



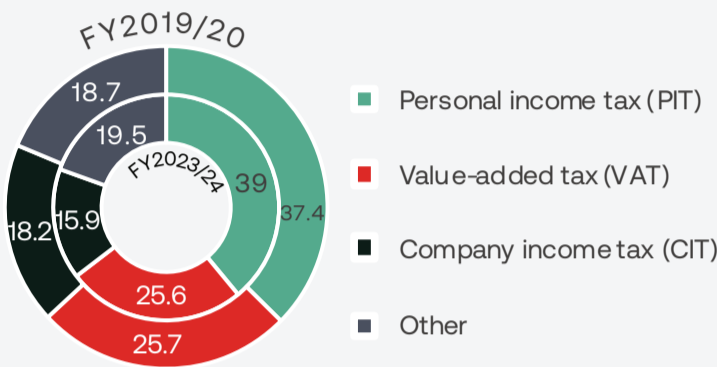
Understanding SA's tax system

Who pays the bill?

Economics at a glance | February 2025

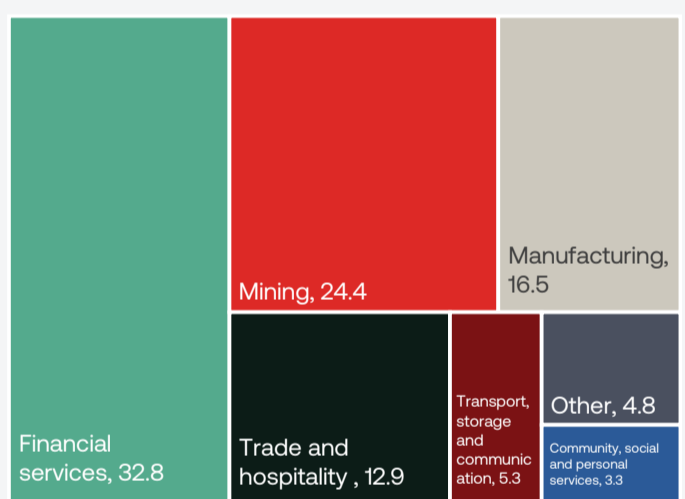
Revenue rundown: SA's tax mix

Composition of main sources of tax revenue (%)



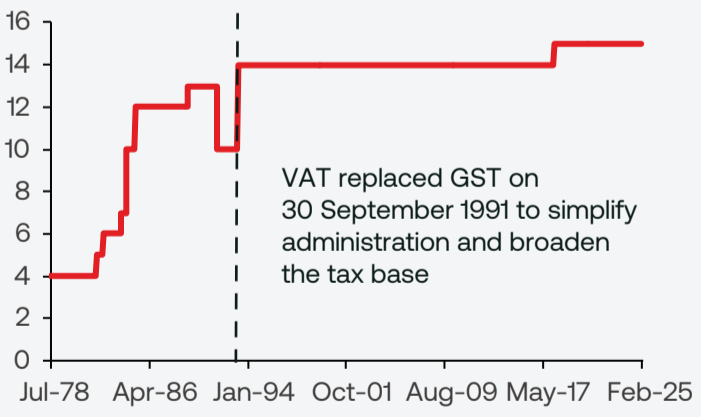
The corporate tax pie

CIT assessed by economic activity (2022, %)



A historical look at taxing consumption

History of general sales tax (GST) and value-added tax (VAT) in SA (%)



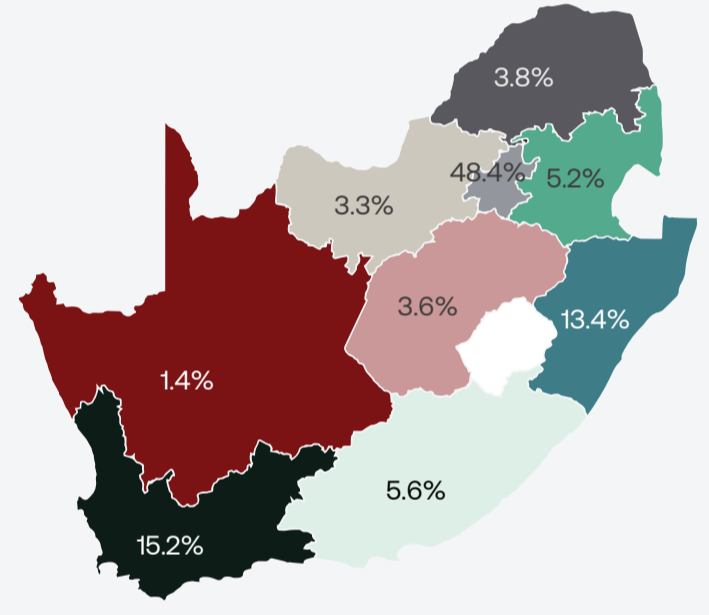
A snapshot of CIT

- 3.6 million companies were registered for CIT in March 2024
- 968 354 assessed companies
- 1.2 million companies expected to submit returns
- Only 549 companies with a taxable income >R200 million were liable for nearly two-thirds of the CIT assessed

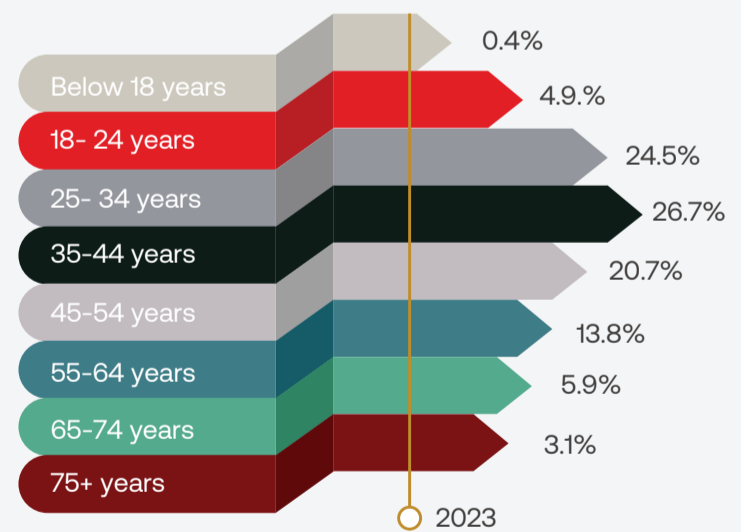
A snapshot of PIT

- 27.1 million individuals on the tax register in March 2024
- 6.6 million assessed taxpayers
- 48.2% of the assessed taxpayers were female in 2023
- 16.8% for those earning >R5 million
- 7.6 million individuals expected to submit returns

PIT collected by province in 2023 (%)



Assessed individual taxpayers by age group (%)



SA's PIT squeeze





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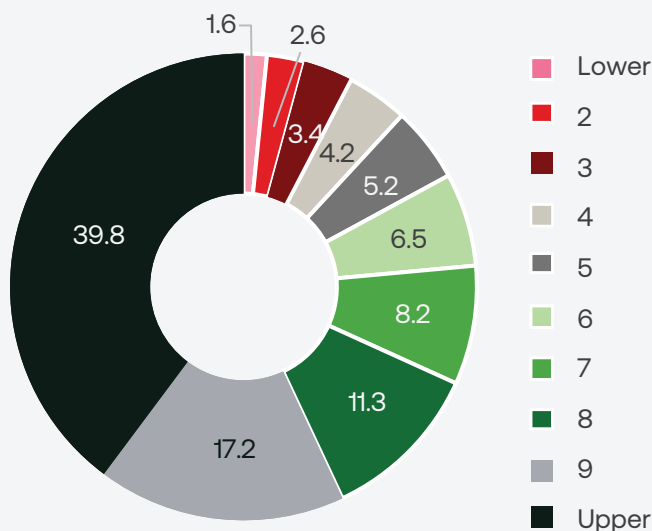
Vat-free zone

- Zero-rated goods and services in SA: Exports, 21 food items (see below), illuminating paraffin, petrol and diesel, international transport services, farming inputs, sales of going concerns, some grants from government and sanitary towels.
- Goods and services exempted from VAT: Non-fee related financial services, educational services provided by approved institutions, residential rental accommodation and public road and rail transport.

- Milk** Dairy powder blend Cultured milk Milk powder
- Vegetable** **Fruit** **Eggs** Brown wheaten meal
- Brown bread** **White bread** Legumes and pulses
- Tinned pilchards** **Lentils** **Dried beans**
- Maize meal** Dried mealies Cake wheat flour
- Rice** Mealie rice **Samp** Vegetable oil

The richer slice

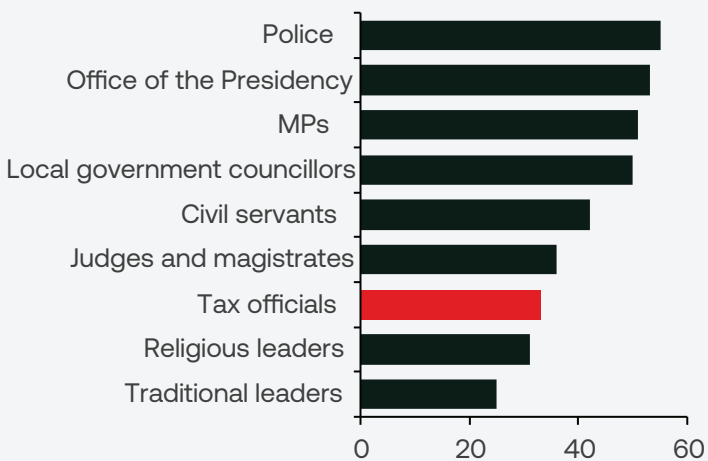
VAT paid per expenditure decile, FY2022/23 %



The citizens' cut: South Africans perceptions around tax

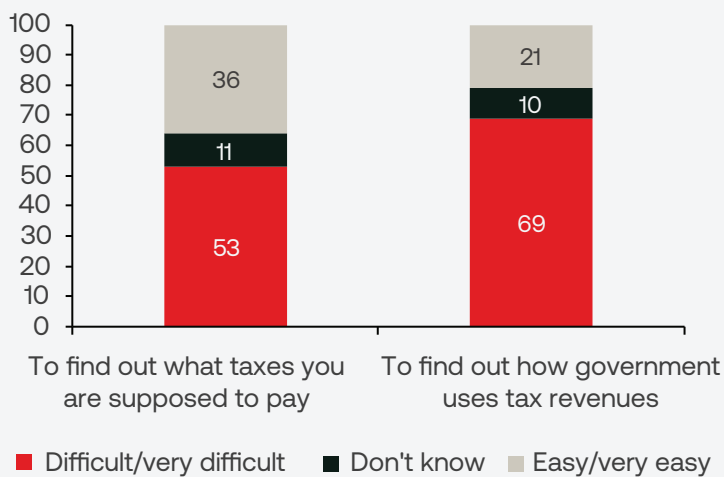
1 in 3 said that "most" or "all" tax officials are involved in corruption

Perceived corruption among public institutions and leaders (%), 2021



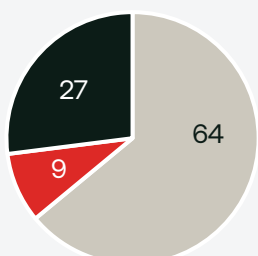
More education is arguably needed to understand the tax system and how taxes are being used

Access to tax information (%)

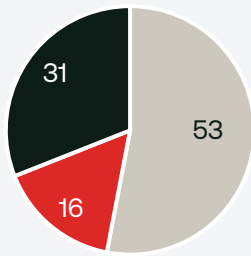


Perceptions on tax fairness

It is fair for the rich to pay higher taxes than ordinary people



Government uses tax revenues for citizens' well-being



Government should ensure that the informal sector pays taxes

