 000
R1 155 001 +	R143 550 + 36% of each R above R1 155 000

³After commuting a maximum of up to one-third of the pension, provident or retirement annuity fund capital at retirement, the retiree is obliged to secure an annuity for life with a minimum of two-thirds of the pension, provident or retirement annuity fund capital. Should the balance of the capital to secure the annuity be less than R165 000, the full amount could be commuted for cash. This previous paragraph gives rise to the term 'de minimis'. This means that, for practical purposes, the total retirement fund lump sum for total commutation needs to be R247 500 or less.

Savings withdrawal benefits

On 1 September 2024, a new retirement system was introduced that allocates retirement savings of members between a retirement component, a savings component and a vested component. Any withdrawal from the savings component is taxed at the member's marginal tax rate.

Exemptions and deductions

Interest exemption ⁴	2024/2025	2025/2026
Under 65	R23 800	R23 800
65 years and older	R34 500	R34 500

⁴Interest includes distributions from property unit trusts.

Foreign dividends*

Shareholding < 10%	Maximum effective rate 20%
Shareholding > 10%	Exempt (subject to conditions)

* Applicable to all shareholders (whether individuals, trusts or companies)

Relief for medical expenses

	2024/2025	2025/2026
All taxpayers:		
Medical scheme contributions	Rebate per month	Rebate per month
Taxpayer	R364	R364
Taxpayer and first dependant	R728	R728
Each additional dependant	R246	R246
Other medical expenses	Annual rebate	Annual rebate
65 years and older and disabled	medical scheme contributions in excess of 3x medical scheme rebate and 33.3% of other expenses	medical scheme contributions in excess of 3x medical scheme rebate and 33.3% of other expenses
All other under 65s	25% of aggregate of medical scheme contributions in excess of 4x medical scheme rebate and other expenses	25% of aggregate of medical scheme contributions in excess of 4x medical scheme rebate and other expenses

CAPITAL GAINS TAX

Person	2025/2026 tax year	
	Inclusion rates	Effective rates of tax
Individuals/Special trusts	40%	18.0%
Companies	80%	21.6%
Trusts	80%	36.0%

* The effective rate can be lower at the lower marginal rates of tax.

Exclusions

	2024/2025	2025/2026
Primary residence	R2m	R2m
Annual exclusion	R40 000	R40 000
Year of death	R300 000	R300 000
Small business exclusion for individuals over 55 years	R1.8m	R1.8m

ALLOWANCES

Subsistence allowances and advances

	2024/2025	2025/2026
Meals and incidental costs (in SA)	R548 per day	R570 per day
Incidental costs only	R169 per day	R176 per day
Accommodation outside SA	Country rates published by Government Notice	Country rates published by Government Notice

All rates subject to periodic change

Travel allowances

Travel allowances are granted to employees by employers to assist with the costs of travelling for business purposes. Any portion of a travel allowance not used for business travel will be included in the taxable income of the employee.

The following table is used to determine the deemed costs for the 2025/2026 tax year:

Value of vehicle (including VAT) 'R	Fixed cost (R p.a.)	Fuel cost (c/km)	Maintenance (c/km)
0 – 100 000	33 940	146.7	47.4
100 001 – 200 000	60 688	163.8	59.3
200 001 – 300 000	87 497	177.9	65.4
300 001 – 400 000	111 273	191.4	71.4
400 001 – 500 000	135 048	204.8	83.9
500 001 – 600 000	159 934	234.9	98.5
600 001 – 700 000	184 867	238.9	110.5
700 001 and above	211 121	242.9	122.5

Reimbursed travel

	2024/2025	2025/2026
Alternative deemed rate per km (subject to conditions)	464 c/km	476 c/km

Company cars

(private use of employer-owned vehicle)

Taxable benefit per month

	Taxable % (of determined value)
Standard rate	3.5%
If the car is subject to a maintenance plan	3.25%

COMPANIES

Company tax rates

	2024/2025	2025/2026
Normal income tax	27%	27%
Trusts, other than special trusts	45%	45%

Small business corporations

Taxable income	Tax rate – 2025/2026
R0 – R95 750	0%
R95 751 – R365 000	7% of taxable income above R95 750
R365 001 – R550 000	R18 848 + 21% of each R above R365 000
R550 001 and above	R57 698 + 27% of each R above R550 000

Micro business – Turnover tax

Rates of tax	
R0 – R335 000	0%
R335 001 – R500 000	1% of each R above R335 000
R500 001 – R750 000	R1 650 + 2% of each R above R500 000
R750 001 and above	R6 650 + 3% of each R above R750 000

VAT

Levied on the supply of goods and services by registered vendors, but certain supplies are exempt or zero-rated. The standard VAT rate was increased from 15% to 15.5% (with effect from 1 May 2025).

	2024/2025	2025/2026
Rate	15%	15.5%
Registration threshold:		
Compulsory	R1m	R1m
Voluntary	R50 000	R50 000

CARBON TAX

	2024/2025	2025/2026
Rate	R159 per tonne of CO2e	R159 per tonne of CO2e

PAYMENTS TO NON-RESIDENTS

Type of payment	Withholding tax
Dividends	20%
Interest	15%
Royalties	15%
Visiting entertainers and sports people	15%
Sale of immovable property in SA by a non-resident	Trust: 15% Company: 10% Natural person: 7.5%

DONATIONS TAX AND ESTATE DUTY

Rate	2025/2026
First R30 million	20% of each R1
Above R30 million	R6 000 000 + 25% of taxable donation above R30 million
Donations tax exemption:	
Natural persons	R100 000
Other	R 10 000
Estate duty abatement	R 3.5m

TRANSFER DUTY

Property value	Rate of tax 2025/2026
R0 – R1 210 000	0%
R1 210 001 – R1 663 800	3% of the value above R1 210 000
R1 663 801 – R2 329 300	R13 614 plus 6% of the value above R1 663 800
R2 329 301 – R2 994 800	R53 544 plus 8% of the value above R2 329 300
R2 994 801 – R13 310 000	R106 784 plus 11% of the value above R2 994 800
R13 310 001 and above	R1 241 456 plus 13% of the value exceeding R13 310 000

OTHER RATES

Skills Development Levy

	2024/2025	2025/2026
Rate	1%	1%
Annual remuneration threshold	R500 000	R500 000
Unemployment Insurance Fund (employer and employee)	1% + 1%	1% + 1%

EXCHANGE CONTROL

	2024/2025	2025/2026
Investment allowance	R10 million	R10 million
Single discretionary allowance	R1 million	R1 million
Cash/Travel allowance	<ul style="list-style-type: none"> • R1 million per person over 18 years (less any amounts already been used in respect of a single discretionary allowance) • R200 000 per child. 	<ul style="list-style-type: none"> • R1 million per person over 18 years (less any amounts already been used in respect of a single discretionary allowance) • R200 000 per child.
Foreign capital allowance (settling-in allowance)	<ul style="list-style-type: none"> • Single persons – up to R10 million per calendar year • Family unit – up to R20 million per calendar year. 	<ul style="list-style-type: none"> • Single persons – up to R10 million per calendar year • Family unit – up to R20 million per calendar year.
Credit and/or debit cards – permissible foreign currency and payments for small transactions	R50 000 per transaction.	R50 000 per transaction.

TAX CALENDAR

Withholding taxes (dividends, royalties and interest)	Last day of month following the month in which amount is paid
Provisional tax February year-end	
1st payment	6 months before year-end (31 Aug)
2nd payment	At year-end (end-February)
1st payment	7 months after year-end (30 Sep)
Other than Feb	
1st payment	6 months prior to year-end
2nd payment	At year-end
Other taxes and levies	
VAT	25th of month after tax period (special e-filing rules)
PAYE	7th day of each following month
SDL	7th day of each following month

REFERENCE: National Treasury (South Africa). (2025). Documents – National Budget – 2025. <https://www.treasury.gov.za/documents/National%20Budget/2025/default.aspx>

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