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REPUBLIC OF SOUTH AFRICA

**DRAFT RATES AND MONETARY
AMOUNTS AND AMENDMENT
OF REVENUE LAWS BILL**

*(As introduced in the National Assembly (proposed section 77))
(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

25 February 2026

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GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

BILL

To fix the rates of normal tax; to amend the Income Tax Act, 1962, so as to amend certain provisions; to amend the Customs and Excise Act, 1964, so as to amend rates of duty in Schedule 1 to that Act; to amend the Value-Added Tax Act, 1991, so as to amend rates of tax and to amend Schedule 2 to that Act; to amend the Diamond Export Levy Act, 2007 so as to amend certain provisions; to amend the Carbon Tax Act, 2019, so as to amend an amount; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Fixing of rates of normal tax

1. (1) The rates of tax fixed by Parliament in terms of section 5(2) of the Income Tax Act, 1962, are set out in paragraphs 1 to 7 and 9 of Schedule I.

(2) The rate of tax fixed by Parliament in terms of section 48B(1) of the Income Tax Act, 1962, is set out in paragraph 8 of Schedule I

(3) Subject to subsection (4), the rates of tax referred to in subsection (1) apply in respect of—

- (a) any person (other than a company or a trust other than a special trust) for any year of assessment commencing on or after 1 March 2026;
- (b) any company for any year of assessment ending on or after 1 April 2026; and
- (c) any trust (other than a special trust) for any year of assessment commencing on or after 1 March 2026.

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(4) The rate of tax referred to in subsection (2) applies in respect of the taxable turnover of a person that is a registered micro business as defined in paragraph 1 of the Sixth Schedule to the Income Tax Act, 1962, in respect of any year of assessment of–

- (a) any natural person (or the deceased or insolvent estate of a natural person that was a registered micro business at the time of death or insolvency), commencing on or after 1 March 2026: and
- (b) any company, ending on or after 1 April 2026.

Amendment of section 1 of Act 58 of 1962, as amended by section 3 of Act 90 of 1962, section 1 of Act 6 of 1963, section 4 of Act 72 of 1963, section 4 of Act 90 of 1964, section 5 of Act 88 of 1965, section 5 of Act 55 of 1966, section 5 of Act 76 of 1968, section 6 of Act 89 of 1969, section 6 of Act 52 of 1970, section 4 of Act 88 of 1971, section 4 of Act 90 of 1972, section 4 of Act 65 of 1973, section 4 of Act 85 of 1974, section 4 of Act 69 of 1975, section 4 of Act 103 of 1976, section 4 of Act 113 of 1977, section 3 of Act 101 of 1978, section 3 of Act 104 of 1979, section 2 of Act 104 of 1980, section 2 of Act 96 of 1981, section 3 of Act 91 of 1982, section 2 of Act 94 of 1983, section 1 of Act 30 of 1984, section 2 of Act 121 of 1984, section 2 of Act 96 of 1985, section 2 of Act 65 of 1986, section 1 of Act 108 of 1986, section 2 of Act 85 of 1987, section 2 of Act 90 of 1988, section of Act 99 of 1988, Government Notice R780 of 1989, section 2 of Act 70 of 1989, section 2 of Act 101 of 1990, section 2 of Act 129 of 1991, section 2 of Act 141 of 1992, section 2 of Act 113 of 1993, section 2 of Act 21 of 1994, section 2 of Act 21 of 1995, section 2 of Act 36 of 1996, section 2 of Act 28 of 1997, section 19 of Act 30 of 1998, Government Notice 1503 of 1998, section 10 of Act 53 of 1999, section 13 of Act 30 of 2000, section 2 of Act 59 of 2000, section 5 of Act 5 of 2001, section 3 of Act 19 of 2001, section 17 of Act 60 of 2001, section 9 of Act 30 of 2002, section 6 of Act 74 of 2002, section 33 of Act 12 of 2003, section 12 of Act 45 of 2003, section 3 of Act 16 of 2004, section 3 of Act 32 of 2004, section 3 of Act 32 of 2005, section 19 of Act 9 of 2006, section 3 of Act 20 of 2006, section 3 of Act 8 of 2007, section 5 of Act 35 of 2007, section 2 of Act 3 of 2008, section 4 of Act 60 of 2008, section 7 of Act 17 of 2009, section 6 of Act 7 of 2010, section 7 of Act 24 of 2011, section 271 of Act 28 of 2011, read with item 23 of Schedule 1 to that Act, section 2 of Act 22 of 2012, section 4 of Act 31 of 2013, section 1 of Act 43 of 2014, section 3 of Act 25 of 2015, section 5 of Act 15 of 2016, section 2 of Act 17 of 2017, section 1 of Act 23 of 2018, section 34 of Act 34 of 2019, section 2 of Act 23 of 2020, section 4 of Act 20 of 2021, section 1 of Act 20 of 2022,

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section 1 of Act 12 of 2024, section 1 of Act 42 of 2024, section 1 of Act 44 of 2024, section 1 of Act 6 of 2025 and section 1 of Act XX of 2025

2. (1) Section 1 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in the definition of “gross income” for paragraph (vii) of the proviso to paragraph (c) of the following paragraph:

“(vii) the provisions of this paragraph shall not apply in respect of any amount received by or accrued to or for the benefit of any person in respect of long service as defined in paragraph 5(4) of the Seventh Schedule, to the extent that the aggregate value of an amount determined under this paragraph together with all amounts determined under paragraphs 5(2)(b), 6(4)(d) and 10(2)(e) of the Seventh Schedule do not exceed **[R5 000]** R16 000;

(b) by the substitution in the definition of “pension fund” in subparagraph (dd) of paragraph (ii) of the proviso for the words preceding paragraph (A) of the proviso to that subparagraph of the following words:

“that on retirement, not more than one-third of the member’s interest in the vested component may be commuted for a single payment, and that the remainder, calculated together with the total value of the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in the vested component, calculated together with the total member’s interest in the retirement component, does not exceed **[R165 000]** R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension fund, provident fund, pension preservation fund, provident preservation fund or retirement annuity fund: Provided that in determining the value of the total member’s interest in the vested component an amount calculated as follows must not be taken into account—”;

(c) by the substitution in the definition of “pension fund” for the further proviso to subparagraph (dd) of paragraph (ii) of the proviso to that definition of the following further proviso:

“:Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed **[R165 000]** R240 000;”;

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- (d) by the substitution in the definition of “pension fund” for the words of paragraph (ii) of the second further proviso preceding the proviso to that paragraph of the following words:

“paragraph (a), (b) or (d) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide that on retirement, not more than one-third of the member’s interest in the vested component may be commuted for a single payment and that the remainder, calculated together with the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the member’s interest in the vested component calculated together with the total member’s interest in the retirement component, does not exceed **[R165 000]** R240 000, where the employee is deceased or where the member elects to transfer the retirement interest to a pension fund, provident fund, pension preservation fund, provident preservation fund or retirement annuity fund: ”;

- (e) by the substitution in the definition of “pension preservation fund” in paragraph (f) of the proviso for the words preceding paragraph (a) of the proviso to that paragraph of the following words:

“on retirement, not more than one-third of the portion of the member’s interest in the vested component may be commuted for a single payment, and that the remainder, calculated together with the total value of the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in their vested component, calculated together with the total member’s interest in their retirement component, does not exceed **[R165 000]** R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund: ”;

- (g) by the substitution in the definition of pension preservation fund for the further proviso to paragraph (e) of the proviso to that definition of the following further proviso:

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“: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed [R165 000] R240 000:”;

(h) by the substitution in the definition of “provident fund” in subparagraph (dd) of paragraph (ii) of the proviso to the definition of “provident fund” for the words preceding the proviso to that subparagraph of the following words:

“that on retirement not more than one-third of the member’s interest in the vested component may be commuted for a single payment, and that the remainder calculated together with the member’s interest in the retirement component must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in the vested component, calculated together with the total member’s interest in the retirement component, does not exceed [R165 000] R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund:”;

(i) by the substitution in the definition of “provident fund” for the further proviso to subparagraph (dd) of paragraph (ii) of the proviso to that definition of the following further proviso:

“: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed [R165 000] R240 000:”;

(j) by the substitution in the definition of “provident fund” for the words of paragraph (ii) of the third further proviso to the definition preceding the further proviso of the following words:

“paragraph (a), (b) or (c) in respect of any year of assessment, if the Commissioner is satisfied that the rules of the fund provide that on retirement, not more than one-third of a member’s interest in the vested component may be commuted for a single payment and that the remainder, calculated together with the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in the vested component, calculated together with the total member’s interest in

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the retirement component, does not exceed **[R165 000]** R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund.”;

(k) by the substitution in the definition of “provident preservation fund” in paragraph (e) of the proviso for the words preceding the proviso to that paragraph of the following words:

“on retirement, not more than one-third of the member’s interest in the vested component may be commuted for a single payment, and that the remainder, calculated together with the total value of the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in their vested component, calculated together with the total member’s interest in their retirement component, does not exceed **[R165 000]** R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension preservation fund, provident preservation fund or retirement annuity fund.”;

(l) by the substitution in the definition of “provident preservation fund” for the further proviso to paragraph (e) of the proviso to that definition of the following further proviso:

“: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed **[R165 000]** R240 000.”;

(m) by the substitution in subparagraph (ii) of paragraph (b) of the proviso to the definition of “retirement annuity fund” for the words preceding the proviso of the following words:

“that on retirement not more than one-third of the member’s interest in the vested component may be commuted for a single payment, and that the remainder, calculated together with the total value of the member’s interest in the retirement component, must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where two-thirds of the total member’s interest in the vested component, calculated together with the total member’s interest in the retirement component does not exceed **[R165 000]** R240 000, or where the member is deceased or where a member of this retirement annuity fund elects to have a lump sum benefit contemplated in paragraph 2(1)(c) of the Second Schedule transferred to another

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retirement annuity fund and who made the election while being a member of this retirement annuity fund.”;

(n) by the substitution in the definition of retirement annuity fund for the further proviso to subparagraph (ii) of paragraph (b) of the proviso to that definition of the following further proviso:

“: Provided further that in the case where the remaining balance is utilised to provide or purchase more than one annuity, the amount utilised to provide or purchase each annuity must exceed [R165 000] R240 000:”;

(o) by the substitution of paragraph (d) of the definition of “retirement component” of the following paragraph:

“(d) the total value of the member’s interest in the retirement component must be paid in the form of an annuity (including a living annuity), a combination of annuities (including a combination of methods of paying the annuity) or a combination of types of annuities except where the total member’s interest in the retirement component calculated together with two-thirds of the total member’s interest in the vested component does not exceed [R165 000] R240 000, where the member is deceased or where the member elects to transfer the retirement interest to a pension fund, pension preservation fund, provident fund, provident preservation fund or retirement annuity fund:”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 6 of Act 58 of 1962, as amended by section 4 of Act 90 of 1962, section 3 of Act 6 of 1963, section 5 of Act 72 of 1963, section 8 of Act 55 of 1966, section 7 of Act 95 of 1967, section 7 of Act 76 of 1968, section 8 of Act 89 of 1969, section 7 of Act 88 of 1971, section 5 of Act 104 of 1980, section 5 of Act 96 of 1981, section 5 of Act 91 of 1982, section 4 of Act 94 of 1983, section 4 of Act 121 of 1984, section 3 of Act 96 of 1985, section 4 of Act 85 of 1987, section 4 of Act 90 of 1988, section 4 of Act 70 of 1989, section 3 of Act 101 of 1990, section 4 of Act 129 of 1991, section 4 of Act 141 of 1992, section 5 of Act 21 of 1995, section 4 of Act 36 of 1996, section 3 of Act 28 of 1997, section 22 of Act 30 of 1998, section 5 of Act 32 of 1999, section 15 of Act 30 of 2000, section 6 of Act 19 of 2001, section 11 of Act 30 of 2002, section 35 of Act 12 of 2003, section 6 of Act 16 of 2004, section 3 of Act 9 of 2005, section 7 of Act 31 of 2005, section 20 of Act 9 of 2006, section

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5 of Act 8 of 2007, section 1 of Act 3 of 2008, section 7 of Act 60 of 2008, section 6 of Act 17 of 2009, section 8 of Act 7 of 2010, sections 6 and 9 of Act 24 of 2011, section 2 of Act 13 of 2012, section 4 of Act 23 of 2013, section 3 of Act 42 of 2014, section 4 of Act 13 of 2015, section 4 of Act 25 of 2015, section 5 of Act 13 of 2016, section 4 of Act 14 of 2017, section 3 of Act 21 of 2018, section 2 of Act 32 of 2019, section 3 of Act 22 of 2020, section 2 of Act 19 of 2021 and section 2 of Act 19 of 2022

3. (1) Section 6 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (2) for paragraphs (a), (b) and (c) of the following paragraphs, respectively:

- “(a) a primary rebate, an amount of **[R17 235]** R17 820;
- (b) a secondary rebate, if the taxpayer was or, had he or she lived, would have been 65 years of age or older on the last day of the year of assessment, an amount of **[R9 444]** R9 765; and
- (c) a tertiary rebate if the taxpayer was or, had he or she lived, would have been 75 years of age or older on the last day of the year of assessment, an amount of **[R3 145]** R3 249.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 6A of Act 58 of 1962, as inserted by section 10 of Act 24 of 2011 and amended by section 3 of Act 13 of 2012, section 6 of Act 22 of 2012, section 5 of Act 23 of 2013, sections 6 and 7 of Act 31 of 2013, section 4 of Act 42 of 2014, section 5 of Act 13 of 2015, section 6 of Act 13 of 2016, section 5 of Act 14 of 2017, section 4 of Act 21 of 2018, section 4 of Act 22 of 2020, section 3 of Act 19 of 2021 and section 2 of Act 19 of 2022

4. (1) Section 6A of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (2)(b) for subparagraphs (i) and (ii) of the following subparagraphs, respectively:

- “(i) (aa) **[R364]** R376, in respect of benefits to the person, or if the person is not a member of a medical scheme or fund in respect of benefits to a dependant who is a member of a medical scheme or fund or a dependant of a member of a medical scheme or fund;

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(bb) [R728] R752, in respect of benefits to the person, and one dependant; or

(cc) [R728] R752, in respect of benefits to two dependants; and;

(ii) [R246] R254, in respect of benefits to each additional dependant,”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 8 of Act 58 of 1962, as amended by section 6 of Act 90 of 1962, section 6 of Act 90 of 1964, section 9 of Act 88 of 1965, section 10 of Act 55 of 1966, section 10 of Act 89 of 1969, section 6 of Act 90 of 1972, section 8 of Act 85 of 1974, section 7 of Act 69 of 1975, section 7 of Act 113 of 1977, section 8 of Act 94 of 1983, section 5 of Act 121 of 1984, section 4 of Act 96 of 1985, section 5 of Act 65 of 1986, section 6 of Act 85 of 1987, section 6 of Act 90 of 1988, section 5 of Act 101 of 1990, section 9 of Act 129 of 1991, section 6 of Act 141 of 1992, section 4 of Act 113 of 1993, section 6 of Act 21 of 1994, section 8 of Act 21 of 1995, section 6 of Act 36 of 1996, section 6 of Act 28 of 1997, section 24 of Act 30 of 1998, section 14 of Act 53 of 1999, section 17 of Act 30 of 2000, section 6 of Act 59 of 2000, section 7 of Act 19 of 2001, section 21 of Act 60 of 2001, section 12 of Act 30 of 2002, section 11 of Act 74 of 2002, section 18 of Act 45 of 2003, section 6 of Act 32 of 2004, section 4 of Act 9 of 2005, section 21 of Act 9 of 2006, section 5 of Act 20 of 2006, section 6 of Act 8 of 2007, section 9 of Act 35 of 2007, sections 1 and 5 of Act 3 of 2008, section 9 of Act 60 of 2008, section 11 of Act 17 of 2009, section 10 of Act 7 of 2010, section 16 of Act 24 of 2011, section 271 of Act 28 of 2011, read with item 30 of Schedule 1 to that Act, section 9 of Act 22 of 2012, section 9 of Act 31 of 2013, section 5 of Act 42 of 2014, section 5 of Act 43 of 2014, section 8 of Act 25 of 2015, section 6 of Act 14 of 2017 and section 5 of Act 22 of 2020

5. (1) Section 8 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (1)(b)(iiiA)(bb) for subitems (A) and (B) of the following subitems respectively:

“(A)the wear and tear of that vehicle must be determined over a period of seven years from the date of original acquisition by that recipient and the cost of the vehicle must for this purpose be limited to [R800 000] R920 000, or such other amount determined by the Minister by notice in the Gazette; and

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- (B) the finance charges in respect of any debt incurred in respect of the purchase of that vehicle must be limited to an amount which would have been incurred had the original debt been [R800 000] R920 000, or such other amount determined by the Minister in terms of subitem (A);”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 10 of Act 58 of 1962, as amended by section 8 of Act 90 of 1962, section 7 of Act 72 of 1963, section 8 of Act 90 of 1964, section 10 of Act 88 of 1965, section 11 of Act 55 of 1966, section 10 of Act 95 of 1967, section 8 of Act 76 of 1968, section 13 of Act 89 of 1969, section 9 of Act 52 of 1970, section 9 of Act 88 of 1971, section 7 of Act 90 of 1972, section 7 of Act 65 of 1973, section 10 of Act 85 of 1974, section 8 of Act 69 of 1975, section 9 of Act 103 of 1976, section 8 of Act 113 of 1977, section 4 of Act 101 of 1978, section 7 of Act 104 of 1979, section 7 of Act 104 of 1980, section 8 of Act 96 of 1981, section 6 of Act 91 of 1982, section 9 of Act 94 of 1983, section 10 of Act 121 of 1984, section 6 of Act 96 of 1985, section 7 of Act 65 of 1986, section 3 of Act 108 of 1986, section 9 of Act 85 of 1987, section 7 of Act 90 of 1988, section 36 of Act 9 of 1989, section 7 of Act 70 of 1989, section 10 of Act 101 of 1990, section 12 of Act 129 of 1991, section 10 of Act 141 of 1992, section 7 of Act 113 of 1993, section 4 of Act 140 of 1993, section 9 of Act 21 of 1994, section 10 of Act 21 of 1995, section 8 of Act 36 of 1996, section 9 of Act 46 of 1996, section 1 of Act 49 of 1996, section 10 of Act 28 of 1997, section 29 of Act 30 of 1998, section 18 of Act 53 of 1999, section 21 of Act 30 of 2000, section 13 of Act 59 of 2000, sections 9 and 78 of Act 19 of 2001, section 26 of Act 60 of 2001, section 13 of Act 30 of 2002, section 18 of Act 74 of 2002, section 36 of Act 12 of 2003, section 26 of Act 45 of 2003, sections 8 and 62 of Act 16 of 2004, section 14 of Act 32 of 2004, section 5 of Act 9 of 2005, section 16 of Act 31 of 2005, section 23 of Act 9 of 2006, sections 10 and 101 of Act 20 of 2006, sections 2, 10, 88 and 97 of Act 8 of 2007, section 2 of Act 9 of 2007, section 16 of Act 35 of 2007, sections 1 and 9 of Act 3 of 2008, section 2 of Act 4 of 2008, section 16 of Act 60 of 2008, sections 13 and 95 of Act 17 of 2009, section 18 of Act 7 of 2010, sections 28 and 160 of Act 24 of 2011, section 271 of Act 28 of 2011, read with item 31 of Schedule 1 to that Act, sections 19, 144, 157 and 166 of Act 22 of 2012, section 23 of Act 31 of 2013, section 14 of Act 43 of 2014, section 16 of Act 25 of 2015, section 23 of Act 15 of 2016,

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section 16 of Act 17 of 2017, section 22 of Act 23 of 2018, section 13 of Act 34 of 2019, section 10 of Act 23 of 2020, section 5 of Act 20 of 2022 and section 9 of Act 17 of 2023

6. (1) Section 10 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1)(gB) in subparagraph (iii) for item (B) of the following item:

“(B) does not exceed an amount of **[R300 000]** R800 000; and”;

(b) by the substitution in subsection (1)(q) in paragraph (ii) of the proviso for subparagraph (aa) of the following subparagraph:

“(aa) if the remuneration proxy derived by the employee in relation to a year of assessment exceeded **[R600 000]** R900 000;”;

(c) by the substitution in subsection (1)(q) in paragraph (ii)(bb)(A) of the proviso for the words preceding subitem (AA) of the following words:

“**[R20 000]** R30 000 in respect of—”;

(d) by the substitution in subsection (1)(q) in paragraph (ii)(bb) of the proviso for item (B) of the following item:

“(B) **[R60 000]** R90 000 in respect of a qualification to which an NQF level from 5 up to and including 10 has been allocated in accordance with Chapter 2 of the National Qualifications Framework Act, 2008 (Act No. 67 of 2008); and”;

(e) by the substitution in subsection (1)(qA) in paragraph (ii) of the proviso for subparagraph (aa) of the following subparagraph:

“(aa) if the remuneration proxy derived by the employee in relation to a year of assessment exceeded **[R600 000]** R900 000;”;

(f) by the substitution in subsection (1)(qA) in paragraph (ii)(bb)(A) of the proviso for the words preceding subitem (AA) of the following words:

“**[R30 000]** R45 000 in respect of—”;

(g) by the substitution in subsection (1)(qA) in paragraph (ii)(bb) of the proviso for item (B) of the following item:

“(B) **[R90 000]** R130 000 in respect of a qualification to which an NQF level from 5 up to and including 10 has been allocated in accordance with Chapter 2 of the National Qualifications Framework Act, 2008 (Act No. 67 of 2008); and”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

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Amendment of section 11F of Act 58 of 1962, as inserted by section 21 of Act 17 of 2017, amended by section 26 of Act 23 of 2018 and section 13 of Act 17 of 2023

7. (1) Section 11F of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (2) for paragraph (a) of the following paragraph:

“(a) **[R350 000]** R430 000: Provided that where any person’s year of assessment is less than a period of 12 months, the aggregate of amounts that shall be allowed as deductions under this paragraph for years of assessment during the period of 12 months commencing on 1 March and ending at the end of February of the immediately following calendar year, must not exceed **[R350 000]** R430 000;”;

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 12T of Act 58 of 1962, as amended by section 29 of Act 25 of 2015 and section 7 of Act 22 of 2020

8. (1) Section 12T of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (4) for a paragraph (a) of the following paragraph:

“(a) limited to an amount of **[R36 000]** R46 000 in aggregate for any year or years of assessment during the period of 12 months commencing in March and ending at the end of February of the immediately following calendar year;”; and

(b) by the substitution in subsection (7) for paragraph (a) of the following paragraph:

“(a) If during any year of assessment any person contributes in excess of the amount of **[R36 000]** R46 000 in respect of tax free investments, an amount equal to 40 per cent of that excess is deemed to be an amount of normal tax payable by the person contemplated in subsection (1)(b) in respect of that year of assessment or the last year of assessment when there is more than one year of assessment during the period of 12 months.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

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Amendment of section 56 of Act 58 of 1962, as amended by section 18 of Act 90 of 1964, section 25 of Act 55 of 1966, section 33 of Act 89 of 1969, section 38 of Act 85 of 1974, section 21 of Act 113 of 1977, section 13 of Act 101 of 1978, section 23 of Act 96 of 1981, section 31 of Act 94 of 1983, section 4 of Act 30 of 1984, section 28 of Act 121 of 1984, section 18 of Act 96 of 1985, section 21 of Act 85 of 1987, section 26 of Act 90 of 1988, section 28 of Act 141 of 1992, section 32 of Act 113 of 1993, section 18 of Act 36 of 1996, section 39 of Act 30 of 1998, section 38 of Act 30 of 2000, section 41 of Act 59 of 2000, section 45 of Act 60 of 2001, section 24 of Act 30 of 2002, section 35 of Act 74 of 2002, section 56 of Act 45 of 2003, section 38 of Act 32 of 2004, section 45 of Act 31 of 2005, section 27 of Act 9 of 2006, section 38 of Act 8 of 2007, section 67 of Act 7 of 2010, section 67 of Act 43 of 2014, section 72 of Act 25 of 2015 and section 61 of Act 15 of 2016

9. (1) Section 56 of the Income Tax Act, 1962, is hereby amended by the substitution for paragraphs (a) and (b) of subsection (2) of the following paragraphs:

“(a) so much of the sum of the values of all casual gifts made by a donor other than a natural person during any year of assessment as does not exceed **[R10 000]** R20 000: Provided that where the year of assessment exceeds or is less than 12 months, the amount in respect of which the tax shall not be payable in terms of this paragraph shall be an amount which bears to **[R10 000]** R20 000 the same ratio as that year of assessment bears to twelve months;

(b) so much of the sum of the values of all property disposed of under donations by a donor who is a natural person as does not during any year of assessment exceed **[R100 000]** R150 000; or”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 2 of Sixth Schedule to Act 58 of 1962

10. (1) Paragraph 2 of the Sixth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for the words following subparagraph (1)(b) of the following words:

“where the qualifying turnover of that person for the year of assessment does not exceed an amount of **[R1 million]** R2,3 million.”.

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(2) Subsection (1) is deemed to have come into operation for any natural person (or the deceased or insolvent estate of a natural person that was a registered micro business at the time of death or insolvency) on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

(3) Subsection (1) is deemed to have come into operation for any company on 1 April 2026 and applies in respect of years of assessment ending on or after that date.

Amendment of paragraph 5 of Seventh Schedule to Act 58 of 1962, as amended by section 57 (1) (a) of Act 101 of 1990, section 31 (a) of Act 21 of 1994; section 46 of Act 21 of 1995; section 35 of Act 30 of 2002; section 119 (1) of Act 31 of 2013; section 74 (1) of Act 43 of 2014; section 43 of Act 23 of 2020; and section 40 (1) of Act 20 of 2021

11. (1) Paragraph 5 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subparagraph (2) for paragraphs (a) and (b) of the further proviso of the following paragraphs:

“(a) any asset is presented by an employer to an employee as an award for bravery, such value to be placed thereon shall be reduced by the lesser of the cost to the employer of all such assets so awarded to the employee during the year of assessment and **[R5 000]** R16 000; or

(b) any asset is given by an employer to an employee for long service, such value to be placed thereon shall be reduced by the lesser of the cost to the employer of all such assets so given to the employee during the year of assessment and **[R5 000]** R16 000: Provided that the aggregate value of an amount reduced under this paragraph together with all amounts determined under paragraphs 6(4)(d) and 10(2)(e) of this Schedule and paragraph (vii) of the proviso to paragraph (c) of the definition of “gross income” in section 1 does not exceed **[R5 000]** R16 000.”; and

(b) by the substitution in subparagraph (3A) for paragraphs (a) and (b) of the proviso of the following paragraphs:

“(a) the remuneration proxy of the employee exceeds **[R250 000]** R360 000 in relation to the year of assessment during which the immovable property is so acquired;

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(b) the market value of the immovable property on the date of that acquisition exceeds [R450 000] R650 000; or”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 6 of Seventh Schedule to Act 58 of 1962, as amended by section 29 of Act 96 of 1985, section 72(a) of Act 60 of 2008, section 95 of Act 25 of 2015, section 68(1) of Act 17 of 2017, and section 41(1) of Act 20 of 2021

12. (1) Paragraph 6 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (4) for item (d) of the following item:

“(d) such use is granted by an employer to an employee for long service as defined in paragraph 5(4) to the extent that it does not exceed [R5 000] R16 000: Provided that the aggregate value of an amount determined under this paragraph together with amounts determined under paragraph (vii) of the proviso to paragraph (c) of the definition of “gross income” in section 1 and paragraphs 5(2)(b) and 10(2)(e) of the Seventh Schedule does not exceed [R5 000] R16 000.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 9 of Seventh Schedule to Act 58 of 1962, as amended by section 31 of Act 96 of 1985, section 34 of Act 65 of 1986, section 29 of Act 85 of 1987, section 59 of Act 101 of 1990, section 53 of Act 113 of 1993, section 33 of Act 21 of 1994, section 51 of Act 28 of 1997, section 55 of Act 30 of 1998, section 55 of Act 30 of 2000, section 57 of Act 31 of 2005, section 29 of Act 9 of 2006, section 2 of Act 8 of 2007, section 68 of Act 35 of 2007, sections 1 and 48 of Act 3 of 2008, section 65 of Act 17 of 2009, section 104 of Act 24 of 2011, section 7 of Act 13 of 2012 and section 8 of Act 23 of 2013, section 6 of Act 42 of 2014, section 76 of Act 43 of 2014, section 7 of Act 13 of 2015, section 10 of Act 13 of 2016, section 13 of Act 14 of 2017, section 6 of Act 21 of 2018, section 3 of Act 32 of 2019, section 8 of Act 22 of 2020, section 4 of Act 19 of 2021 and section 4 of Act 19 of 2022

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13. (1) Paragraph 9 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (3)(ii) for the words preceding the proviso of the following words:

“‘B’ represents an abatement equal to an amount of **[R95 750]** R99 000:”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 10 of Seventh Schedule to Act 58 of 1962, as amended by section 36 of Act 30 of 2002, section 58 of Act 31 of 2005, section 30 of Act 9 of 2006, section 69 of Act 35 of 2007, section 73 of Act 60 of 2008 and section 42 of Act 20 of 2021

14. (1) Paragraph 10 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (2) for item (e) of the following item:

“(e) any services granted by an employer to an employee for long service as defined in paragraph 5(4) to the extent that it does not exceed **[R5 000]** R16 000: Provided that the aggregate value of an amount determined under this paragraph together with all amounts determined under paragraph (vii) of the proviso to paragraph (c) of the definition of “gross income” in section 1 and paragraphs 5(2)(b) and 6(4)(d) **[of the Seventh Schedule]** does not exceed does not exceed **[R5 000]** R16 000:”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 5 of Eighth Schedule to Act 58 of 1962, as amended by section 32 of Act 9 of 2006, section 2 of Act 8 of 2007, section 1 of Act 3 of 2008, section 67 of Act 17 of 2009, section 107 of Act 24 of 2011, section 8 of Act 13 of 2012 and section 11 of Act 13 of 2016

15. (1) Paragraph 5 of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution for subparagraphs (1) and (2) of the following subparagraphs:

“(1) Subject to subparagraph (2), the annual exclusion of a natural person and a special trust in respect of a year of assessment is **[R40 000]** R50 000: Provided that where any person’s year of assessment is less than a period of 12 months, the sum of the annual

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exclusions for years of assessments ending during the period of 12 months commencing on 1 March and ending on the last day of February of the immediately following calendar year must per year of assessment and in aggregate not exceed [R40 000] R50 000.

(2) Where a person dies during a year of assessment, that person's annual exclusion for that year is [R300 000] R440 000."

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 45 of Eighth Schedule to Act 58 of 1962, as substituted by section 93 of Act 60 of 2001 and amended by section 33 of Act 9 of 2006, section 2 of Act 8 of 2007, section 73 of Act 17 of 2009, section 103 of Act 7 of 2010, section 10 of Act 13 of 2012 and section 81 of Act 23 of 2018

16. (1) Paragraph 45 of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (1) for items (a) and (b) of the following items:

“(a) so much of a capital gain or capital loss determined in respect of the disposal of the primary residence of that person or that special trust as does not exceed [R2 million] R3 million; or”;

(b) a capital gain determined in respect of the disposal of the primary residence of that person or that special trust if the proceeds from the disposal of that primary residence do not exceed [R2 million] R3 million.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of paragraph 57 of Eighth Schedule to Act 58 of 1962, as amended by section 89 of Act 74 of 2002, section 34 of Act 9 of 2006, section 115 of Act 24 of 2011, section 11 of Act 13 of 2013 and section 83 of Act 23 of 2018

17. (1) Paragraph 57 of the Eighth Schedule to the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subparagraph (1) for the definition of “small business” of the following definition:

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“‘**small business**’ means a business of which the market value of all its assets, as at the date of the disposal of the asset or interest contemplated in subparagraph (2), does not exceed [**R10 million**] R15 million.”; and.

(b) by the substitution for subparagraph (3) of the following subparagraph:

“(3) The sum of the amounts to be disregarded by a natural person as contemplated in subparagraph (2) may not exceed [**R1,8 million**] R2,7 million during that natural person’s lifetime.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date.

Amendment of Schedule 1 to Act 91 of 1964, as amended by section 19 of Act 95 of 1965, section 15 of Act 57 of 1966, section 2 of Act 96 of 1967, section 22 of Act 85 of 1968, section 37 of Act 105 of 1969, section 9 of Act 98 of 1970, section 2 of Act 89 of 1971, section 12 of Act 103 of 1972, section 6 of Act 68 of 1973, section 3 of Act 64 of 1974, section 13 of Act 71 of 1975, section 13 of Act 105 of 1976, section 38 of Act 112 of 1977, section 3 of Act 114 of 1981, section 27 of Act 86 of 1982, section 10 of Act 89 of 1984, section 14 of Act 101 of 1985, section 11 of Act 69 of 1988, section 19 of Act 68 of 1989, section 40 of Act 59 of 1990, section 3 of Act 111 of 1991, section 15 of Act 105 of 1992, section 13 of Act 98 of 1993, section 12 of Act 19 of 1994, section 74 of Act 45 of 1995, section 8 of Act 44 of 1996, section 15 of Act 27 of 1997, section 75 of Act 30 of 1998, section 7 of Act 32 of 1999, section 64 of Act 30 of 2000, section 52 of Act 19 of 2001, section 53 of Act 30 of 2002, section 41 of Act 12 of 2003, section 155 of Act 45 of 2003, section 36 of Act 16 of 2004, section 14 of Act 9 of 2005, section 36 of Act 9 of 2006, section 76 of Act 8 of 2007, section 66 of Act 3 of 2008, section 88 of Act 17 of 2009, section 117 of Act 7 of 2010, section 127 of Act 24 of 2011, section 14 of Act 13 of 2012, section 9 of Act 23 of 2013, section 7 of Act 42 of 2014, section 8 of Act 13 of 2015, section 13 of Act 13 of 2016, section 18 of Act 14 of 2017, section 7 of Act 21 of 2018, section 4 of Act 32 of 2019, section 9 of Act 22 of 2020, section 5 of Act

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19 of 2021, section 5 of Act 19 of 2022, section 7 of Act 19 of 2023, section 41 of Act 45 of 2024 and section 4 of Act XX of 2025

18. (1) Schedule No. 1 to the Customs and Excise Act, 1964, is hereby amended as set out in Schedule II to this Act.

(2) Subject to section 58(1) of the Customs and Excise Act, 1964, the amendments set out in Schedule II to this Act are deemed to have come into operation on 25 February 2026.

Amendment of section 8 of Act 89 of 1991, as amended by section 24 of Act 136 of 1991, paragraph 4 of Government Notice 2695 of 8 November 1991, section 15 of Act 136 of 1992, section 24 of Act 97 of 1993, section 11 of Act 20 of 1994, section 20 of Act 46 of 1996, section 25 of Act 27 of 1997, section 83 of Act 53 of 1999, section 67 of Act 19 of 2001, section 151 of Act 60 of 2001, section 166 of Act 45 of 2003, section 95 of Act 32 of 2004, section 102 of Act 31 of 2005, section 172 of Act 34 of 2005, section 42 of Act 9 of 2006, section 79 of Act 20 of 2006, section 27 of Act 36 of 2007, section 106 of Act 60 of 2008, section 91 of Act 17 of 2009, section 120 of Act 7 of 2010, section 131 of Act 24 of 2011, section 146 of Act 22 of 2012, section 166 of Act 31 of 2013, section 21 of Act 44 of 2014, section 129 of Act 25 of 2015, section 24 of Act 16 of 2016, section 78 of Act 17 of 2017, section 10 of Act 21 of 2018, section 68 of Act 34 of 2019, section 62 of Act 23 of 2020, section 48 of Act 17 of 2023 , section 46 of 42 of 2024 an section 39 of Act XX of 2025

19. (1) Section 8 of the Value-Added Tax Act, 1991, is hereby amended by the substitution for subsection (2H) of the following subsection:

“(2H) Subject to section 24(3), where a supply is deemed to have been made by a vendor in terms of subsection (2) and that vendor ceases to be a vendor on 1 January 2026 for the sole reason of the exemption contemplated in section [12(h)(ii)] 12(h)(iv), the tax payable in respect of the deemed supply shall be paid in 12 equal monthly instalments or in so many monthly instalments as the Commissioner may allow, commencing 1 January 2027.”.

(2) Subsection (1) is deemed to have come into operation on 1 January 2026.

Amendment of section 23 of Act 89 of 1991, as amended by section 20 of Act 20 of 1994, section 37 of Act 27 of 1997, section 178 of Act 45 of 2003, section 92 of Act 53 of 1999, section 9 of Act 10 of 2005, section 36 of Act 32 of 2005, section 14 of Act 10 of 2006, section 24 of Act 4 of 2008, section 113 of Act 60 of 2008, section 93 of Act 17 of 2009, section 37 of Act 18 of 2009, section 124 of Act 7 of 2010, section 141 of Act 24 of 2011, section 271 of Act 28 of 2011, read with paragraph 117 of Schedule 1, section 178 of Act 31 of 2013, section 11 of Act 21 of 2018, section 24 of Act 16 of 2022, section 32 of Act 20 of 2022 and section 11 of Act 43 of 2024

20. (1) Section 23 of the Value-Added Tax Act, 1991, is hereby amended—

(a) by the substitution in subsection (1) for paragraph (a) of the following paragraph:

“(a) at the end of any month where the total value of taxable supplies made by that person in the period of 12 months ending at the end of that month in the course of carrying on all enterprises has exceeded **[R1 million]** R2,3 million”;

(b) by the substitution for subsection (1A) of the following subsection:

“(1A) Every person who carries on any enterprise as contemplated in paragraph (b)(vi) or (vii) of the definition of “enterprise” in section 1 and is not registered becomes liable to be registered at the end of any month where the total value of taxable supplies made by that person has exceeded **[R1 million]** R2,3 million in any consecutive 12-month period: Provided that such person shall not be liable to register where the said total value of taxable supplies made by that person has exceeded **[R1 million]** R2,3 million in any consecutive 12-month period solely as a consequence of abnormal circumstances of a temporary nature.”;

(c) by the substitution in subsection (3)(b) for the words following subparagraph (i) and (ii) of the following words:

“is carrying on any enterprise and the total value of taxable supplies made by that person in the course of carrying on all enterprises in the preceding period of 12 months has exceeded **[R50 000]** R 120 000; or”;

“subject to the provisions of section 15(2B) and any regulation made by the Minister in terms of this Act, is carrying on any enterprise where the total value of taxable supplies

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made or to be made by that person has not exceeded **[R50 000]** R120 000 but can reasonably be expected to exceed that amount within 12 months from the date of registration.”.

(2) Subsection (1) is deemed to have come into operation on 1 April 2026.

Amendment of section 7 of Act 15 of 2007

21. (1) Section 7 of the Diamond Export Levy Act, 2007, is hereby amended—

(a) by the substitution in subsection (1) for paragraph (b) of the following paragraph:

“(b) the sum of the producer’s total gross sales described in section 11(1)(b) during those assessment periods described in paragraph (a) exceeds **[R 3 billion]** R 2 billion; and”;

(b) by the insertion after subsection (3) of the following subsection:

“(4) If the sum of the producer’s total gross sales described in section 11(1)(b) during those assessment periods described in paragraph (a) exceeds R 2 billion may elect that either—

(a) section 7(1), 7(2) and 7(3) is applicable; or

(b) notwithstanding section 7(1), 7(2) and 7(3) but subject to section 8(2) and 8(3), that the sum of the producer’s gross sales to diamond beneficiaries described in section 11(1)(a) for those assessment periods must equal at least 15 per cent of the sum of that producer’s total gross sales described in section 11(1)(b) during the aggregate of those assessment periods; and the remainder must have been offered at a diamond exchange and export centre.”.

(2) Subsection (1) is deemed to have come into operation for assessment periods beginning on or after 1 January 2027.

Amendment of section 8 of Act 15 of 2007 as amended by section 93 of Act 23 of 2018

22. (1) Section 8 of the Diamond Export Levy Act, 2007, is hereby amended by the substitution in subsection (1) for paragraph (b) of the following paragraph:

“(b) the sum of the producer’s total gross sales described in section 11(1)(b) during those assessment periods described in paragraph (a) do not exceed **[USD 295 million]** R 2 billion.”.

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(2) Subsection (1) is deemed to have come into operation for assessment periods beginning on or after 1 January 2027.

Amendment of section 6 of Act 15 of 2019, as amended by section 93 of Act 34 of 2019, section 77 of Act 23 of 2020, section 76 of Act 20 of 2021, section 8 of Act 19 of 2022, section 9 of Act 19 of 2023, section 3 of Act 45 of 2024 and section 8 of Act XX of 2025

23. (1) Section 6 of the Carbon Tax Act, 2019, is hereby amended by the substitution in subsection (3)(c) of the following words:

“‘B’ represents an amount of [**0.99 cents**] 1.29 cents per litre.”.

(2) Subsection (1) is deemed to have come into operation on 1 January 2026.

Short title

24. This Act is called the Rates and Monetary Amounts and Amendment of Revenue Laws Act, 2026.

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Schedule I*(Section 1)***RATES OF NORMAL TAX**

1. The rate of tax referred to in section 1(1) to be levied in respect of the taxable income (excluding any retirement fund lump sum benefit, retirement fund lump sum withdrawal benefit or severance benefit) of any natural person, deceased estate, insolvent estate or special trust in respect of any year of assessment commencing on or after 1 March 2026 is set out in the table below:

Taxable income	Rate of tax
Not exceeding R245 100	18 per cent of taxable income
Exceeding R245 101 but not exceeding R383 100	R44 118 plus 26 per cent of amount by which taxable income exceeds R245 100
Exceeding R383 101 but not exceeding R530 200	R79 998 plus 31 per cent of amount by which taxable income exceeds R383 100
Exceeding R530 201 but not exceeding R695 800	R125 599 plus 36 per cent of amount by which taxable income exceeds R530 200
Exceeding R695 801 but not exceeding R887 000	R185 215 plus 39 per cent of amount by which taxable income exceeds R695 800
Exceeding R887 001 but not exceeding R1 878 600	R259 783 plus 41 per cent of amount by which taxable income exceeds R887 000
Exceeding R1 878 601	R666 339 plus 45 per cent of amount by which taxable income exceeds R1 878 600

2. The rate of tax referred to in section 1(1) to be levied in respect of the taxable income of a trust (other than a special trust or a public benefit organisation, recreational club or small business funding entity referred to in paragraph 4) in respect of any year of assessment commencing on or after 1 March 2026 is 45 per cent.

3. The rate of tax referred to in section 1(1) to be levied in respect of the taxable income of a company (other than a public benefit organization, recreational club or small business funding entity referred to in paragraph 4 or a small business corporation referred to in paragraph 5) in respect of any year of assessment ending on or after 1 April 2026 is, subject to the provisions of paragraph 12, as follows:

- (a) 27 per cent of the taxable income of any company (excluding taxable income referred to in subparagraphs (b), (c) and (d));
- (b) in respect of the taxable income derived by any company from mining for gold on any gold mine with the exclusion of so much of the taxable income as the Commissioner determines to be attributable to the inclusion in the gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the Income Tax Act, 1962, but after the set-off of any assessed loss in terms of section 20(1) of that Act, a percentage determined in accordance with the formula:

$$y = 33 - \frac{165}{x}$$

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- in which formula y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion, but before the set-off of any assessed loss or deduction which is not attributable to the mining for gold from the said mine) bears to the income so derived (with the said exclusion);
- (c) in respect of the taxable income of any company, the sole or principal business of which in the Republic is, or has been, mining for gold and the determination of the taxable income of which for the period assessed does not result in an assessed loss, which the Commissioner determines to be attributable to the inclusion in its gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the Income Tax Act, 1962, a rate equal to the average rate of normal tax or 27 per cent, whichever is higher: Provided that for the purposes of this subparagraph, the average rate of normal tax shall be determined by dividing the total normal tax (excluding the tax determined in accordance with this subparagraph for the period assessed) paid by the company in respect of its aggregate taxable income from mining for gold on any gold mine for the period from which that company commenced its gold mining operations on that gold mine to the end of the period assessed, by the number of rands contained in the said aggregate taxable income; and
- (d) in respect of the taxable income derived by any company from carrying on long-term insurance business in respect of its—
- (i) individual policyholder fund, 30 per cent; and
 - (ii) company policyholder fund, risk policy fund and corporate fund, 27 per cent.

4. The rate of tax referred to in section 1(1) to be levied in respect of the taxable income of any public benefit organisation that has been approved by the Commissioner in terms of section 30(3) of the Income Tax Act, 1962, or any recreational club that has been approved by the Commissioner in terms of section 30A(2) of that Act or any small business funding entity that has been approved by the Commissioner in terms of section 30C(1) is 27 per cent—

- (a) in the case of an organisation, club or small business funding entity that is a company, in respect of any year of assessment ending on or after 1 April 2026; or
- (b) in the case of an organisation or small business funding entity that is a trust, in respect of any year of assessment commencing on or after 1 March 2026.

5. The rate of tax referred to in section 1(1) to be levied in respect of the taxable income of any company which qualifies as a small business corporation as defined in section 12E of the Income Tax Act, 1962, in respect of any year of assessment ending on or after 1 April 2026, subject to paragraph 10, is set out in the table below:

Taxable income	Rate of tax
Not exceeding R99 000	0 per cent of taxable income
Exceeding R99 000 but not exceeding R365 000	7 per cent of amount by which taxable income exceeds R99 000
Exceeding R365 000 but not exceeding R550 000	R18 620 plus 21 per cent of amount by which taxable income exceeds R365 000
Exceeding R550 000	R57 470 plus 27 per cent of amount by which taxable income exceeds R550 000

6. The rate of tax referred to in section 1(1) to be levied on taxable income attributable to income derived by a qualifying company within a special economic zone as contemplated in section 12R of the Income Tax Act, 1962, subject to paragraph 7, is 15 cents on each Rand of taxable income in respect of any year of assessment ending on or after 1 April 2026.

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7. If a company is subject to both paragraphs 5 and 6 in respect of determining the rate of tax to be levied on an amount of taxable income of a company, the tax payable in respect of that amount of taxable income is the lesser of the tax determined under paragraph 5 and paragraph 6 in respect of that amount of taxable income.

8. The rate of tax referred to in section 1(2) to be levied in respect of the taxable turnover of a person that is a registered micro business as defined in paragraph 1 of the Sixth Schedule to the Income Tax Act, 1962, in respect of a natural person (or the deceased or insolvent estate of a natural person that was a registered micro business at the time of death or insolvency)) is deemed to have come into operation on 1 March 2026 and applies in respect of years of assessment commencing on or after that date, and a company, is deemed to have come into operation on 1 April 2026 and applies in respect of years of assessment ending on or after that date. is set out in the table below:

Taxable turnover	Rate of tax
Not exceeding R600 000	0 per cent of taxable turnover
Exceeding R600 000 but not exceeding R950 000	1 per cent of amount by which taxable turnover exceeds R600 000
Exceeding R950 000 but not exceeding R1 400 000	R3 500 plus 2 per cent of amount by which taxable turnover exceeds R950 000
Exceeding R1 400 000	R12 500 plus 3 per cent of amount by which taxable turnover exceeds R1 400 000

9. (a) (i) If a retirement fund lump sum withdrawal benefit accrues to a person in any year of assessment commencing on or after 1 March 2026, the rate of tax referred to in section 1(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that retirement fund lump sum withdrawal benefit;
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa); and
- (dd) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R27 500	0 per cent of taxable income
Exceeding R27 500 but not exceeding R726 000	18 per cent of amount by which taxable income exceeds R27 500
Exceeding R726 000 but not exceeding R1 089 000	R125 730 plus 27 per cent of amount by which taxable income exceeds R726 000
Exceeding R1 089 000	R223 740 plus 36 per cent of amount by which taxable income exceeds R1 089 000

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(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

- (aa) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa); and
- (cc) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa).

(b) (i) If a retirement fund lump sum benefit accrues to a person in any year of assessment commencing on or after 1 March 2026, the rate of tax referred to in section 1(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that retirement fund lump sum benefit;
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa); and
- (dd) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R550 000	0 per cent of taxable income
Exceeding R550 000 but not exceeding R770 000	18 per cent of amount by which taxable income exceeds R550 000
Exceeding R770 000 but not exceeding R1 155 000	R39 600 plus 27 per cent of amount by which taxable income exceeds R770 000
Exceeding R1 155 000	R143 550 plus 36 per cent of amount by which taxable income exceeds R1 155 000

(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

- (aa) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa); and
- (cc) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa).

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(c) (i) If a severance benefit accrues to a person in any year of assessment commencing on or after 1 March 2026, the rate of tax referred to in section 1(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that severance benefit;
- (bb) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the severance benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the severance benefit contemplated in subitem (aa); and
- (dd) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the severance benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R550 000	0 per cent of taxable income
Exceeding R550 000 but not exceeding R770 000	18 per cent of amount by which taxable income exceeds R550 000
Exceeding R770 000 but not exceeding R1 155 000	R39 600 plus 27 per cent of amount by which taxable income exceeds R770 000
Exceeding R1 155 000	R143 550 plus 36 per cent of amount by which taxable income exceeds R1 155 000

(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

- (aa) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the severance benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the severance benefit contemplated in item (i)(aa); and
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the severance benefit contemplated in item (i)(aa).

10. The rates of tax set out in paragraphs 1 to 7 and 9 are the rates required to be fixed by Parliament in accordance with the provisions of section 5(2) of the Income Tax Act, 1962.

11. The rate of tax set out in paragraph 8 is the rate required to be fixed by Parliament in accordance with the provisions of section 48B(1) of the Income Tax Act, 1962.

12. For the purposes of this Schedule, income derived from mining for gold includes any income derived from silver, osmiridium, uranium, pyrites or other minerals which may be won in the course of mining for gold and any other income which results directly from mining for gold.

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Schedule II

(Section 18)

AMENDMENT OF PART 2A OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

Tariff item	Tariff subheading	Article description	2026/27 Rate of excise duty
104.00		PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO	
104.01	19.01	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 per cent by mass of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 04.01 to 04.04, not containing cocoa or containing less than 5 per cent by mass of cocoa calculated on a totally defatted basis not elsewhere specified or included:	
104.01.05	1901.90.13	Preparations for making alcoholic beverages (excluding those of subheading 1901.90.20) as defined in Additional Note 2 to Chapter 19	34,7c/kg
104.01.10	1901.90.20	Traditional African beer powder as defined in Additional Note 1 to Chapter 19	34,7c/kg
104.05	21.06	Food preparations not elsewhere specified or included:	
104.05.10	2106.90.13	Preparations for making alcoholic beverages as defined in Additional Note 1 to Chapter 21	34,7c/kg
104.10	22.03	Beer made from malt:	
104.10.10	2203.00.05	Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li
104.10.20	2203.00.90	Other	R149.98/li aa
104.15	22.04	Wine of fresh grapes, including fortified wines; grape must (excluding that of heading 20.09):	
104.15.01	2204.10	Sparkling wine	R19.68/li
104.15	2204.21	In containers holding 2 li or less:	
104.15	2204.21.4	Unfortified wine:	
104.15.03	2204.21.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R6.15/li
104.15.04	2204.21.42	Other	R302.84/li aa
104.15	2204.21.5	Fortified wine:	
104.15.05	2204.21.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R10.38/li
104.15.06	2204.21.52	Other	R302.84/li aa
104.15	2204.22	In containers holding more than 2 li but not more than 10 li:	
104.15	2204.22.4	Unfortified wine:	
104.15.13	2204.22.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R6.15/li
104.15.15	2204.22.42	Other	R302.84/li aa
104.15	2204.22.5	Fortified wine:	
104.15.17	2204.22.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R10.38/li
104.15.19	2204.22.52	Other	R302.84/li aa
104.15	2204.29	Other:	
104.15	2204.29.4	Unfortified wine:	

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Tariff item	Tariff subheading	Article description	2026/27 Rate of excise duty
104.15.21	2204.29.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R6.15/li
104.15.23	2204.29.42	Other	R302.84/li aa
104.15	2204.29.5	Fortified wine:	
104.15.25	2204.29.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R10.38/li
104.15.27	2204.29.52	Other	R302.84/li aa
104.16	22.05	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances:	
104.16	2205.10	In containers holding 2 li or less:	
104.16.01	2205.10.10	Sparkling	R19.68/li
104.16	2205.10.2	Unfortified:	
104.16.03	2205.10.21	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.	R6.15/li
104.16.04	2205.10.22	Other	R302.84/li aa
104.16	2205.10.3	Fortified:	
104.16.05	2205.10.31	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R10.38/li
104.16.06	2205.10.32	Other	R302.84/li aa
104.16	2205.90	Other:	
104.16	2205.90.2	Unfortified:	
104.16.09	2205.90.21	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.	R6.15/li
104.16.10	2205.90.22	Other	R302.84/li aa
104.16	2205.90.3	Fortified:	
104.16.11	2205.90.31	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R10.38/li
104.16.12	2205.90.32	Other	R302.84/li aa
104.17	22.06	Other fermented beverages (for example, cider, perry, mead, saké); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included:	
104.17.03	2206.00.05	Sparkling fermented fruit or mead beverages; mixtures of sparkling fermented beverages derived from the fermentation of fruit or honey; mixtures of sparkling fermented fruit or mead beverages and non-alcoholic beverages	R19.68/li
104.17.05	2206.00.15	Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li
104.17.07	2206.00.17	Other fermented beverages, unfortified, with an alcoholic strength of less than 2.5 per cent by volume	R149.98/li aa
104.17.09	2206.00.19	Other fermented beverages of non-malted cereal grains, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 9 per cent by vol.	R149.98/li aa
104.17.11	2206.00.21	Other mixtures of fermented beverages of non-malted cereal grains and non-alcoholic beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 9 per cent by vol.	R149.98/li aa
104.17.15	2206.00.81	Other fermented apple or pear beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.	R149.98/li aa
104.17.16	2206.00.82	Other fermented fruit beverages and mead beverages, including mixtures of fermented beverages derived from the fermentation of fruit or honey, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.	R149.98/li aa
104.17.17	2206.00.83	Other fermented apple or pear beverages, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.	R121.13/li aa
104.17.21	2206.00.84	Other fermented fruit beverages and mead beverages including mixtures of fermented beverages derived from the fermentation of fruit or honey, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.	R121.13/li aa

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Tariff item	Tariff subheading	Article description	2026/27 Rate of excise duty
104.17.22	2206.00.85	Other mixtures of fermented fruit or mead beverages and non-alcoholic beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.	R149.98/li aa
104.17.25	2206.00.87	Other mixtures of fermented fruit or mead beverages and non-alcoholic beverages, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.	R121.13/li aa
104.17.90	2206.00.90	Other	R302.84/li aa
104.21	22.07	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent vol. or higher; ethyl alcohol and other spirits, denatured, of any strength:	
104.21.01	2207.10	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent vol. or higher	R302.84/li aa
104.21.03	2207.20	Ethyl alcohol and other spirits, denatured, of any strength	R302.84/li aa
104.23	22.08	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 per cent vol.; spirits, liqueurs and other spirituous beverages:	
104.23	2208.20	Spirits obtained by distilling grape wine or grape marc:	
104.23	2208.20.1	In containers holding 2 li or less:	
104.23.01	2208.20.11	Brandy as defined in Additional Note 7 to Chapter 22	R272.55/li aa
104.23.02	2208.20.19	Other	R302.84/li aa
104.23	2208.20.9	Other:	
104.23.03	2208.20.91	Brandy as defined in Additional Note 7 to Chapter 22	R272.55/li aa
104.23.04	2208.20.99	Other	R302.84/li aa
104.23	2208.30	Whiskies:	
104.23.05	2208.30.10	In containers holding 2 li or less	R302.84/li aa
104.23.07	2208.30.90	Other	R302.84/li aa
104.23	2208.40	Rum and other spirits obtained by distilling fermented sugarcane products:	
104.23.09	2208.40.10	In containers holding 2 li or less	R302.84/li aa
104.23.11	2208.40.90	Other	R302.84/li aa
104.23	2208.50	Gin and Geneva:	
104.23.13	2208.50.10	In containers holding 2 li or less	R302.84/li aa
104.23.15	2208.50.90	Other	R302.84/li aa
104.23	2208.60	Vodka:	
104.23.17	2208.60.10	In containers holding 2 li or less	R302.84/li aa
104.23.19	2208.60.90	Other	R302.84/li aa
104.23	2208.70	Liqueurs and cordials:	
104.23	2208.70.2	In containers holding 2 li or less:	
104.23.21	2208.70.21	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R121.13/li aa
104.23.22	2208.70.22	Other	R302.84/li aa
104.23	2208.70.9	Other:	
104.23.23	2208.70.91	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R121.13/li aa
104.23.24	2208.70.92	Other	R302.84/li aa
104.23	2208.90	Other:	
104.23	2208.90.2	In containers holding 2 li or less:	
104.23.25	2208.90.21	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R121.13/li aa
104.23.26	2208.90.22	Other	R302.84/li aa

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Tariff item	Tariff subheading	Article description	2026/27 Rate of excise duty
104.23	2208.90.9	Other:	
104.23.27	2208.90.91	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R121.13/li aa
104.23.28	2208.90.92	Other	R302.84/li aa
104.30	24.02	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes:	
104.30	2402.10	Cigars, cheroots and cigarillos containing tobacco:	
104.30.01	2402.10.10	Imported from Switzerland	R6 041.72/kg net
104.30.03	2402.10.90	Other	R6 041.72/kg net
104.30	2402.20	Cigarettes containing tobacco:	
104.30.05	2402.20.10	Imported from Switzerland	R11.79/10 cigarettes
104.30.07	2402.20.90	Other	R11.79/10 cigarettes
104.30	2402.90.1	Cigars, cheroots and cigarillos of tobacco substitutes:	
104.30.09	2402.90.12	Imported from Switzerland	R6 041.72/kg net
104.30.11	2402.90.14	Other	R6 041.72/kg net
104.30	2402.90.2	Cigarettes of tobacco substitutes:	
104.30.13	2402.90.22	Imported from Switzerland	R11.79/10 cigarettes
104.30.15	2402.90.24	Other	R11.79/10 cigarettes
104.35	24.03	Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences:	
104.35	2403.1	Smoking tobacco, whether or not containing tobacco substitutes in any proportions:	
104.35.01	2403.11	Water pipe tobacco specified in Subheading Note 1 to Chapter 24	R332.26/kg net
104.35	2403.19	Other:	
104.35.02	2403.19.10	Pipe tobacco in immediate packings of a content of less than 5 kg	R332.26/kg net
104.35.03	2403.19.20	Other pipe tobacco	R332.26/kg net
104.35.05	2403.19.30	Cigarette tobacco	R529.99/kg
104.35	2403.91	"Homogenised" or "reconstituted" tobacco:	
104.35.07	2403.91.20	Imported from Switzerland	R1 105.40/kg
104.35.09	2403.91.80	Other	R1 105.40/kg
104.35	2403.99	Other:	
104.35.15	2403.99.30	Other cigarette tobacco substitutes	R529.99/kg
104.35.17	2403.99.40	Other pipe tobacco substitutes	R332.26/kg net
104.35.19	2403.99.90	Other	R1 105.40/kg
104.37	24.04	Products containing tobacco, reconstituted tobacco, nicotine, or tobacco or nicotine substitutes, intended for inhalation without combustion; other nicotine containing products intended for the intake of nicotine into the human body:	
104.37	2404.1	Products intended for inhalation without combustion:	
104.37	2404.11	Containing tobacco or reconstituted tobacco:	
104.37	2404.11.1	Containing reconstituted tobacco:	
104.37.01	2404.11.11	Imported from Switzerland, put up for retail sale in the form of sticks	R8.84/10 sticks
104.37.03	2404.11.13	Imported from Switzerland, other	R1 105.40/kg
104.37.05	2404.11.15	Other, put up for retail sale in the form of sticks	R8.84/10 sticks

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Tariff item	Tariff subheading	Article description	2026/27 Rate of excise duty
104.37.07	2404.11.19	Other	R1 105.40/kg
104.37	2404.11.9	Other:	
104.37.11	2404.11.91	Put up for retail sale in the form of sticks	R8.84/10 sticks
104.37.13	2404.11.99	Other	R1 105.40/kg
104.37.14	2404.12	Other, containing nicotine	R3.29/ml
104.37	2404.19	Other:	
104.37.16	2404.19.10	Containing nicotine substitutes	R3.29/ml
104.37.19	2404.19.20	Other, put up for retail sale in the form of sticks	R8.84/10 sticks
104.37.21	2404.19.90	Other	R1 105.40/kg