## **ANNUAL TAX TABLES FOR INDIVIDUALS AND SPECIAL TRUSTS:**

2023-2024 Rates:



TAXABLE INCOME (R) RATE OF TAX (R) 18% of taxable income

237 101 - 370 500

370 501 - 512 800

512 801 - 673 000

673 001 - 857 900

857 901 - 1817 000

1817 001 and above THE TAX THRESHOLDS AT WHICH

Below age

**PAYING NORMAL TAX:** 

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

THE TAX REBATES FOR CALCULATING **NORMAL TAX PAYABLE BY NATURAL PERSONS:** 

Age **65-74** 

INDIVIDUALS BECOME LIABLE FOR

R148 217

Secondary

Tertiary

R17 235 **Primary** 

R9 444

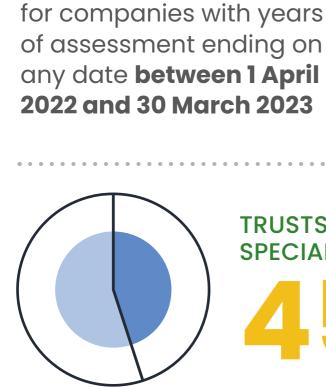
R3 145

Age PERSONAL SERVICE PROVIDERS (PSP) TAX RATES:

> **27%** for companies with years of assessment

R95 750

R165 689

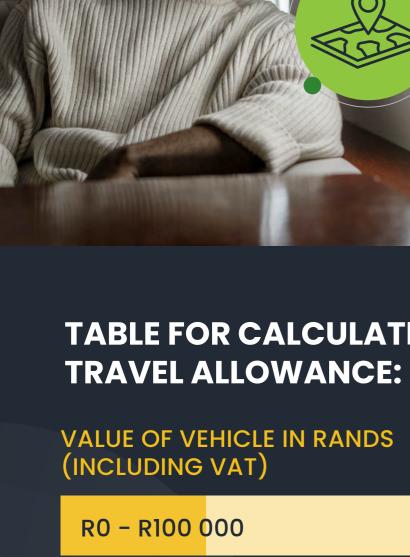


**COMPANIES:** 

28%

Travel within South Africa:

Travel outside South Africa:



R100 001 - R200 000

R200 001 - R300 000

R300 001 - R400 000

FIXED COST PER **FUEL COST MAINTENANCE** PER KM (R) ANNUM (R) COST PER KM(R) 1.415 33 760

86 958 110 554

183 611

209 685

134 150 1.976 R400 001 - R500 000 158 856 2.266 R500 001 - R600 000

R600 001 - R700 000 R700 001 and above **MEDICAL SCHEME FEES TAX CREDITS:** for each of the first two persons R364 covered by the medical scheme, R246 for each additional dependent. **ADDITIONAL MEDICAL EXPENSES TAX CREDITS** 

RETIREMENT FUND LUMP SUM BENEFIT OR

Cumulative exemption of

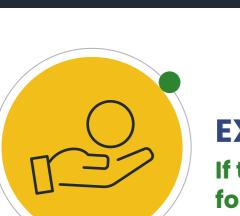
R550 000

**SEVERANCE BENEFIT EXEMPTION:** 

(ONLY FOR EMPLOYEES 65 YEARS OR OLDER): of the medical scheme contributions which exceed 3 times the amount of the medical scheme fees tax credit.

> **EXEMPT FOREIGN EMPLOYMENT INCOME I.T.O. SECTION** 10(1)(0)(II) LIMIT:

once in a lifetime from 1 March 2023

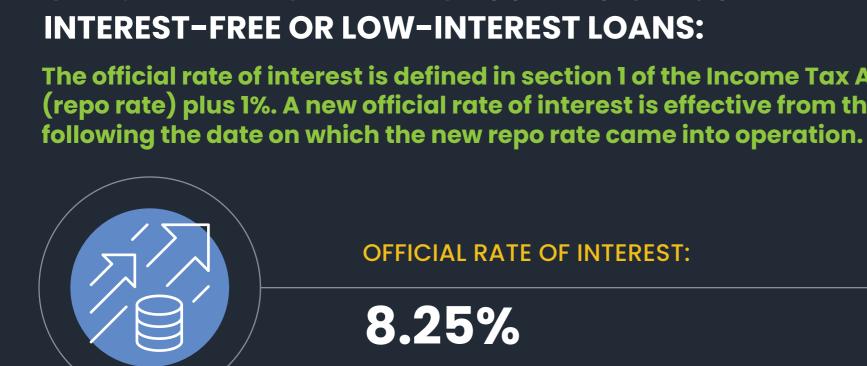


following exemption limits apply: **RELATIVES WITHOUT A DISABILITY:** ➤ NQF Level 1-4/Grade R-12: R20 000 per tax year per relative

**FAMILY MEMBER WITH A DISABILITY:** 

**OFFICIAL RATE OF INTEREST:** 

8.25%



RESIDENTIAL ACCOMMODATION **FRINGE BENEFIT:** When the formula is used to calculate the

formula will be



mmmmmm

**RETIREMENT FUND CONTRIBUTIONS TAX DEDUCTION LIMIT:** 

**MONTHLY ETI REMUNERATION** R 0- R1 999.99 75% of monthly ETI remuneration R2 000 - R4 4999.99 R1 500 R4 500 - R6 499.99 Formula: R1 500 -(75% x (monthly ETI Remuneration -R4 500)) **UNEMPLOYMENT INSURANCE FUND CONTRIBUTIONS (UIF) LIMIT:** Both the employee and employer must contribute 1% of UIF remuneration, limited to the UIF contribution limit, which is R17 712 effective 1 June 2021. SKILLS DEVELOPMENT LEVY (SDL CONTRIBUTION):

leviable amount.

**COMPENSATION FOR OCCUPATIONAL** 

Maximum amount of earnings on which an assessment

is calculated: **R568 959** per annum for 2023/2024

**INJURIES AND DISEASES (OID) LIMIT:** 

(BCEA) EARNINGS THRESHOLD

Employment Act (BCEA)

effective 1 March 2023.

**R25.42** per hour

when it is paid.

R25.42 per hour for farm workers

expanded public works programme

R25.42 per hour for domestic workers

R13.97 per hour for workers employed on

Employees earning in excess of the BCEA earnings threshold are excluded from section 9, 10, 11, 12, 14, 15, 17(2) and 18(3) from the Basic Conditions of The BCEA earnings threshold is R241 110.59 per annum

the Taxation Laws Amendment Act, 2022: **VARIABLE REMUNERATION** Remuneration should be taxed on \*accrual or receipt, whichever occurs first, except in the case of variable remuneration. Variable remuneration is deemed to accrue to the employee when it is paid and not when it ordinarily accrues to the employee, therefore, variable remuneration should be taxed

Payroll amendment for 2023-2024 according to

National Minimum Wages:

overtime bonuses an allowance or advance paid in respect of leave paid out, transport expenses such as a travel allowance,

any standby any night shift allowance allowance However, certain performance-based payments based on the employee's work performance (other than commission and bonuses, for example - the employee is paid a rate for every crate of oranges packed), are not currently included in variable remuneration. This means that these payments should be taxed on accrual, however, in many cases this information is only available to the payroll department after the accrual period/date.

must be taxed when it is paid to the employee.

Taxable Income (R)

R1 089 001 and above

Data provided by:

SARS

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South African National Treasury

Department of Employment and Labour

In addition to this, to ensure the date of accrual for a deceased employee is the day prior to the date of death, section 7B of the Income Tax Act will be amended to clarify that variable remuneration received by a deceased employee should be taxed on the day prior to the employee's death. Budget proposals affecting payroll: To align with the numerous changes that government has made to retirement funds to enhance

preservation of retirement savings, the brackets for retirement fund lump sum

increased with 10% to compensate for inflation effective 1 March 2023:

RETIREMENT FUND LUMP SUM AND SEVERANCE PAY BENEFITS

benefits/severance benefits and retirement fund lump sum withdrawal benefits will be

RO - R550 000 R550 001 - R770 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

Taxable Income (R) 0% of taxable income R0 - R27 500 18% of taxable income above R27 500 R27 501 - R726 000 R125 730 + 27% of taxable income above R726 000 R726 001 - R1 089 000

savings while preserving the remainder for retirement. • The tax deduction for contributions towards retirement funds will remain unchanged. • The permissible withdrawals accrued before 1 March 2024 will be taxed according to the retirement fund lump sum withdrawal benefit tax table. • Withdrawal from the savings pot will be taxed according to the income tax marginal rates. • Withdrawals on retirement will be taxed according to the retirement lump sum benefit tax table.

As part of exploring the impact of remote work on the personal income tax regime, the National Treasury and SARS committed to a multiyear review of allowances. A discussion document will be released this year to outline workplace practices and policies, changes in the current

away. This reform will be then extented to third party data providers. policies.

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ending on any date on 2022 and 30 March 2023 or after 31 March 2023 TRUSTS (OTHER THAN SPECIAL TRUSTS): **SUBSISTENCE ALLOWANCE** R161 per day or part of a day for incidental costs, and R522 per day or part of a day for

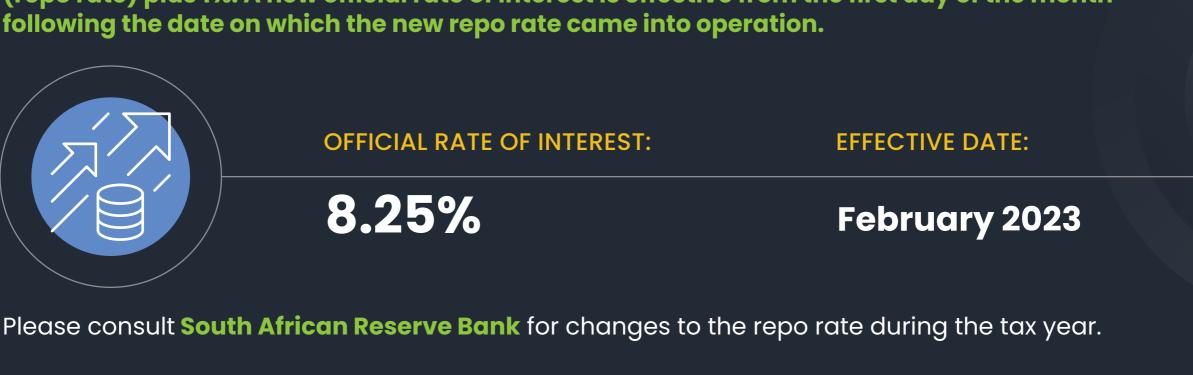


0.438 60 329 1.580 0.548 1.717

> 1.131 2.343



➤ NQF Level 1-4/Grade R-12: R30 000 per tax year per family member ➤ NQF level 5-10: R90 000 per tax year per family member OFFICIAL RATE OF INTEREST USED TO CALCULATE THE FRINGE BENEFIT ON



R350 000 per annum. **EXEMPT LONG SERVICE AWARD THRESHOLD:** 

ETI remuneration

Formula: R750 -

(37.5% x (monthly

ETI Remuneration -

**R750** 

R4 500))

fringe benefit, then the value of 'B' in the below

The total tax deduction for retirement fund

(excluding severance benefits and retirement

The first **R5** 000 of a qualifying long service

contributions is limited to the lessor of:

7.5% of remuneration

fund lump sums), or

R95 750 from 1 March 2023.

Formula: (A-B) x C/100 x D/12

The employer must contribute 1% of the SDL



Minimum weekly allowances contained in

Schedule 2 of Government Gazette 48094

learnership agreements contemplated in

section 17 of the Skills Development Act.

for workers who have concluded

To cater for these types of payment, payments that are determined based on the employee's work performance (other than bonuses and commission) will be included in variable remuneration which

commission

reimbursive

travel allowance

certain business

reimbursements

RETIREMENT FUND LUMP SUM WITHDRAWAL BENEFITS Rate of tax (R)

The first phase of legislative amendments to the two-pot retirement system is proposed to take effect from 1 March 2024 to enable pre-retirement access to a portion of one's retirement

R223 740 + 36% of taxable income above R1 089 000

environment and how different workplaces are affected by home office and travel allowance

meals and incidental costs. Prescribed amount applicable to the relevant country as published in the Government Gazette. REIMBURSEMENT/ADVANCE FOR BUSINESS TRAVEL

0.604 1.846 0.659 0.775 0.910 2.305 1.021

**EXEMPT BURSARIES THRESHOLDS (CLOSED BURSARIES):** 

The official rate of interest is defined in section 1 of the Income Tax Act as the repurchase rate (repo rate) plus 1%. A new official rate of interest is effective from the first day of the month

award is exempt. **EMPLOYMENT TAX INCENTIVE (ETI) TABLE ETI FOR THE FIRST 12 ETI FOR THE NEXT 12 QUALIFYING MONTHS QUALIFYING MONTHS** 37.5% of monthly

**BASIC CONDITIONS OF EMPLOYMENT** 

\*Accrual means when the employee becomes entitled to the amount. CURRENTLY, THE FOLLOWING ITEMS ARE INCLUDED IN VARIABLE REMUNERATION:

> Rate of tax (R) 0% of taxable income 18% of taxable income above R550 000

The PAYE administration reform will continue and employers will be required to submit employer and employee data on a monthly basis in an outomated fashion. Subsequently over time the need for employer Annual and Bi-Annual EMP501 Reconciliation Submissions are expected to fall

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