TWENTY20 PARTNERS

FAMILY OFFICE | ACCOUNTING | TAX | WEALTH

Tax Pocket Guide 2026/27

Tax year 1 March 2026 – 28 February 2027

INCOME TAX: INDIVIDUALS AND SPECIAL TRUSTS

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

Brackets adjusted by 3.4% for inflation, the first adjustment since 2023/24.

REBATES AND TAX THRESHOLDS

Age	Rebate	Tax-free below
Under 65	R17 820	R99 000
65 to 74	+ R9 765	R153 250
75 and older	+ R3 249	R171 300

MEDICAL SCHEME FEES TAX CREDIT (PER MONTH)

Main member	R376
Main member + first dependant	R752
Each additional dependant	R254

Additional medical expenses credit: 33.3% (65+ or disability) or 25% of qualifying expenses above 7.5% of taxable income.

INTEREST AND DIVIDENDS

Interest exemption: under 65	R23 800
Interest exemption: 65 and older	R34 500
Dividends tax (local dividends)	20%
Foreign dividends: max. effective rate	20%
Withholding tax on interest (non-residents)	15%

RETIREMENT AND TAX-FREE SAVINGS

Retirement fund deduction	27.5%
Annual deduction cap	R430 000
Tax-free savings: annual limit	R46 000
Tax-free savings: lifetime limit	R500 000
Penalty on excess TFSA contributions	40%

Deduction is 27.5% of the greater of remuneration or taxable income. Excess contributions carry forward. Two-pot savings withdrawals are taxed at your marginal rate.

RETIREMENT LUMP SUMS: RETIREMENT OR DEATH

Lump sum	Rate of tax
R0 – R550 000	0%
R550 001 – R770 000	18% above R550 000
R770 001 – R1 155 000	R39 600 + 27% above R770 000
R1 155 001 and above	R143 550 + 36% above R1 155 000

RETIREMENT LUMP SUMS: WITHDRAWALS

Lump sum	Rate of tax
R0 – R27 500	0%
R27 501 – R726 000	18% above R27 500
R726 001 – R1 089 000	R125 730 + 27% above R726 000
R1 089 001 and above	R223 740 + 36% above R1 089 000

Lump sums are cumulative: all lump sums received since 1 October 2007 count towards the bracket.

BEFORE 28 FEBRUARY 2027

Use this year's allowances.

- R150 000 donations tax exemption per person
- R46 000 tax-free savings contribution
- Retirement contributions up to R430 000
- R50 000 annual capital gains exclusion

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Trusts, companies, wealth taxes and key dates

TRUSTS AND COMPANIES

Trusts (other than special trusts)	45%
Companies	27%
Dividends tax on distributions	20%

SMALL BUSINESS CORPORATIONS

Taxable income	Rate of tax
R0 – R99 000	0%
R99 001 – R365 000	7% above R99 000
R365 001 – R550 000	R18 620 + 21% above R365 000
R550 001 and above	R57 470 + 27% above R550 000

Years of assessment ending 1 April 2026 – 31 March 2027. Gross income up to R20 million; all shareholders natural persons.

CAPITAL GAINS TAX

Taxpayer	Inclusion	Max. effective
Individuals and special trusts	40%	18%
Companies	80%	21.6%
Other trusts	80%	36%
Annual exclusion (individuals)		R50 000
Exclusion in year of death		R440 000
Primary residence exclusion		R3 000 000
Small business exclusion (55+, value ≤ R15m)		R2 700 000

ESTATE DUTY AND DONATIONS TAX

Estate duty: first R30 million	20%
Estate duty: above R30 million	25%
Estate duty abatement	R3 500 000
Donations tax: first R30 million (cumulative)	20%
Donations tax: above R30 million	25%
Annual exemption: individuals	R150 000
Annual exemption: companies and trusts	R20 000

Bequests and donations to a resident spouse, and to approved public benefit organisations, are exempt. Unused portions of the abatement pass to the surviving spouse.

TRANSFER DUTY (PROPERTY NOT SUBJECT TO VAT)

Property value	Duty
R0 – R1 210 000	0%
R1 210 001 – R1 663 800	3% above R1 210 000
R1 663 801 – R2 329 300	R13 614 + 6% above R1 663 800
R2 329 301 – R2 994 800	R53 544 + 8% above R2 329 300
R2 994 801 – R13 310 000	R106 784 + 11% above R2 994 800
R13 310 001 and above	R1 241 456 + 13% above R13 310 000

OFFSHORE AND EXCHANGE CONTROL

Single discretionary allowance (per year)	R2 million
Foreign investment allowance (SARS PIN)	R10 million

Allowances are per adult resident per calendar year. Non-resident sellers of SA property: withholding of 7.5% (individuals), 10% (companies) or 15% (trusts).

VAT AND EMPLOYERS

VAT standard rate	15%
Compulsory VAT registration (from 1 Apr 2026)	R2.3 million
UIF (employer + employee)	1% + 1%
Skills development levy (payroll ≥ R500 000)	1%
National minimum wage (from 2 Mar 2026)	R30.23/hour

KEY DATES

31 Aug 2026	First provisional tax payment
13 Jul – 23 Oct 2026	Filing season: non-provisional individuals
31 Oct 2026	EMP501 interim reconciliation closes
22 Jan 2027	Returns due: provisional taxpayers, trusts
26 Feb 2027	Second provisional tax payment
28 Feb 2027	Tax year ends; allowances reset on 1 March
30 Sep 2027	Optional third (top-up) provisional payment

Questions about your position? Speak to one of our partners for a confidential discovery meeting.

General information only, not tax, legal or financial advice. Source: SARS and National Treasury, Budget 2026. Checked November 2026.