

2025 Tax Statistics

HIGHLIGHTS



national treasury
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National Treasury
REPUBLIC OF SOUTH AFRICA



South African Revenue Service

The 2025 Tax Statistics publication is compiled with the latest available data from the South African Revenue Service (SARS) and National Treasury. Some of the data may be incomplete and subject to revision in later editions.

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F OREWORD

By building a solid foundation for sustainable tax-revenue growth, SARS continues to fund a large portion of government expenditure, as highlighted in this 18th edition of the *Tax Statistics* publication.

SARS's mandate is to collect all tax revenue due by ensuring optimal compliance with tax and customs legislation. The unprecedented improvement in tax-revenue collection after the enactment of the SARS Act, 1997 (Act 34 of 1997), is hailed as one of the developments that laid the foundation for South Africa's prudent and sustainable fiscal policy trajectory. SARS continues directly to contribute to nation building and sustain the country's democracy, which is now more than 30 years old.

Over the past 30 years, tax collections have increased from R113.8 billion in 1994/95 to R1 855.3 billion in 2024/25, at a compounded annual growth rate of 9.8% and an average tax-to-GDP ratio of 22.3%. Since 1997/98, SARS has collected R23.0 trillion for the country's social and economic development. In the 2024/25 fiscal year, SARS collected a record gross amount of R2.303 trillion, and refunded taxes worth R447.3 billion, the highest amount ever in refunds (versus R413.9 billion in the prior year), representing growth of 8.1%.

The 2024/25 revenue collections recorded a sizeable tax-to-GDP ratio of 25.1%, reflecting the country's fiscal health and efficiency in revenue generation. In the same vein, the tax-buoyancy ratio for the fiscal year 2024/25 was at 1.6, indicating the robust response of tax revenue relative to economic growth. The buoyancy ratio is a crucial indicator of how effectively a government can adjust its revenue-collection methods in response to shifts within the economy.

In the fiscal year 2024/25, the performance of key taxes has been a main indicator of economic stability. South Africa demonstrated uneven economic recovery, exhibiting both positive advancements and enduring difficulties. The *Finance*; *Community*; *Wholesale*; and *Construction* sectors had robust gains, contributing to the 6.6% year-on-year growth in revenue collections and 4.2% in GDP. Tax revenues in 2024/25 were driven by a notable shift in revenue streams, influenced by a combination of market dynamics, trade patterns, and consumer behaviour.

In 2024/25, growth in net PIT was mainly as a result of above-inflation growth in the *Financial Intermediation*, *Insurance*, *Real-estate and Business Services* as well as the *Community, Social and Personal Services* sectors' pay-as-you-earn (PAYE), and the gains from two-pot retirement-fund withdrawals (which were higher than expected). In the 2024/25 fiscal year, Company Income Tax (CIT) collections were higher than in the prior year and whose growth was mainly due to the *Financial Intermediation*, *Insurance*, *Real-estate*, and *Business Services* sector, which was buoyed by improved profits. The *Mining and Quarrying* sector continued to contract mainly as a result of lower commodity prices. Domestic Value-Added Tax (VAT) growth for the 2024/25 fiscal year owed to improved consumer sentiment, lower interest rates, contained inflation, and early pension-fund withdrawals, all of which have bolstered household consumption in the last quarter of 2025.

SARS is determined to make it hard and costly for taxpayers who wilfully fail to meet their tax obligations. The SARS Compliance Programme interventions secured R304.0 billion in compliance revenue as compared to R260.5 billion secured in 2023/24, marking a 16.7% year-on-year increase. A portion of this revenue could be attributed to cash-collection initiatives, amounting to R156.1 billion. Strategies to prevent revenue

leakage contributed another R147.9 billion. The broad rise in revenue can also be attributed to enhanced strategies and the diligent implementation of compliance measures.

SARS is realising its Vision 2020–2030 of becoming a smart, modern SARS that can be trusted and admired by all.

The use of tax and customs administration data for improved policy formulation is crucial. There is no doubt that the effective use of tax data can increase compliance levels, enhance revenue collection, and help to identify new revenue opportunities. Effective use of tax data provides opportunities to grow the tax base and make it easy and simple for taxpayers and traders to comply with their obligations.

The recognition of the use of data generated through tax and trade administrative activities has led to increased interest by international bodies such as the African Tax Administration Forum (ATAF), the International Centre for Tax and Development (ICTD), the International Monetary Fund (IMF), the Organisation for Economic Cooperation and Development (OECD), and the United Nations University's World Institute for Development Economics Research (UNU-WIDER). SARS participates in the African Tax Outlook (ATO) and the Revenue Statistics in Africa publications and collaborates on platforms such as the International Survey on Revenue Administration (ISORA), Spatial Economic Activity Data South Africa (SEAD-SA), and MzansiXchange platform.

This publication also illustrates that the role of SARS is not limited to the domestic economy, but also extends to neighbouring countries through the Southern African Customs Union (SACU), which includes Botswana, Eswatini, Lesotho, Namibia ("BELN"), and South Africa. A SACU Agreement has been concluded under which goods that are grown, produced, or manufactured in SACU are, on importation from one of the member states to another, free of customs duties and quantitative restrictions.

SARS and National Treasury are committed to improving the *Tax Statistics* publication and encourage feedback and engagement.



Professor Edward Kieswetter
Commissioner: South African Revenue Service



Dr Duncan Pieterse
Director-General: National Treasury

ABOUT THIS PUBLICATION

The 2025 edition of the *Tax Statistics* publication reviews tax-revenue collections and tax-return information for the 2021 to 2024 tax years as well as the 2020/21 to 2024/25 fiscal years.

The objective of this publication is to present comprehensive tax-revenue data to complement and help contextualise economic and demographic data provided by other publications. It contains more detailed and varied tax-revenue data that supplements publications such as the National Treasury's Budget Reviews and SARS's Annual Reports. The following tables are new additions in this publication:

- *Table A2.1.1(b): Assessed Provisional Taxpayers on Register: Taxable Income and Tax Assessed by Taxable Income Group, 2021–2024*
- *Table A2.1.4 (b): Assessed Provisional Taxpayers on Register: Taxable Income and Tax Assessed by Age Group, 2021–2024*
- *Table A2.1.5(b): Assessed Provisional Taxpayers on Register: Taxable Income and Tax Assessed by Gender, 2021–2024*

The publication follows the same format as in previous years and is set out as follows:

- *Chapter 1: Revenue Collections* summarises aggregate tax-revenue collection trends from 2020/21 to 2024/25.
- *Chapter 2: Personal Income Tax (PIT)* reviews assessed Personal Income Tax revenues of registered individual taxpayers. In addition, information about taxable income by income group, age, gender, municipality of residence, and source of income, as well as fringe benefits, allowances, and deductions is provided.
- *Chapter 3: Company Income Tax (CIT)* gives an overview of Company Income Tax revenues. Information about taxable income by income group, sector, and type of business entity as declared in the tax returns is also provided.
- *Chapter 4: Value-Added Tax (VAT)* provides a breakdown of VAT liabilities, receipts, and refunds by sector and tax-period category type, as well as an overview of data on input and output VAT as derived from VAT returns submitted by vendors.
- *Chapter 5: Import VAT and Customs Duties* provides information about the customs value of imported goods by product type, according to the Harmonised System (HS) at chapter and tariff level, as well as Import VAT, customs duty, and ad valorem excise-duty revenues on imported goods.
- *Chapter 6: Other Taxes and Collections* covers taxes such as Capital Gains Tax (CGT), Transfer Duty, Diesel Refunds, Mineral and Petroleum Resources Royalty (MPRR), as well as Southern African Customs Union (SACU) payments.
- The *Glossary* and *Index* contain definitions of terms and abbreviations as well as a list of all tables and figures in the publication.

Readers of the publication are also encouraged to use the explanatory content or guides that are published by SARS, in terms of the Tax Administration Act No. 28 of 2011. These publications offer practical guidance on the interpretation of the law and can be accessed on the SARS website: <https://www.sars.gov.za/legal-counsel/legal-counsel-publications/>.

METHODOLOGY

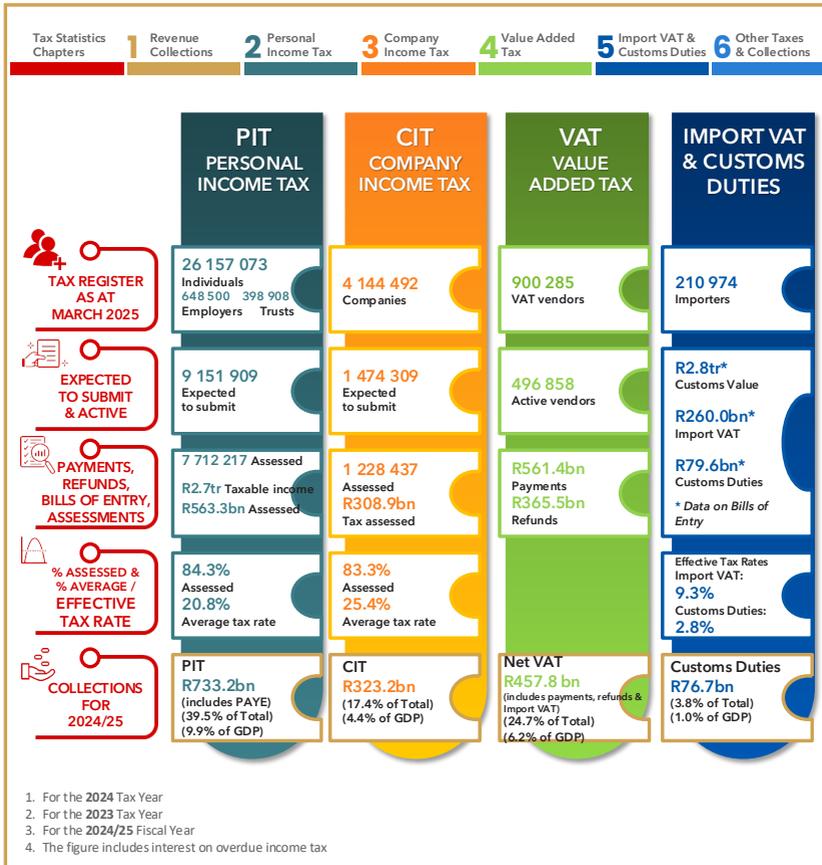
- All statistics are based on the income, expenses, deductions, and items as reported by taxpayers and traders in tax returns and assessment documents.
- Data has been evaluated for reasonability and any identified outliers have been excluded from these statistics.
- Nominal figures are used throughout the publication.
- Disaggregated income-tax data is based on assessed PIT and CIT returns as extracted from SARS's systems in September 2025 and August 2025, respectively. Given the time delay in the submission of tax returns by some taxpayers, and the time taken to assess such returns, statistics for later years tend to be less complete than those of earlier years.
- Given the time-lag between the end of a tax year and the filing of returns for that tax year, an estimate is applied to determine the proportion of expected tax returns to be filed for a specific tax year. More detail about how this estimate is determined is provided in Chapters 2 (PIT) and 3 (CIT).
- Declarations data for VAT, as discussed in Chapter 4, was extracted in August 2025.
- Declarations data for import VAT and Customs Duties in this document, mainly discussed in Chapter 5, was extracted at the end of August 2025.
- Declarations data for customs taxes by Tariff Code in *Table A5.5* of this document, was extracted in September 2025.
- Information about the sector (industry) in which taxpayers operate is drawn from taxpayer returns and is determined according to their main source of income. Trade classification data is based on the classification as declared by traders and is based on the Harmonised System.
- Figures have been rounded, therefore discrepancies may occur between the numbers of the component items and the totals in the tables.
- A hyphen ("-") in the tables represents zero while a zero symbol ("0") indicates the rounding of a numerical value that is greater than 0 and less than 0.5.
- The tax year for individuals starts on 1 March and finishes at the end of February the following year. The tax year for companies coincides with the financial year of the company for financial reporting.
- A distinction is made between a tax year and a fiscal year. The former is shown as a single year (e.g. 2024) while the latter is displayed with a forward slash (e.g. 2024/25).
- Tables numbered with an "A" (e.g. *Table A1.1.1*) are included at the end of the relevant chapter.

A full electronic version of this publication (including the Excel tables) is available for download on the SARS website — <https://www.sars.gov.za/about/sars-tax-and-customs-system/tax-statistics/> — and that of National Treasury: <https://www.treasury.gov.za/publications/tax%20statistics/default.aspx>.

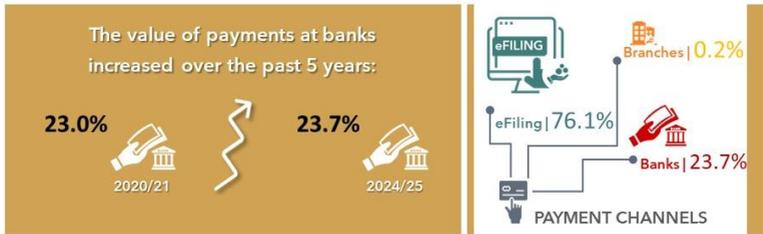
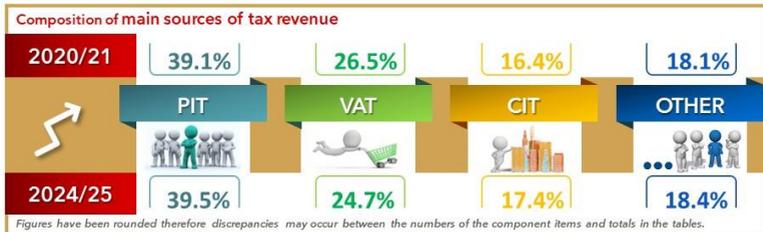
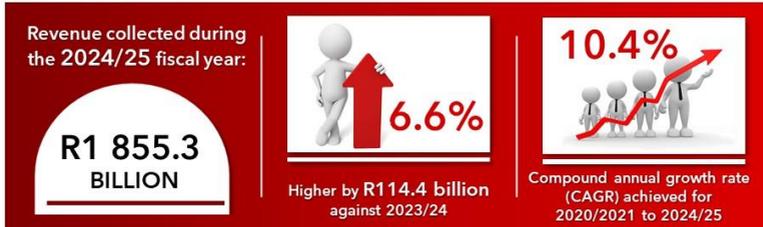
We welcome comments and suggestions to enhance the value of the publication for policy evaluation and that provide further insights into South Africa's social and economic contexts. Please email such comments and suggestions to taxstatistics@sars.gov.za.

2025 | TAX STATISTICS AT A GLANCE

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For the 2024/25 fiscal year...



*Negative value indicates tax relief

The SARS Act, 1997, requires SARS to:

- Collect all revenue due.
- Ensure optimal compliance with tax and customs legislation.
- Provide a customs service that optimises revenue collection, protects our borders, and facilitates legitimate trade.
- Advise the Minister of Finance and the Minister of Trade and Industry.

SARS is driven by the aspiration to contribute directly to the economic and social development of the country. By collecting revenue, SARS enables government to deliver on its constitutional obligations, policy, and service-delivery priorities in pursuing a better life for all in South Africa. By encouraging tax and customs compliance, SARS also aspires to help build fiscal citizenship practised by a law-abiding society.

It is the organisation's vision to build a smart, modern SARS with unquestionable integrity that is trusted and admired. The nine strategic objectives which underpin SARS's Vision 2024 and strategic intent are to:

1. Provide clarity and certainty for taxpayers and traders of their obligations.
2. Make it easy for taxpayers and traders to comply with their obligations.
3. Detect taxpayers and traders who do not comply and make non-compliance hard and costly.
4. Develop a high-performing, diverse, agile, engaged, and evolved workforce.
5. Increase and expand the use of data within a comprehensive knowledge-management framework to ensure integrity, drive insight and improve outcomes.

6. Modernise our systems to provide digital and streamlined online services.
7. Demonstrate effective resource stewardship to ensure efficiency and effectiveness in delivering high-quality outcomes and performance excellence.
8. Work with and through stakeholders to improve the tax ecosystem.
9. Build public trust and confidence in the tax-administration system.

SARS's values are:

- Uncompromising regard for taxpayer confidentiality.
- Unquestionable integrity, professionalism, and fairness.
- Exemplary public service.
- Incontestable insights from data and evidence.

The table below illustrates the change in the SARS tax register over the period 31 March 2020 to 31 March 2025.

Tax register, 31 March 2020 – 31 March 2025

Number as at	Individuals ^{1,2}	Companies (CIT) ^{1,3}	Trusts ¹	Employers ¹ (PAYE)	VAT Vendors ¹	Importers	Exporters
31 Mar 2021	23 850 668	3 112 509	367 540	618 478	880 553	333 204	299 941
31 Mar 2022	24 832 105	3 532 646	373 084	632 599	941 406	332 970	299 793
31 Mar 2023	25 944 562	3 926 252	379 280	643 370	953 665	347 754	310 990
31 Mar 2024	27 051 828	3 644 147	389 302	643 948	959 000	355 846	317 574
31 Mar 2025	26 157 073	4 144 492	398 908	648 500	900 285	210 974	185 145
Percentage year-on-year growth							
31 Mar 2022	4.1%	13.5%	1.5%	2.3%	6.9%	-0.1%	0.0%
31 Mar 2023	4.5%	11.1%	1.7%	1.7%	1.3%	4.4%	3.7%
31 Mar 2024	4.3%	-7.2%	2.6%	0.1%	0.6%	2.3%	2.1%
31 Mar 2025	-3.3%	13.7%	2.5%	0.7%	-6.1%	-40.7%	-41.7%

1. Excludes cases where status is in suspense, estate and address unknown.

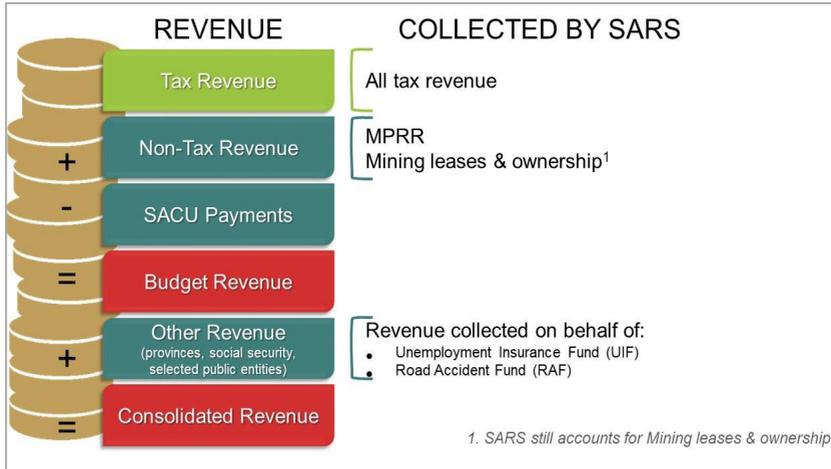
2. The tax year for individuals starts on 1 March and ends at the end of February the following year.

3. The tax year for companies is normally the financial year of the company for financial reporting purposes.

Main budget revenue includes all revenue streams into the fiscus — both tax revenue and non-tax revenue — excluding payments made to Botswana, Eswatini, Lesotho, and Namibia (“BELN” countries) in terms of the Southern African Customs Union (SACU) agreement. SACU disbursements are determined according to a revenue-sharing formula described in Chapter 6.

Consolidated revenue also includes revenue collected by the provinces, selected public entities, and social-security contributions as illustrated in the figure below.

Illustration of budget revenue and consolidated revenue



In addition to tax revenue, SARS collects Mineral and Petroleum Resources Royalties and Mining Leases and Ownership, which are included in non-tax revenue. SARS also collects revenue on behalf of the Road Accident Fund and the Unemployment Insurance Fund.

Total budget revenue and consolidated revenue, 2020/21 - 2024/25

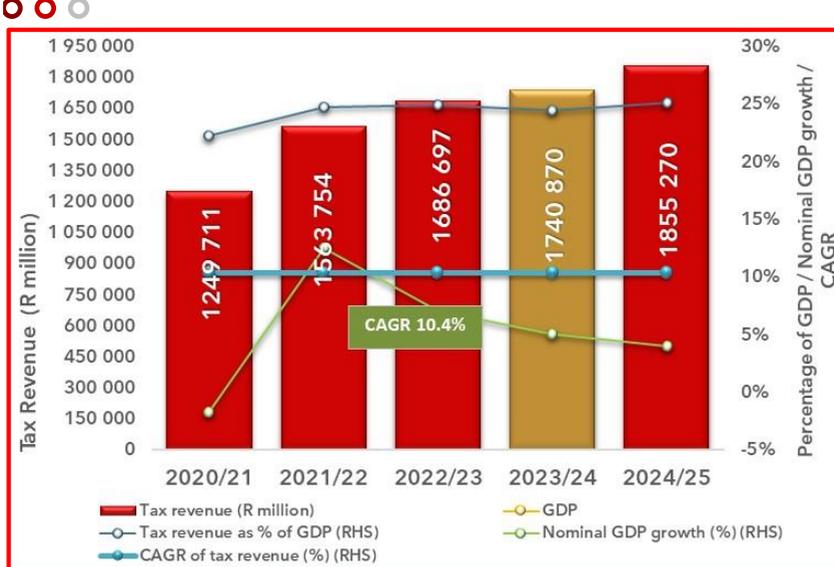
R million	Tax revenue	% of budget revenue	% of consolidated revenue	Non-tax revenue ¹	Total tax and non-tax revenue	Less: SACU payments	Budget revenue	Other ²	Consolidated revenue	YY growth
2020/21	1 249 711	100.9%	88.6%	52 053	1 301 765	-63 395	1 238 369	171 548	1 409 918	-7.8%
2021/22	1 563 754	100.0%	89.3%	46 485	1 610 239	-45 966	1 564 273	187 385	1 751 657	25.1%
2022/23	1 686 697	99.3%	88.9%	56 205	1 742 902	-43 683	1 699 219	197 189	1 896 407	7.9%
2023/24	1 740 870	101.1%	89.4%	61 423	1 802 293	-79 811	1 722 482	223 974	1 946 456	3.2%
2024/25	1 855 270	102.5%	90.9%	44 394	1 899 664	-89 874	1 809 790	231 671	2 041 461	6.6%

1. Includes interest, dividends, rent on land, sales of goods and services, fines and penalties, sales of capital assets, financial transactions in assets and liabilities, MPRR as well as extraordinary receipts.
2. Includes provinces, social security and selected public entities.

The **tax-to-GDP** ratio measures the overall tax burden for a given period. The share of a country’s output that is collected by the government through taxes — the tax-to-GDP ratio — is an important indicator to measure the tax effort of government. The International Monetary Fund (IMF), World Bank,

Organisation for Economic Co-operation and Development, and African Tax Administration Forum use this ratio to analyse and compare the tax systems and economic performance of countries. South Africa’s tax-to-GDP ratio for the 2024/25 fiscal year rose to 25.1%, up from 24.5% in 2023/24, reflecting a stronger pace of tax revenue growth relative to economic activity. The higher ratio also reflects improved administrative efforts in collecting tax revenue, despite subdued economic growth. These efforts, particularly through compliance-revenue initiatives, played a significant role in boosting tax collections.

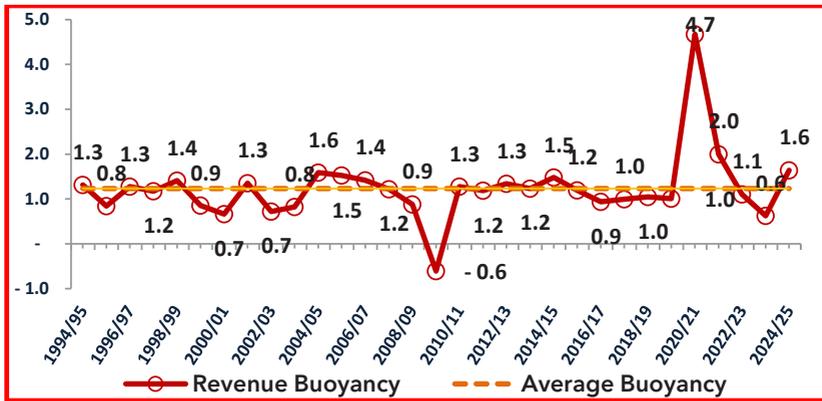
Tax revenue collections, GDP and CAGR, 2020/21 - 2024/25



Tax buoyancy measures the responsiveness of tax revenue to changes in economic growth over a given period. As a key indicator of tax-revenue performance, it measures the sensitivity of tax revenue to changes in

economic growth. Buoyancy of tax revenue reflects the effect of both automatic stabilisers and discretionary fiscal-policy changes. A buoyancy ratio greater than one over the long-term signals that tax revenue is growing faster than the economy, supporting the sustainability of fiscal policy. In contrast, short-term buoyancy ratios tend to fluctuate more due to the stage of the business cycle, tax-policy changes, and efficiency of tax administration.

Revenue Buoyancy, 1994/95 - 2024/25



Since 1994/95, the long-term average buoyancy ratio of total tax revenue to GDP is 1.2, indicating that South Africa’s tax system has generally been responsive to changes in economic activity over the years. In 2024/25, the buoyancy ratio rose to 1.6, a sharp increase from 0.6 in the previous year and well above the long-term average. The higher buoyancy ratio indicates that tax revenue grew significantly faster than the economy, driven primarily by strong performance in PIT, particularly pay-as-you-earn (PAYE), as well as additional gains from two-pot retirement fund system withdrawals.

system. The Fuel Levy, in combination with specific excise and customs duties, contributed a further 11.3%, while the remaining 7.1% was derived from other taxes.

Over the period 2020/21 to 2022/23, the share of PIT in total revenue declined from 39.1% to 35.7%. However, in the year under review, PIT rebounded to 39.5%, reaffirming its position as the single largest source of tax revenue. By contrast, CIT's contribution rose over the period 2020/21 to 2022/23 but subsequently moderated, declining to 17.4% in 2024/25. The contribution of VAT has followed a gradual downward trajectory, decreasing from 26.5% in 2020/21 to 24.7% in 2024/25.

Relative composition of main sources of tax revenue, 2020/21 - 2024/25



The Health Promotion Levy was implemented on 1 April 2018. It is a levy imposed on sugary beverages to support the Department of Health's objective to decrease the incidence of diabetes, obesity, and other lifestyle-related diseases in South Africa. Levy collections are shown in the table below.

Health Promotion levy, 2020/21 -2024/25

R million	Health promotion levy ¹	Health promotion levy on imports	Total Health promotion levy
2020/21	2046	67	2 114
2021/22	2182	78	2 260
2022/23	2195	110	2 305
2023/24	2245	115	2 359
2024/25	2282	140	2 423
Percentage of total			
2020/21	96.8%	3.2%	100.0%
2021/22	96.6%	3.4%	100.0%
2022/23	95.2%	4.8%	100.0%
2023/24	95.1%	4.9%	100.0%
2024/25	94.2%	5.8%	100.0%
Percentage change year-on-year			
2021/22	6.7%	15.0%	6.9%
2022/23	0.6%	42.2%	2.0%
2023/24	2.3%	4.1%	2.4%
2024/25	1.7%	22.4%	2.7%

1. Levy on locally manufactured products

The Health Promotion Levy applies to beverages with more than 4 g of sugar per 100 ml. The rate is fixed at 2.1c per gram of the sugar content that exceeds 4 g per 100 ml. The first 4 g per 100 ml are levy free. Sugar content means both the intrinsic and added sugar and other sweetening matter. The levy is payable on sugary beverages manufactured in, or imported into, South Africa and is payable by the manufacturers of such beverages in South Africa. The Health Promotion Levy is a domestic consumption tax and is therefore not payable on

sugary beverages that are exported or processed in the manufacture of other dutiable goods. Under this levy:

- Identified imported products are taxed when they are cleared for home consumption.
- Locally manufactured products are taxed at source.

SARS is progressing the development of an advanced digital-administration platform, founded upon data science, artificial intelligence, and associated enabling technologies. This strategic undertaking is designed to strengthen institutional trust, promote operational efficiency, and improve transparency throughout the tax-administration system.

An established measure of administrative efficiency is the degree to which a revenue authority can control or reduce its operational expenditure, while sustaining or enhancing the quality of services provided to taxpayers. This efficiency is typically evaluated using the cost-to-revenue ratio, which is determined by dividing the authority's internal operating expenditure by the total tax revenue collected within a given fiscal year.

For purposes of comparability, this ratio excludes non-tax revenue and social-security contributions administered by SARS, Mineral and Petroleum Resources Royalties, Unemployment Insurance Fund contributions, and Road Accident Fund levies. Were such amounts to be included, the reported cost-to-revenue ratio would be correspondingly lower.

SARS continues to perform favourably against the international benchmark of 1.0% for developing economies. Over the past five fiscal years, the cost-to-tax-revenue ratio has ranged from 0.85% in 2020/21 to 0.72% in 2024/25. A persistent downward trajectory in this ratio may be interpreted as evidence of either improved cost efficiency (through the containment of operational

expenditure), or enhanced effectiveness, through improved levels of taxpayer compliance.

Cost of revenue collection, 2020/21 - 2024/25

R million	Tax revenue collected	Operating costs ¹	Cost of collection ²
2020/21	1 249 711	10 666	0.85%
2021/22	1 563 754	11 521	0.74%
2022/23	1 686 697	11 990	0.71%
2023/24	1 740 870	12 400	0.71%
2024/25	1 855 270	13 360	0.72%

1. Operating costs as disclosed in the Statement of Financial Performance for the controlling entity in the SARS: Own Accounts Annual Financial Statements.

2. Operating costs as a percentage of tax revenue.

SARS acknowledges that the provision of accessible, professional, and efficient services is central to fostering voluntary compliance. Accordingly, its service-delivery framework is structured to support taxpayers and traders across the full compliance lifecycle, enabling them to discharge their obligations easily and inexpensively.

In pursuit of this objective, SARS is committed to offering equitable access to its service channels and to delivering a seamless experience across all points of engagement, including registration, filing, declaration, payment, and deregistration. Increasingly, this is facilitated through the expansion of online self-service channels. During the period under review, SARS introduced additional platforms, notably the Self-Service Terminals, which were deployed to accelerate the migration of taxpayers onto digital platforms.

In addition to branch-based payments, taxpayers can use the following payment channels:

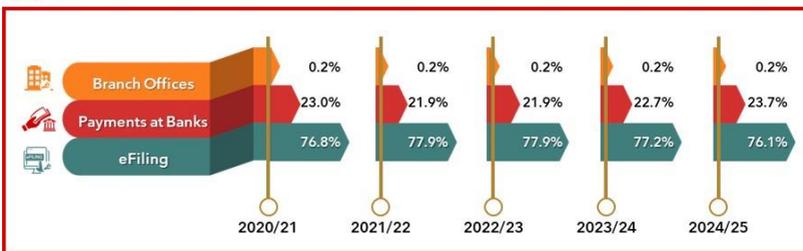
- **eFiling:** taxpayers registered as eFiling clients can effect electronic payments directly through the platform.

- **Bank payments:** taxpayers can pay either via internet banking transfers or through over-the-counter deposits at participating banks.

The eFiling channel remained the predominant mode of payment, accounting for most receipts processed by SARS. In the 2024/25 financial year, eFiling contributed 81.0% of the total value of taxpayer payments.

The composition of the main channels of payments is shown below.

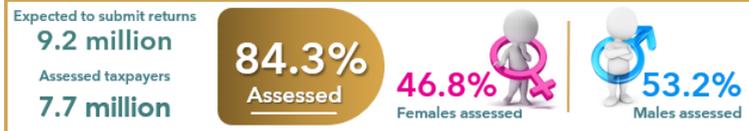
Composition of main channels of payment (by value), 2020/21 - 2024/25



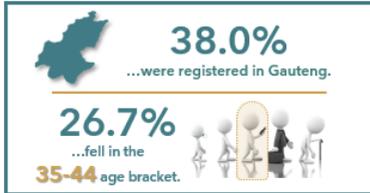
Composition of main channels of payment (by number), 2020/21 - 2024/25



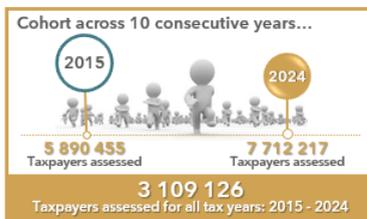
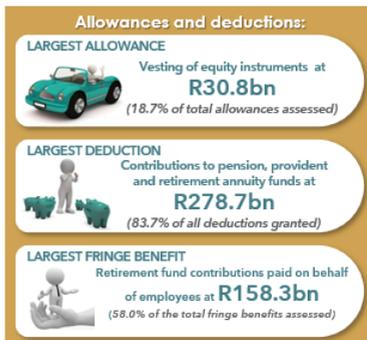
For the 2024 tax year...



...of assessed individual taxpayers



Municipalities
Statistics available on assessed tax for individual taxpayers for 213 local and metropolitan municipalities, using demarcation borders as available in June 2017.



CHAPTER 2: PERSONAL INCOME TAX

This chapter gives an overview of Personal Income Tax (PIT) revenues of registered individual taxpayers. It also provides information on assessed individual taxpayers, taxable income and tax assessed by taxable income group, income group, sector, province, age, gender and source of income, as well as on fringe benefits, allowances and deductions.

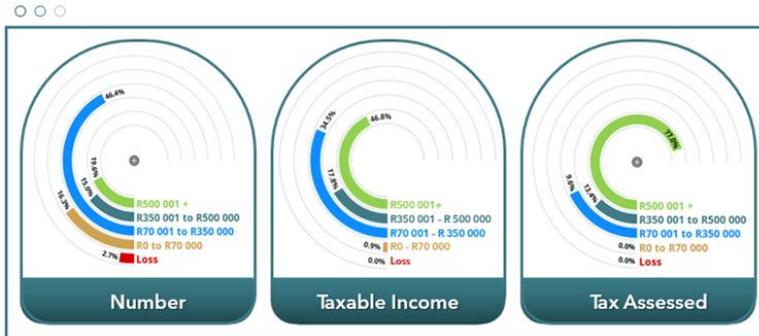
The Budget presented in February 2023 included:

- Increases of 15.2% in the primary rebate, 14.9% in the secondary and 16.4% in the tertiary rebates to R17 235, R9 444 and R3 145 respectively from the 2021 to the 2024 tax years. This increased the minimum tax thresholds for taxpayers below the age of 65 years to R95 750, for those 65 to 74 years to R148 217 and 75 years and older to R165 689.

SARS received more than 19.6 million employees' tax certificates (IRP5s and IT3[a]s) for the 2024 tax year that could be linked to nearly 13.8 million individuals.

To track changes in the taxable income and tax liability of taxpayers over a ten-year tax period, SARS analysed the taxable income and assessed tax of all taxpayers who have been assessed every year since 2015. For the 2015 tax year, SARS assessed 5 890 455 taxpayers. Of these, 3 109 126 taxpayers (52.8%) had been assessed for each of the subsequent nine years (2016 to 2024).

Distribution of assessed individual taxpayers in taxable income group, 2024



The average tax rate across all taxpayers, as indicated by the tax assessed as a percentage of taxable income, increased from 21.2% in the 2021 tax year to 21.5% in the 2022 tax year. This rate decreased to 21.1% in the 2023 tax year and decreased again to 20.8% for the 2024 tax year. The extent of tax relief, including “fiscal drag / bracket creep relief”¹, is illustrated in the following example.

¹ Fiscal drag relief is the relief granted to taxpayers to neutralise the impact of inflation on effective tax rates.

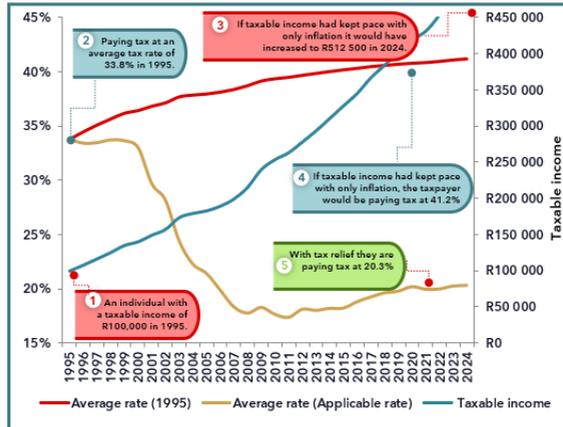
Example of tax relief granted to an individual with taxable income of R100 000 in 1995



(1.) An individual with taxable income of R100 000 in 1995 was paying tax at (2.) an average tax rate of 33.8%.

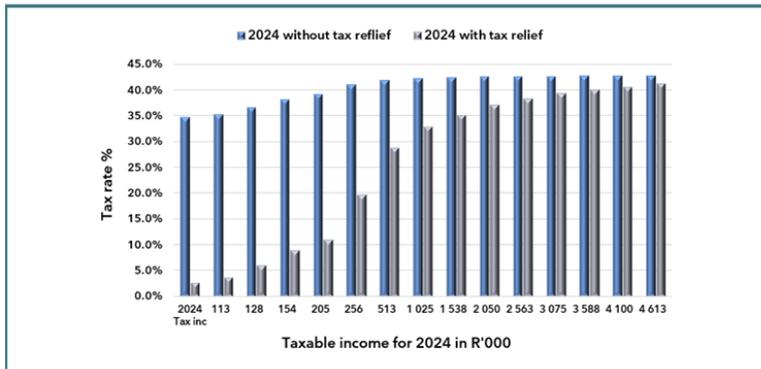
(3.) If the taxpayer's taxable income had only kept pace with inflation, (4.) the average tax rate would have increased to 41.2% in 2024 if there had been no adjustments made to the income tax brackets.

The impact of the actual income tax adjustments from 1995 for the same example (5.) lowers the average tax rate to only 20.3%.



Tax relief is much more prominent in the lower income groups. Lower income groups receive proportionally greater tax relief when the tax thresholds are raised.

Tax relief granted to individuals, 2024



The table on the next page illustrates the distribution of income and the granting of deductions in income groups (rather than taxable income groups). The largest portion of the R332.8 billion allowed as deductions for the 2024 tax year was granted to taxpayers in the income bracket that is higher than R500 000. Of their income, 12.0% was granted as a deduction.

Assessed taxpayers by income group, deductions granted & taxable income, 2024

Tax year	2024				
	Income group	Number of taxpayers	Income before deductions (R million)	Deductions allowed (R million)	Taxable income (R million)
<= 0		202 248	-16 307	35	-16 342
1 – 70 000		1 206 964	37 279	979	36 300
70 001 – 350 000		3 258 961	619 875	44 967	574 908
350 001 – 500 000		1 132 804	478 930	56 490	422 441
500 000 +		1 911 240	1 921 005	230 336	1 690 669
Total		7 712 217	3 040 783	332 808	2 707 975
Income group	Average income per assessed taxpayer (R)	Average deduction allowed (R)	Average taxable income per assessed taxpayer (R)	Percentage of income granted as a deduction	
<= 0	-80 628	175	-80 803	0.2%	
1 – 70 000	30 887	811	30 075	2.6%	
70 001 – 350 000	190 206	13 798	176 408	7.3%	
350 001 – 500 000	422 783	49 867	372 916	11.8%	
500 000 +	1 005 109	120 517	884 592	12.0%	
Total	394 281	43 153	351 128	10.9%	

There are many taxpayers currently submitting returns who are below the compulsory submission threshold. These taxpayers are therefore not liable to submit a return but they may still elect to submit a return, possibly to recover allowed deductions. The number of returns expected to be submitted is therefore a more prudent gauge of the proportion of returns that are likely to be received by SARS.

The number of taxpayers assessed decreased from the 2018 to 2019 tax year because of the increase in the submission threshold of employment income from R350 000 to R500 000 for the 2019 tax year. The number of taxpayers increased by 2.9% in the 2022 tax year, by 6.7% in the 2023 tax year, and by 9.0% in the 2024 tax year. These increases were partly because

auto-assessment resulted in finalisation of cases quicker and individuals who are not required to file were also auto-assessed. The number for the 2024 tax year is expected to increase as assessments are finalised.

Ceasing to be a South African tax resident, resignations, deaths, and similar changes to the status of individuals can imply permanent erosion or changes in the tax base. Expected submission counts for each tax year now include all taxpayers who have been assessed for a tax year as well as taxpayers with an “active” status who were assessed in any of the two previous years but who do not have an assessment for the tax year in question.

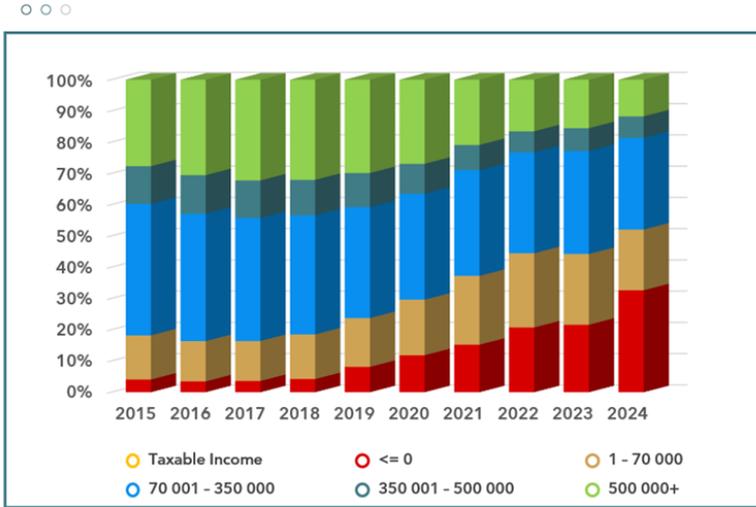
Number of individual taxpayers, 2021 – 2024

Tax year	Number of taxpayers assessed	Taxable income (R million)	Average taxable income (R)	Tax assessed (R million)	Average tax assessed (R)	Tax assessed as % of taxable income
2021	6 447 984	2 025 688	314 158	429 379	66 591	21.2%
2022	6 635 030	2 219 394	334 496	476 062	71 750	21.5%
2023	7 077 689	2 464 402	348 193	521 174	73 636	21.1%
2024	7 712 217	2 707 975	351 128	563 326	73 043	20.8%

From the 2017 to 2024 tax year and according to the tax resident status indicator on the ITR12 tax return, more than 51 500 taxpayers indicated that they ceased to be a tax resident of South Africa.

The graph below shows the taxable income and tax liability of these individual taxpayers over a ten-year tax period, who have been assessed since the 2015 tax year.

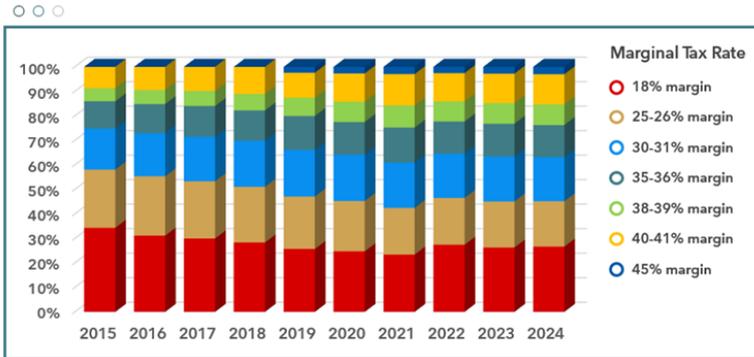
Proportion by taxable income for individuals with change in residence status as indicated by taxpayer, 2015 - 2024



To track the fluctuations in taxable income of taxpayers over a 10 year tax period, all taxpayers who were assessed every year since 2015, were isolated and their taxable income and assessed tax analysed.

The graph below shows how taxpayers shifted across the tax brackets due to increases in taxable income.

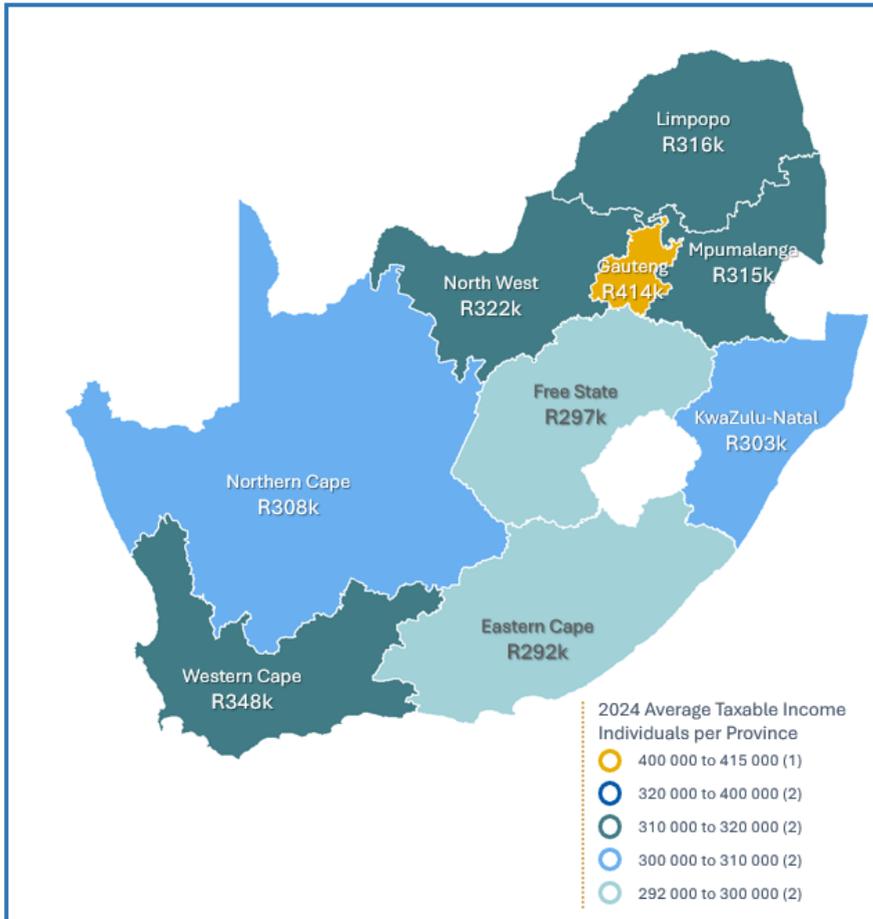
Proportion of the 3.0 million 10 year taxpayers by marginal tax rates, 2015 - 2024



The distribution of taxpayers, taxable income and tax assessed by province and municipality, is determined using the residential address declared by taxpayers on their returns. The analysis of the assessments by municipality shows that most assessed taxpayers are based in Gauteng and they also have the highest average taxable income at R413 712 while the Eastern Cape indicates the lowest average taxable income at R292 061.

Average taxable income per assessed taxpayer by province (based on residential address), 2024

○ ○ ○



For the 2024/25 fiscal year...



CIT is the **3rd** largest contributor to tax revenue



18.2%

2023/24



17.4%

2024/25



Total CIT Provisional Tax collected in 2024

1 st Provisional Period	2 nd Provisional Period	3 rd Provisional Period
42.4%	54.8%	2.9%

More than 4.1 million companies on register as at March 2025

2023 tax year

1 228 437

...were assessed (majority of remainder inactive or dormant)



185 022

...were assessed as Small Business Corporations (using graduated tax rates as opposed to a fixed rate)

Contributions by financial year-end in tax year 2023

33.8%

December

24.6%

June

24.6%

February

Taxable income for 1 228 437 assessed companies in the 2023 tax year

24.3%



...reported a **NEGATIVE** taxable income.

54.0%



...reported a **ZERO** taxable income.

21.7%



...reported a **POSITIVE** taxable income.



Financing, Insurance, Real Estate & Business Services 12.6%



Construction Sector 8.7%



Agriculture, Forestry and Fishing 5.7%

Sector contributions of companies with assessed losses

CHAPTER 3: COMPANY INCOME TAX

This chapter is an overview of Company Income Tax (CIT) revenues. It provides information on provisional payments, assessed companies taxable income and tax assessed by taxable income group, sector and assessed losses. It also provides information on Small Business Corporations (SBCs).

The analyses of Company Income Tax (CIT) returns assessed for the 2023 tax year and CIT collections for the 2024/25 fiscal year show that:

- At 17.4%, CIT remained the third-largest contributor to total tax revenue collected in the 2024/25 fiscal year. Although this outcome exceeds the 15.9% and 16.4% share ratios for the 2019/20 and 2020/21 financial years respectively, it has dropped slightly compared to 2023/24 fiscal year. CIT revenue was lower than the 20.7% and 20.6% achieved in the 2021/22 and 2022/23 financial years. The contribution ratio of CIT to total tax revenue is still well below the peak of 26.7% achieved before the 2009/10 global financial crisis.
- CIT collections for the 2024/25 financial year increased slightly from those realised in the 2023/24 financial year by R6.4 billion (2.0%). The year-on-year growth was driven mainly by the improvement in the *Financial Intermediation, Insurance, Real-estate, and Business Services; Electricity, Gas, and Water; and Wholesale and Retail Trade* sectors.
- These sectors were boosted by improved electricity supply from April 2024 and better performing logistics networks, providing much-needed relief to producers. The improvement in household finances, with disposable income buoyed by moderating inflation, enabled companies gradually to recover from the previous year's cost pressures, which emanated from intense load-shedding and inefficient network industries. These economic developments were pivotal in boosting revenue collections.

- The *Financial Intermediation, Insurance, Real-estate, and Business Services* sector's performance was boosted by the financial services companies within both the Large business and international (LB&I) and Small, medium, and micro enterprises (SMME) segments. Profitability was buoyed by the Gross Operating Surplus (GOS), which recorded consecutive year-on-year growth of 0.6% in Q1-2025 following another year-on-year growth of 5.0% in Q4-2024. Furthermore, interest rates, which started to decline from September 2024, also contributed positively to the *Finance* sector's performance. A reduction in interest rates to 11.00% in January 2025 provided much-needed relief to companies and consumers, following the stabilising inflation rate, which has remained on average at 4.4% for the whole 2024 calendar year. The inflation rate subsequently declined to 2.7% in March 2025, remaining below SARB's 3–6% target range at the time (since 12 November 2025, it has been revised to 3%, with a tolerance band of plus or minus 1 percentage point).
- The positive performance in the *Electricity, Gas, and Water* sector was predominantly driven by payments from a new generation company paying provisional taxes for the first time, and by a positive performance among renewable energy companies. An increase in alternative energy production (generation) companies, following the high incidences of load-shedding of previous years, also contributed to the growth. These companies are capitalising on the South African electricity supply crises that have impacted both household and business activities.
- Growth in the *Wholesale and Retail Trade* sector was realised despite retail trade sales contracting year-on-year by 2.1% in March 2025, following an upwardly revised contraction of 7.5% in February 2025. The growth comes after months of no loadshedding since April 2024, as well as the continuous decline in interest and inflation rates.
- Domestic demand is expected to strengthen, supported by firmer consumer confidence. A recovery in real household incomes was driven

by a lower inflation rate of 2.7% in March 2025, slightly down from 3.2% recorded in February 2025 and remaining within the SARB's 3–6% target band. Debt-service costs are falling as interest rates continue to be reduced. Moreover, the two-pot savings withdrawals increased households' disposable income.

- More than 4.1 million companies were registered for CIT on 31 March 2025, a contraction of 500 345 (13.7%) versus 31 March 2024. Of these companies, SARS expected 1 474 309 companies to submit income tax returns for the 2023 tax year, of which 83.3% filed and assessed in the same tax year.
- Of the 1 228 437 companies assessed by 31 August 2025 for the 2023 tax year, 21.7% declared a positive taxable income; 54.0% had taxable income equal to zero; and the remaining 24.3% reported an assessed loss.
- The concentrated nature of the South African economy is evident in that only 630 large companies (0.2% of the companies with positive taxable income) each had taxable income of more than R200 million and were liable for 59.6% of the CIT assessed.
- The *Financial Intermediation, Insurance, Real-estate, and Business Services* sector accounted for 279 525 (22.8%) of the assessed companies and was liable for 37.1% of the CIT assessed, contributing the most among all the sectors.
- Since 31 August 2025, of the 1 228 437 companies assessed in respect of the 2023 tax year, 185 022 (15.1%) were assessed as Small Business Corporations (SBCs) and taxed at the applicable graduated income tax rates. The remainder was taxed at either the fixed company tax rate of 27% or at the graduated income tax rates for micro-businesses that elected to pay only Turnover Tax.
- CIT collections improved after the introduction of the rule that provisional tax payments of at least 80% of a company's tax liability for the applicable year of assessment are payable by the end of that year otherwise the company could be liable for penalties, as well as a more

rigorous application of paragraph 19(3) of the Fourth Schedule to the Income Tax Act. The third provisional tax payments decreased from 12.9% of the total provisional tax collections in 2009/10 to 3.4% in the 2024/25 financial year.

- During the 2023/24 financial year, 53.0% of the tax paid relates to the 2023 tax year, 45.9% to the 2024 tax year, and 1.0% to earlier tax years.

POST COVID-19 TAX MEASURES

- Despite the COVID-19 pandemic necessitating a downward revision of the estimated tax revenue for the 2020/21 fiscal year, the dire effect on the economy did not persist. CIT collections rebounded in the 2021/22 fiscal year. This recovery was driven mainly by the *Mining and Quarrying*; *Financial Intermediation, Insurance, Real-estate, and Business Services*; and *Manufacturing* sectors. However, the *Mining and Quarrying* sector's positive trend retreated from the 2022/23 fiscal year and sharply reversed in the 2023/24 fiscal year and has continued on a downward trend through to the 2024/25 fiscal year, with the *Manufacturing* sector following suit.
- The *Mining and Quarrying* sector continued throughout the 2021/22 and 2022/23 fiscal years to be resilient and remained on a positive trajectory. This was due to the robust global performance of commodity prices, particularly for PGMs, Iron Ore and Coal. However, during the fiscal years 2023/24 and 2024/25, the *Mining and Quarrying* industry was harmed by weak commodity prices and decreased demand for commodities. The lower commodity prices for PGMs, Iron Ore and Coal; a decline in the total value of mineral sales for most of the 2023 calendar year; a marginal improvement of mineral sales in the 2024 calendar year, although still much lower than the 2021 and 2022 calendar years; and mining input costs rising year-on-year to 3.4% in March 2025 were the main drivers of the downturn in this sector. This

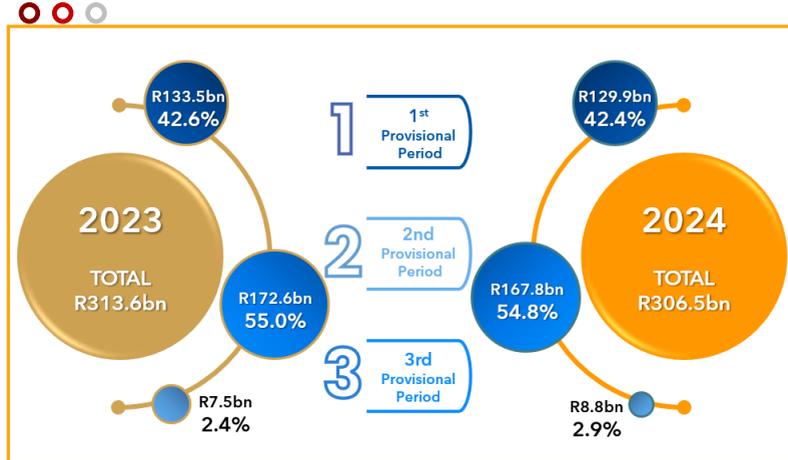
decline occurred despite the high exchange rate during 2023 and for most of the 2024 calendar years.

- The *Manufacturing* sector contracted in the 2023/24 fiscal year because of supply-side constraints that increased production costs and harmed profitability. Increased global inflation and interest rates resulted in tighter global financial conditions and lower profit margins. However, in the 2024/25 fiscal year, production costs have stabilised, mainly supported by lower inflation and declining interest rates.
- The *Financial Intermediation, Insurance, Real-estate, and Business Services* sector recovered as pandemic lockdown measures eased and has continued on a positive trajectory. Profitability was buoyed by growth in the South African economy, as well as the declining interest and inflation rates. Furthermore, this growth is in line with GOS growth of 0.6% in Q1-2025.
- South Africa's GDP recorded a growth rate of 0.6% in 2024, which was lower than the adjusted growth rates of 0.7% and 1.9% in the 2023 and 2022 calendar years, respectively. The 2024/25 financial year saw a growth of R6.4 billion (2.0%) in CIT collections, which represent a substantial improvement since 2023/24's contraction of R30.8 billion (8.9%).

Provisional tax payments by provisional period by tax year, 2021–2024

Period R million Tax year	1st Provisional period	Percentage change	2nd Provisional period	Percentage change	3rd Provisional period	Percentage change	Total
2021	112 760	33.2%	171 359	50.6%	7 729	-9.0%	291 848
2022	137 836	22.2%	189 093	10.3%	7 949	2.8%	334 878
2023	133 522	-3.1%	172 598	-8.7%	7 488	-5.8%	313 608
2024	129 881	-2.7%	167 802	-2.8%	8 779	17.3%	306 463
Percentage of total							
2021	38.6%		58.7%		2.6%		100.0%
2022	41.2%		56.5%		2.4%		100.0%
2023	42.6%		55.0%		2.4%		100.0%
2024	42.4%		54.8%		2.9%		100.0%

Provisional tax payments by provisional period 2023 and 2024



The value of provisional tax collections for previous tax years (2021–2023) was more than 98.5% of the value of the final liability, as reflected in the issued assessments. Provisional tax collections for a specific tax year are received by SARS well before assessments for a specific tax year are raised. Provisional tax collections enable extrapolations of tax collections and lead to timelier analyses.

Tax assessed as a percentage of provisional tax payments received for a relevant tax year is a good gauge of the completeness and accuracy of the issued assessments.

Provisional tax payments and tax assessed by tax year, 2021–2024

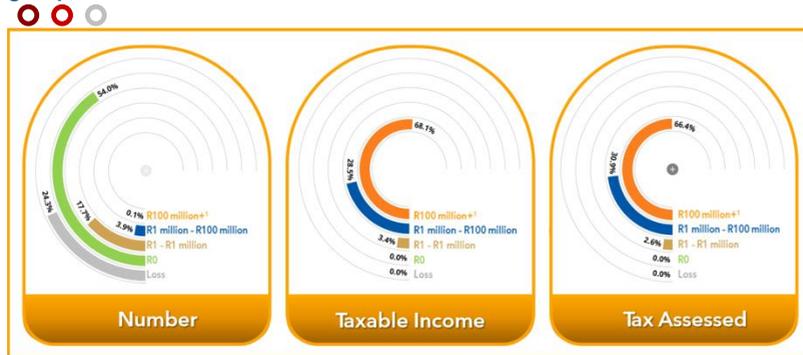
R million Tax year	Provisional tax payments	Tax assessed	Tax assessed as % of provisional tax payments
2021	291 848	294 131	100.8%
2022	334 878	337 416	100.8%
2023	313 608	308 864	98.5%
2024	306 463	195 590	63.8%

The number of returns expected for a particular tax year is determined by the number of companies that have been assessed for that tax year, plus

the number of companies with an “active” status that were assessed in respect of either of the two tax years before the relevant tax year, but that have not yet been assessed for the tax year in question.

The figure below the distribution of the number of companies assessed, their taxable income, and the tax assessed for 2023 tax year.

Assessed companies, taxable income and tax assessed by taxable income group, 2023

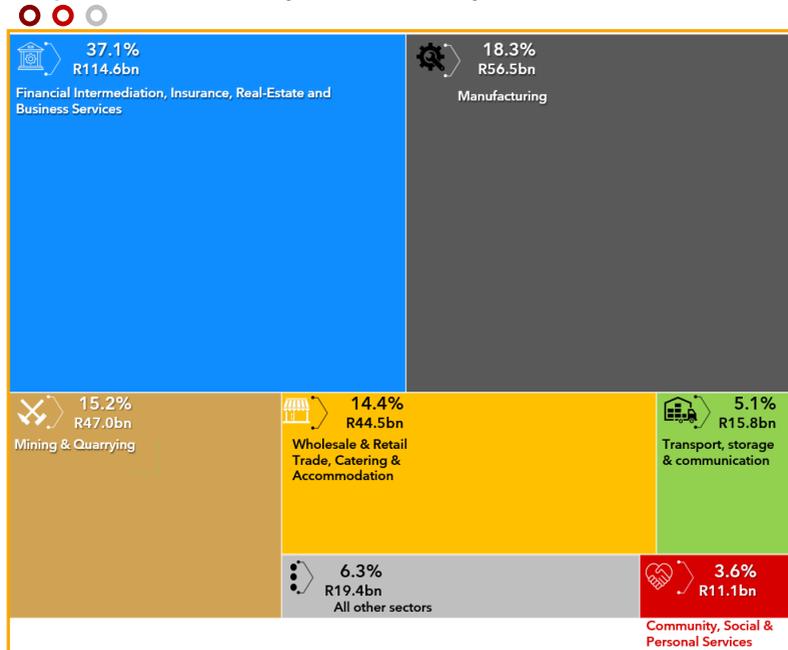


1. Companies with taxable income greater than R100 million constituted 0.1% of the number of companies (not visible in number bar) but contributed 68.1% of taxable income and 66.4% of assessed tax.

Distribution by sector

On 31 August 2025, the *Financial Intermediation, Insurance, Real-estate, and Business Services* sector had the highest number of taxpayers (22.8% of the assessed total) in the 2023 tax year. This sector accounted for 37.1% of the tax assessed for the same tax year. The sector with the fewest taxpayers (0.5% of the assessed total) for the 2023 tax year was the *Electricity, Gas, and Water* sector, which accounted for 1.9% of the tax assessed.

Companies' tax assessed by economic activity, 2023



Small Business Corporations (SBCs)

Companies are taxed as SBCs for a particular tax year if they meet specific criteria, such as:

- Gross income of not more than R20 million;
- Limitations on shareholding in the company; and
- The taxpayer must indicate on the annual tax return that it qualifies to be taxed as an SBC.

SBCs benefit from graduated income tax rates (progressive taxation) rather than the fixed tax rate of 28% (27% for years of assessments ending on or after 31 March 2023). *Table 3.9* shows the increase in the SBCs' taxable income brackets from the 2021 to the 2024 tax years. The limit of the first SBC bracket increased by 15.2% from R83 100 for the 2021 tax year to R95 750 for the 2024 tax year.

SBCs can also immediately write off all plant or machinery used in manufacturing and are eligible for accelerated write-off of certain other depreciable assets (at a rate of 50%, 30%, and 20%).

Small Business Corporation tax rates, 2021 and 2024

Tax year	2021	SBC rate for 2021	2024	SBC rate for 2024	Percentage increase in top bracket
Rand	0 – 83 100	0%	0 – 95 750	0%	15.2%
Taxable income brackets	83 101 – 365 000	7%	95 751 – 365 000	7%	–
	365 001 – 550 000	21%	365 001 – 550 000	21%	–
	550 001 – and over	28%	550 001 – and over	27%	–

In any calendar year, SBCs could be taxed by applying two different tax year rates. In 2023, they could be taxed at either 2022/23 tax rates or 2023/24 tax rates. This would occur because:

- 2022/23 tax rates (rates in effect from 1 April 2022 to 31 March 2023) apply to SBCs with years of assessment ending from 1 January 2023 to 31 March 2023; and
- 2023/24 tax rates (rates in effect from 1 April 2023 to 31 March 2024) apply to SBCs with years of assessment ending from 1 April 2023 to 31 December 2023.

For the 2024/25 fiscal year...

○○○

900 285 registered VAT vendors
496 858 were active



55.2%
ACTIVE

Active VAT Vendors



31.8%

Vendors with a turnover of R1 million or less



81.1%

Vendors making payments and receiving refunds in the bi-monthly category



17.4%

Vendors making payments and receiving refunds in the monthly category

Ratio of payments and refunds

R1
Domestic
VAT

R2.93
Output Tax
declared

R1.93
Input Tax
claimed

R1
VAT
Refund

R1.95
Input Tax
claimed

R0.95
Output Tax
declared

Account for
83.5%
of VAT payments



Account for
93.2%
of VAT refunds

CHAPTER 4: VALUE-ADDED TAX

This chapter gives an overview of Value-Added Tax (VAT) and provides a breakdown of VAT payments and refunds by sector, payment category and type of enterprise. It also includes data on input and output tax as derived from VAT returns submitted by vendors as well as a distribution of VAT vendors by turnover group.

In the 2024/25 fiscal year:

- Net Value-Added Tax (VAT) collections totalled R457.8 billion and grew by 2.3% compared to the previous year. Domestic VAT, the biggest contributor to net VAT amounted to R561.4 billion, with an annual growth of 6.8%. The net growth rate (2.3%) was supported by the collection of R261.9 billion in VAT on Imports, which contracted by 1.2% compared to the prior year. VAT refunds, which totalled R365.5 billion, grew by 6.6% and partially offset the Domestic VAT growth.
- The main sectors that contributed to Domestic VAT growth were *Financial Intermediation, Insurance, Real Estate and Business Services; Electricity, Gas and Water*, as well as *Wholesale and Retail Trade, Catering and Accommodation*. Year-on-year growth was impacted by household consumption growth, lower inflation, the two-pot retirement system payouts and SARS compliance efforts, among other factors.
- The largest VAT refund increases were observed in *Financial Intermediation, Insurance, Real Estate and Business Services; Manufacturing and Community, Social and Personal Services* sectors. This growth was however partially offset by the contraction in the *Wholesale and Retail Trade, Catering and Accommodation* sector refunds. The growth in VAT refunds was largely because of VAT credit returns submitted (value and volumes) in relation to increased input costs and zero-rated sales declared, among other factors.

Registered vendors totalled 900 285 on 31 March 2025, of which 496 858 (55.2%) were active. Key statistics are:

- The 17.4% share of VAT vendors in the monthly submission category contributed 83.5% to Domestic VAT payments and received 93.2% of the VAT refunds. The 81.1% share of VAT vendors that submitted returns bi-monthly (every two months), contributed 16.4% to Domestic VAT payments and received 6.7% of the VAT refunds.
- Companies and close corporations comprised 82.5% of VAT vendors. Individuals made up 10.4%, estates/trusts 5.2%, partnerships 1.1% and the remaining entities 0.8%.
- The *Financial Intermediation, Insurance, Real Estate and Business Services* sector was the largest sector, constituting 40.6% of the total number of active vendors.
- VAT vendors with a turnover of R1 million or less, i.e., below the mandatory registration threshold, constituted 31.8% of the total number of active vendors.
- On average, for each R1.00 in Domestic VAT payable to SARS, R2.93 in output tax was declared and R1.93 in input tax was claimed. On average, for each R1.00 in VAT refund claimed from SARS, R0.95 in output tax was declared, while R1.95 in input tax was claimed.

In 2024/25, there were 900 285 registered VAT vendors, of which 496 858 were active. For 2021/22, the VAT register recorded growth of 6.9% and 4.4% for the register and active register, respectively. This growth was driven by the recovery from the effect of the Covid-19 pandemic measures. The 2023 and 2024 fiscal years had no material movements. For the 2024/25 period under review, the register contracted by 6.1% as SARS conducted a VAT register clean-up exercise during March 2025. This resulted in the active percentage of the

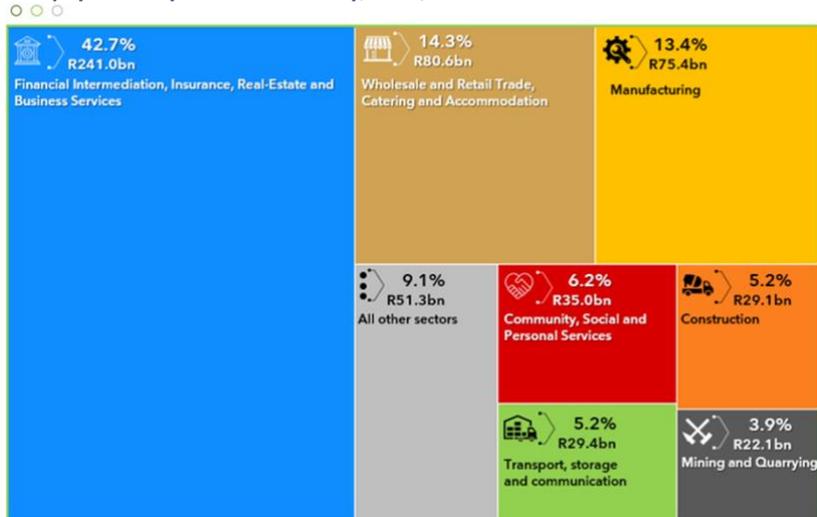
register increasing to 55.2% recording growth of 4.3% from the previous year. For this chapter, a vendor is regarded as active if a payment was received from or a refund made to the vendor during the fiscal year, regardless of the registration status.

Number of registered VAT vendors, 2021/22 – 2024/25

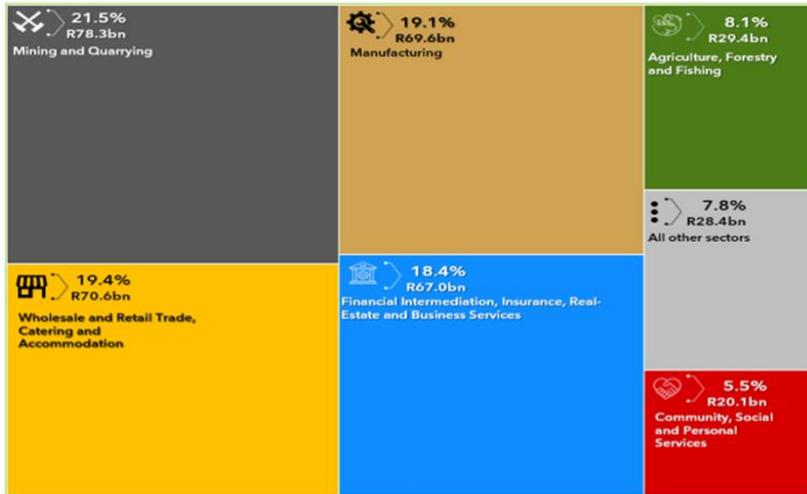
Fiscal year	Registered ¹	Percentage growth rates	Active vendors	Percentage growth rates	Active percentage of register
2021/22	941,406	6.9%	470,239	4.4%	50.0%
2022/23	953,665	1.3%	477,775	1.6%	50.1%
2023/24	959,000	0.6%	488,124	2.2%	50.9%
2024/25	900,285	-6.1%	496,858	1.8%	55.2%

1. As per register at 31 March of each year. Excludes coded cases where status is in suspense or estate or address unknown.

VAT payments by economic activity, 2024/25



VAT refunds by economic activity, 2024/25



From 2021/22 to 2024/25, the supply of standard-rated goods and services contributed an average of 96.2% to total output tax, with 2024/25 recording a 96.5% contribution. Over the same period, the contribution of the supply of capital goods remained at 2.6% or lower. The share of capital goods and accommodation supplied remained relatively stable over this period.

Output tax by class of supply, 2021/22 – 2024/25

Fiscal year	Standard rate (excl. capital goods, services and accommodation)	Standard rate (only capital goods and services)	Supply of accommodation	Adjustments ¹	Total output tax
R million					
2021/22	1,757,479	44,767	2,417	24,867	1,829,530
2022/23	2,001,771	53,834	4,178	21,223	2,081,007
2023/24	2,164,114	52,935	4,739	29,107	2,250,895
2024/25	2,339,557	54,268	5,455	25,518	2,424,798
Percentage of total					
2021/22	96.1%	2.4%	0.1%	1.4%	100.0%
2022/23	96.2%	2.6%	0.2%	1.0%	100.0%
2023/24	96.1%	2.4%	0.2%	1.3%	100.0%
2024/25	96.5%	2.2%	0.2%	1.1%	100.0%

1. Comprises VAT of Change in use and export of second-hand goods, as well as VAT of Other and imported services.

In 2024/25, 31.8% of vendors had a turnover of R1 million or less, i.e., below the mandatory VAT registration threshold. However, these vendors accounted for only 1.3% of Domestic VAT payments and 4.0% of VAT refunded. In contrast, 4.1% of VAT vendors who had an annual turnover greater than R100 million accounted for 68.3% of Domestic VAT payments and 82.5% of VAT refunded.

Distribution of VAT vendors by turnover group, 2024/25



Vendors per annualised turnover (payments and refunds), 2021/22 – 2024/25

	2021/2022	2022/2023	2023/2024	2024/2025
Number of vendors	470,239	477,775	488,124	496,858
Turnover (R million)	16,542,349	19,591,784	20,713,638	21,745,459
Payments (R million)	446,932	485,939	525,805	563,750
Refunds (R million)	-263,123	-317,032	-347,555	-363,432
Nett VAT	183,809	168,907	178,250	200,318
Nett VAT as % turnover	1.1%	0.9%	0.9%	0.9%

IMPORT VAT AND CUSTOMS DUTIES

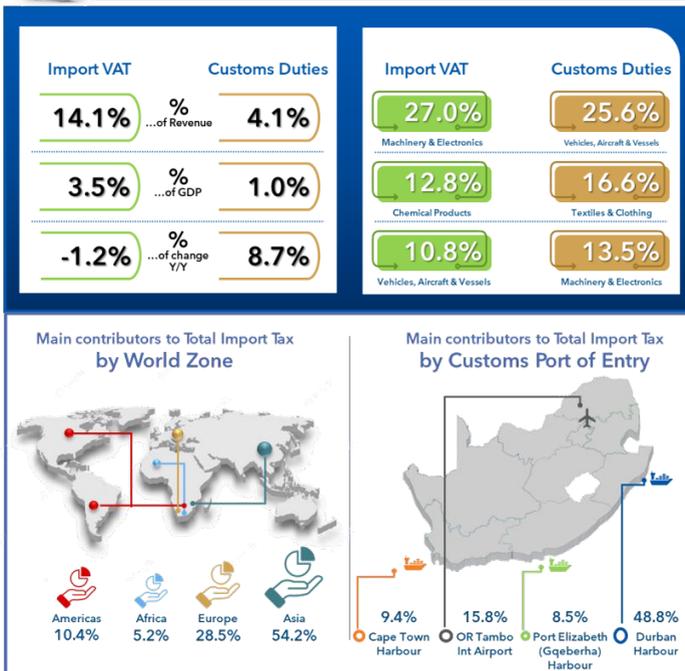
For the 2024/25 fiscal year...

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Number of registered importers

210 974



IMPORT VAT AND CUSTOMS DUTIES

CHAPTER 5: IMPORT VAT AND CUSTOMS DUTIES

This chapter provides information on the Customs value, Import VAT, Customs Duties and Total Import Tax revenues by Harmonised System (HS), world zone, customs port of entry, country of origin as well as for selected trade blocs.

For the 2024/25 fiscal year (FY):

- Import VAT collections totalled R261.9 billion and recorded a year-on-year contraction rate of 1.2%, following a growth of 3.9% in 2023/24.
- Collections of Customs Duties totalled R76.7 billion and experienced a year-on-year growth of 8.7%, on the back of a 4.6% contraction in 2023/24.
- Revenue from two of the sub-categories of Duties, namely Specific Excise Duties and *Ad valorem* Excise Duties contributed R9.4 billion (a share of 12.2%) and R16.1 billion (21.0%) respectively to the year's total Duty collection (referencing Sections A and B of Part 2 of Schedule 1 to the Customs and Excise Act, 1964). The majority of the remaining R51.2 billion (66.8%) comprises all other Customs Duties levied, predominantly General Duties (Part 1 of Schedule 1 to the Customs and Excise Act, 1964).
- Import VAT and Customs Duties accounted for 14.1% and 4.1% of the year's Total Tax Revenue respectively, resulting in an 18.2% aggregate. This total was higher than the 18.0% average over the preceding five fiscal years. The combined share of these taxes relative to GDP increased to 4.6% from the

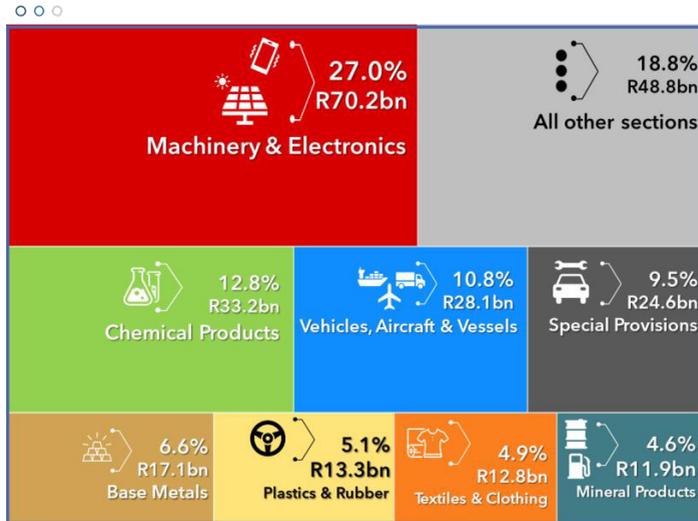
IMPORT VAT AND CUSTOMS DUTIES

preceding five-year average of 4.3%, with Import VAT and Customs Duties contributing 3.5% and 1.0%, respectively.

- The largest driver of the year's Import VAT was *Machinery and Electronics* at 27.0%, down from 28.9% in 2023/24. Notably, *Vehicles, Aircraft and Vessels* accounted for the most significant portion of Customs Duties at 25.6%, down from 26.1% in the prior year.
- Imports from the world zones of Asia and Europe accounted for 82.8% of the combined Total Import Tax contribution, compared to 82.5% in 2023/24.
- Per country, China and Germany — respectively contributing 30.9% and 7.4% of Total Import Tax — remained the principal suppliers of taxable goods to South Africa.
- The Importer register decreased year-on-year by 40.7% to 210 974 in number.
- The overall effective tax rates were 9.3% for Import VAT, 2.8% for Customs Duties and 12.1% for Total Import Tax.

IMPORT VAT AND CUSTOMS DUTIES

Import VAT by HS section, 2024/25

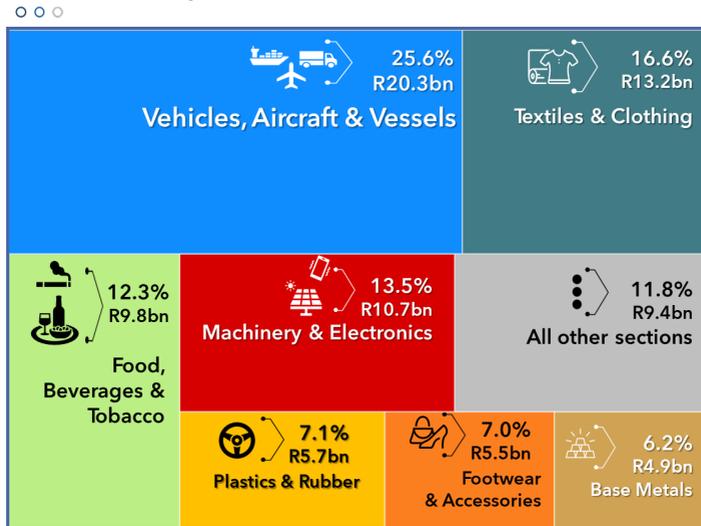


Import VAT for 2024/25 was collected mostly from the importation of *Machinery and Electronics* (27.0%); *Chemical Products* (12.8%); *Vehicles, Aircraft and Vessels* (10.8%); *Special Provisions* (9.5%); *Base Metals* (6.6%); *Plastics and Rubber* (5.1%); *Textiles and Clothing* (4.9%); and *Mineral Products* (4.6%). The *All Other sections* grouping (18.8%) comprises the remaining 14 HS sections.

The overall effective tax rate for Import VAT in 2024/25 was 12.1% compared to previous year's 11.9%. Key commodities with the highest effective VAT rates were *Footwear and Accessories* at 43.2%, *Hides, Skins and Leather* at 39.0%, and *Textiles and Clothing* at 33.1%.

IMPORT VAT AND CUSTOMS DUTIES

Customs Duties by HS section, 2024/25

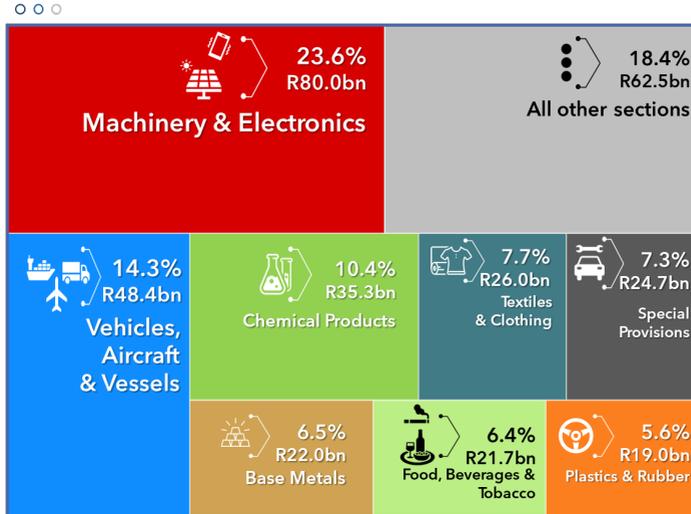


The largest contributing HS sections to Customs Duties in 2024/25 were *Vehicles, Aircraft and Vessels* (25.6%), *Textiles and Clothing* (16.6%), *Machinery and Electronics* (13.5%), and *Food, Beverages and Tobacco* (12.3%).

The overall effective Customs Duty rate in 2024/25 was 2.8% compared to previous year's 2.6%. Key commodities with the highest effective Duty rates were *Footwear and Accessories* at 24.6%; *Hides, Skins and Leather* at 21.7%; *Textiles and Clothing* at 16.8% and *Food, Beverages and Tobacco* at 10.4%.

IMPORT VAT AND CUSTOMS DUTIES

Total Import Tax by HS section, 2024/25



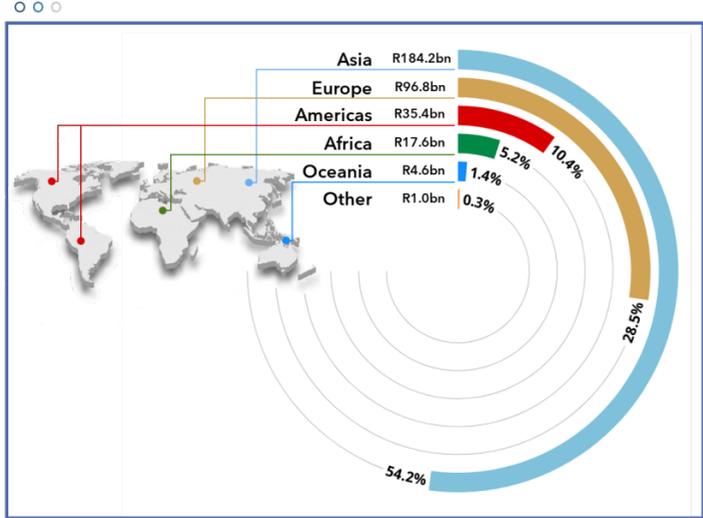
Machinery and Electronics, Vehicles, Aircraft and Vessels, Chemical Products; Textiles and Clothing, Special Provisions, Base Metals, Food, Beverages and Tobacco, and Plastics and Rubber - combined, these sections made up 81.6% of the Total Import Tax for 2024/25.

The overall effective tax rate for Total Import Tax in 2024/25 was 12.1% compared to previous year's 11.9%. Key commodities with the highest effective Total Import Tax rates were *Footwear and Accessories* at 43.2%, *Hides, Skins and Leather* at 39.0%, and *Textiles and Clothing* at 33.1%.

Imports from Asia accounted for 54.2% of the Total Import Tax, followed by Europe at 28.5% and the Americas at 10.4%.

IMPORT VAT AND CUSTOMS DUTIES

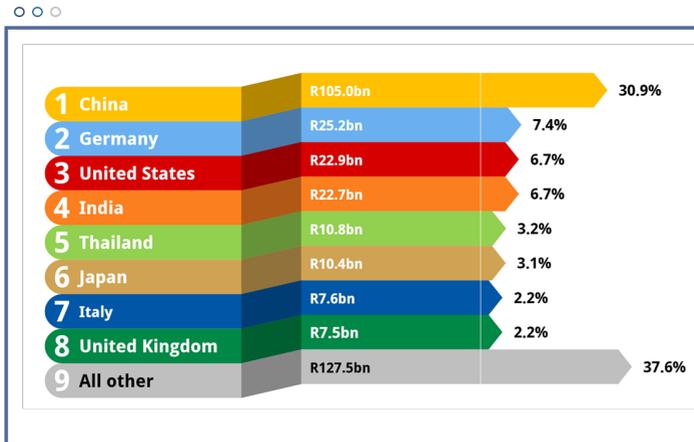
Total Import Tax by World zone, 2024/25



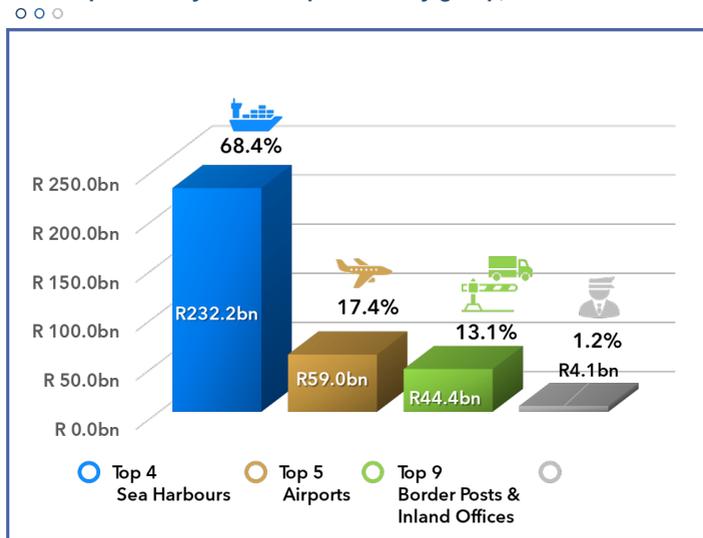
The top eight countries of origin — China, Germany, United States, India, Thailand, Japan, Italy and United Kingdom — collectively accounted for 62.4% of the Total Import Tax for 2024/25.

IMPORT VAT AND CUSTOMS DUTIES

Total Import Tax by Country of origin, 2024/25



Total Import Tax by Customs port of entry group, 2024/25

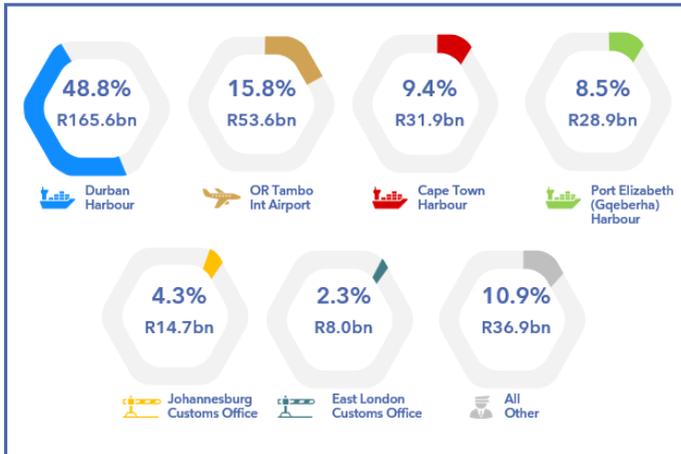


IMPORT VAT AND CUSTOMS DUTIES

The contribution of the top six offices — Durban Harbour, O.R. Tambo International Airport, Cape Town Harbour, Port Elizabeth (Gqeberha) Harbour, Johannesburg Customs Office and East London Customs Office — which together accounted for 89.1% of the Total Import Tax for 2024/25.

Total Import Tax by Customs port of entry, 2024/25

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For the 2024/25 fiscal year...

Capital Gains Tax

Company
Capital Gains Tax



R8.0
billion



Individual
Capital Gains Tax



R9.2
billion



Raised
Capital Gains Tax



R17.2
billion

Contraction of R4.2 billion (19.5%) on the R21.3 billion raised in 2023/24.
Figures have been rounded; therefore, discrepancies may occur between the numbers of the component items and the totals in the tables

An aggregate of
R250.0 billion
has been raised since the
introduction of CGT
in October 2001.



R264.6bn

Property transfers
subjected to transfer duty



R115 198

Average
transfer duty paid

Transfer duties
amounted to
R11.4 billion
A increase from
R9.6 billion
in 2023/24.

Mineral and Petroleum Resources
Royalty payments amounted to
R10.6 billion
33.4% decrease from 2023/24

This contraction is attributed due to a
significant decline in commodity prices,
particularly PGMs, Iron Ore and Coal



Contributions to
the SACU pool
during 2024/25

R143.3
billion



Diesel refunds increased 86.4% from
R7.3 billion to R13.6 billion in 2024/25.

This increase was driven by a settlement agreement concluded with a taxpayer
in the **electricity sector** which resulted in this sector recording growth of
R8.3 billion (444.2%).

CHAPTER 6: OTHER TAXES AND COLLECTIONS

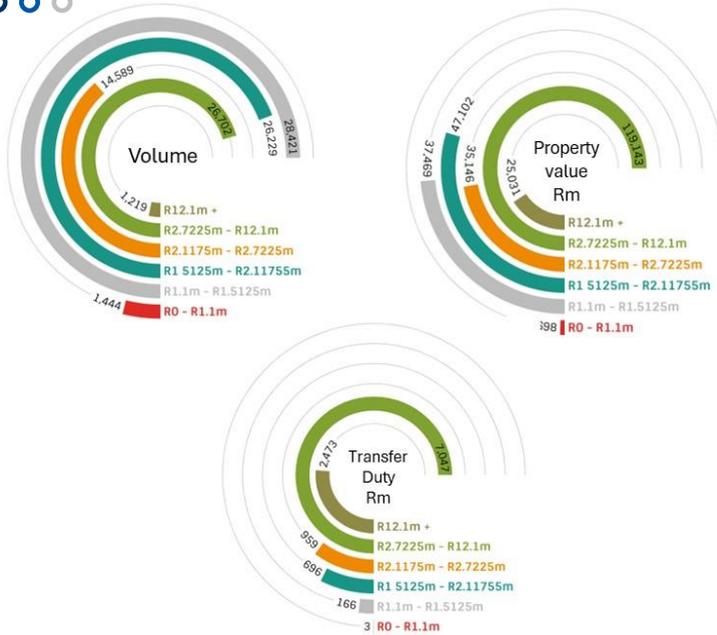
This chapter focuses on revenue collection trends that provide insight into specific aspects of economic activity during 2024/25. It gives an overview of:

- Capital Gains Tax;
- Transfer Duty;
- Diesel Refunds;
- Mineral and Petroleum Resources Royalty; and
- The Southern African Customs Union.

For the 2024/25 fiscal year:

- Capital Gains Tax (CGT) of R17.2 billion was raised, of which R9.2 billion was attributable to individuals and Trusts, and R8.0 billion to companies. This reflects an overall decline of R4.2 billion(19.5%) from the R21.3 billion raised in 2023/24. An aggregate of R250.0 billion has been raised since the introduction of CGT in October 2001, with R116.5 billion deriving from individuals and Trusts and R133.5 billion from companies;
- Transfer Duty collected totalled R11.4 billion, an increase of R1.8 billion (18.6%) from the R9.6 billion collected in 2023/24, in line with a transaction-volume increase of 3.6% year-on-year and a 10.5% increase in value of dutiable properties.

Distribution of Transfer Duty collected by property value, 2024/25



- Diesel refunds increased from R7.3 billion in 2023/24 to R13.6 billion in 2024/25, an increase of R6.3 billion (86.4%). This increase was materially impacted by a settlement agreement concluded with a taxpayer in the electricity sector which resulted in this sector recording growth of R8.3 billion (444.2%).
- Mineral and Petroleum Resources Royalty (MPRR) payments by extractors contracted by R5.3 billion (33.4%) from R16.0 billion to R10.6 billion due to a significant decline in commodity prices, particularly PGMs, Iron Ore and Coal. This contraction was less severe

due to the improved Gold prices, which effectively offset the decline in MPRR payments.

- The SACU common revenue pool (CRP) was estimated at R141.8 billion in the 2025 Budget but the audited actual contributions amounted to R143.3 billion. The CRP outcome exceeded the revised estimate by R1.5 billion(1.1%) due to higher-than-expected specific excise duties and ad valorem excise duty collections. Additionally, the 2024/25 CRP registered a growth of R11.9 billion(9.1%) compared to 2024/25.

Tax Statistics 2025

HIGHLIGHTS



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