

Individuals and special trusts

The personal income tax rates for the 2026/2027 tax year are listed below.

Taxable income	Tax rate
R0 – R245 100	18% of taxable income
R245 101 – R383 100	R44 118 + 26% of taxable income above R245 100
R383 101 – R530 200	R79 998 + 31% of taxable income above R383 100
R530 201 – R695 800	R125 599 + 36% of taxable income above R530 200
R695 801 – R887 000	R185 215 + 39% of taxable income above R695 800
R887 001 – R1 878 600	R259 783 + 41% of taxable income above R887 000
R1 878 601 and above	R666 339 + 45% of taxable income above R1 878 600

Trusts

The income tax rate for trusts (other than special trusts) is 45%.

Tax thresholds, rebates and exemptions

Investor	Younger than 65	Age 65 to 74	Age 75 and over
Tax thresholds	R99 000	R153 250	R171 300
Rebates	R17 820	R27 585	R30 834
Local interest exemption	R23 800	R34 500	R34 500

Please note: Foreign interest is fully taxable.

Allowable contributions

Section 11F retirement fund contribution amount:

- 27.5% of taxable income limited to R430 000

Tax-free savings contribution limit:

- R46 000 per tax year, with a lifetime limit of R500 000

Retirement fund lump sum taxation

Lump sum withdrawals **at retirement** will be taxed as follows:

Taxable lump sum (R)	Rate of tax (R)
R0 – R550 000	0% of taxable income
R550 001 – R770 000	18% of taxable income above R550 000
R770 001 – R1 155 000	R39 600 + 27% of taxable income above R770 000
R1 155 001 and above	R143 550 + 36% of taxable income above R1 155 000

Lump sum withdrawals **before retirement** will be taxed as follows:

Taxable lump sum (R)	Rate of tax (R)
R0 – R27 500	0% of taxable income
R27 501 – R726 000	18% of taxable income above R27 500
R726 001 – R1 089 000	R125 730 + 27% of taxable income above R726 000
R1 089 001 and above	R223 740 + 36% of taxable income above R1 089 000

Savings component withdrawal taxation

Savings component withdrawals are not classified as retirement fund lump sums and are taxed at a member's marginal tax rate.

Withholding tax rates

Investor	Dividends tax	Interest
South African residents	20%	Marginal tax rate
Non-residents	20% unless reduced by DTA	15%*

*Interest is exempt if payable by any sphere of the South African government, by a bank or if the debt is listed on a recognised exchange.

Capital gains tax (CGT)

Investor	CGT inclusion rate	Maximum effective tax rate
Individuals and special trusts	40%	18%
Companies	80%	21.6%
Other trusts	80%	36%

The annual exclusion for a capital gain or loss granted to individuals and special trusts is R50 000. The exclusion granted to individuals in the year of death is R440 000.

Medical tax credits

Monthly tax credits for medical scheme contributions for the 2026/2027 tax year are as follows:

- R376 per month per beneficiary for the first two beneficiaries
- R254 per month for each additional beneficiary

Estate duty

	R0 – R30m	R30m and above
Estate duty	20%	25%
Abatement	R3.5m at death	

Donations tax

	R0 – R30m	R30m and above
Donations tax	20%	25%
Annual exemption	R150 000 per year	

Value-added tax (VAT)

The VAT rate is 15%.



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