



SOUTH AFRICA'S 2017 BUDGET

How your pocket is affected

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The main message of the 2017 national budget speech is that there is a budget shortfall, and that we will all have to be more conservative with our finances.

Finance Minister, Pravin Gordhan, delivered a hard-hitting message warning of tough financial times ahead. Key points were that the wealthy will be taxed at a higher rate, the so-called "sin taxes" (alcohol, cigarettes, etc.) will increase, purchasing property will cost less, and the fuel levy will increase.

The announcements that were welcomed:

Budget 2017

- The tax-free threshold has been raised, from R75 000 to R75 750.
- Properties sold for less than R900 000 will not incur estate duties.
- Allowance for tax-free savings accounts increased to R33 000 (previously R30 000).
- An extra R5 billion will be awarded to higher education over the next three years.

The announcements that will increase taxes:

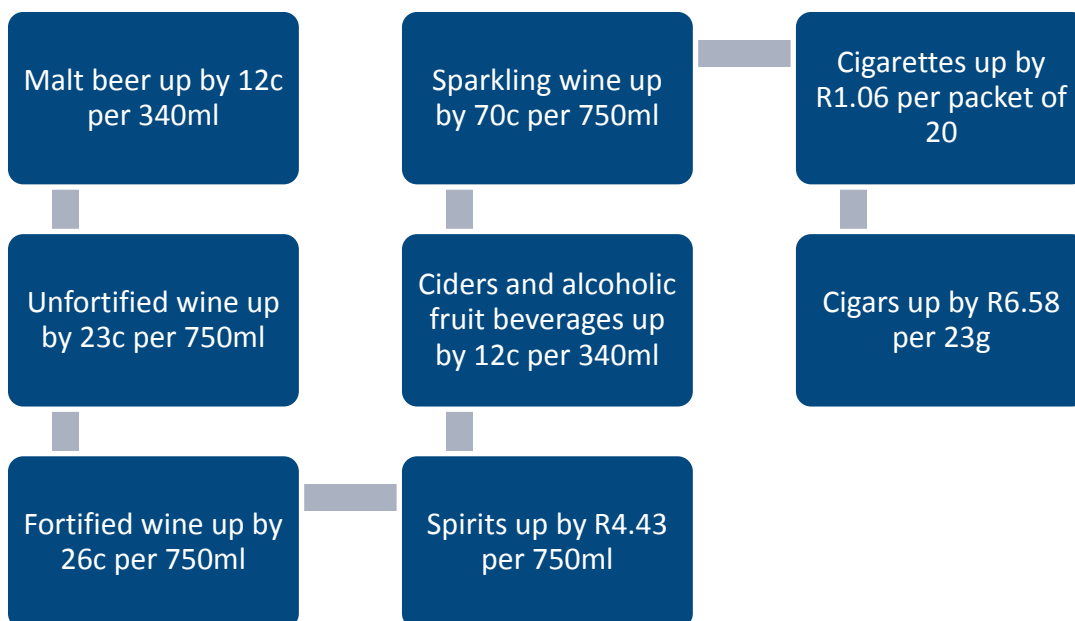
Budget 2017

- People earning more than R1.5 million p.a. will be taxed at 45%.
- Fuel taxes have increased by 39c per litre.
- Negotiations will continue around the sugar tax (to be implemented later this year).
- For the first time since 2010, tax revenue growth has not matched economic growth.

The tax table for individuals and special trusts:

Taxable	Rates
0 - R189 880	18% of taxable income
R189 881 – R296 540	R34 178 + 26% of taxable income above R189 880
R296 541 – R410 460	R61 910 + 31% of taxable income above R296 540
R410 461 – R555 600	R97 225 + 36% of taxable income above R410 460
R555 601 – R708 310	R149 475 + 39% of taxable income above R555 600
R708 311 – R1 500 000	R209 032 + 41% of taxable income above R708 310
R1 500 001 and above	R533 625 + 45% of taxable income above R1 500 000

The increases in so-called “sin taxes”



Household budgets will be tighter and it is important to seek help early and talk to your creditors when you are unable to meet your payments.

Don't get caught off guard. Create your own financial security.

Contact:

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*Want to learn more?
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