The public purse

South Africa's 2025/26 money map

equilibrium

Economies at a glance March 2025

Revenue

How will the proposed tax changes hit wallets?

FY2025/26 tax proposals

No inflationary adjustment to tax brackets

> **R18** billion

Additional

zero-rated

items

-R2

billion



No inflationary adjustment to medical aid tax credits

R1.5

No

adjustment

to fuel levy

-R4

billion



0.5pp increase in the value-added tax rate to 15.5%

> R13.5 billion



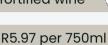
Sin taxes

R1 billion

Sin taxes tighten up

R1.04 per packet of 20 cigarettes

29c per 750ml of unfortified wine



bottle of spirits

16c per 340ml can of malt beer



16c per 340ml can of cider/alcoholic fruit beverages

Summary

The budget in numbers





R2 592.3 billion





R6 094.2 billion



Expenditure

Where does your tax rand go?

These three eat 60% of the budget

- R822.8 billion keeps government running (wage bill)
- R424.9 billion just pays the debt bill
- R284.8 billion lifts more than 27.6 million people out of poverty

Social grants

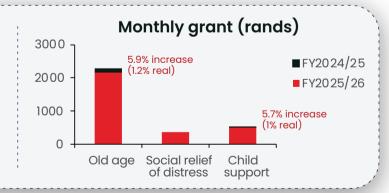
Lifeline for the poor amid economic strain

Recipients

4.3 million old age

8.7 social relief of distress

13.3 million child support



Public paycheque

Funding the frontline

Out of every R100 spent per department (non-interest), how much is spent on the wage bill? (FY2025/26)



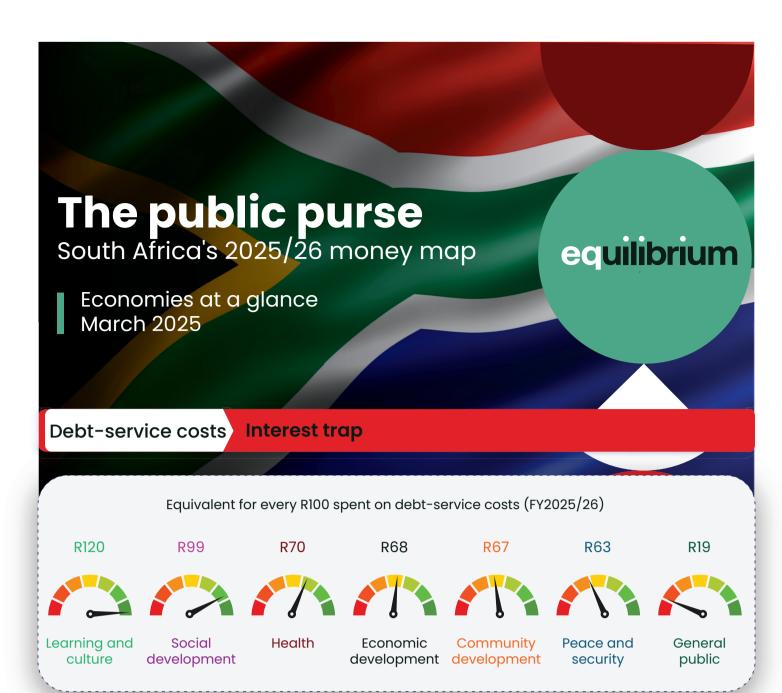
earning and culture.

3eneral public services R49.10 **Economic developmen**

community development

Social development R6.90

Government proposes R70.7 billion to be spent over the medium-term framework for additional frontline workers*





If you spend **R1 billion** rand every day, it will take 16 years and 7 months to spend all of SA's debt

Infrastructure

Rebuilding South Africa



R1.03 trillion public infrastructure spending proposed over the next three years This includes R402 billion for road infrastructure, R219.2 billion for energy capex and R156.3 billion for water and sanitation projects

Budget process

From plan to parliament

Drafting and National Treasury issues spending

Government departments submit draft budgets Parliament
oversight
(committees
and budget
review reports)

Approval stage

Once approved, budget is implemented and monitored through oversight committees Public consultations

Parliament debates the budget

Minister of Finance tables the budget

Parliament votes on budget bills and other budget instruments in the following order:

Fiscal framework and revenue proposals (revenue projections and limits for government spending)

Division of Revenue Bill (allocation of funds between national, provincial and local government) Appropriation Bill (money allocated by government department and programme)