

# National Budget Speech 2016

## How does this affect South Africa?

### Budget Deficit

**-R139**

BILLION

**↑ 3.2%**

of GDP

### Growth & Inflation FORECASTS

**0.9%**

GDP Growth

**↑ 6.8%**

Inflation

Expenditure ceiling cut by **R25 billion** to bring budget deficit down to 2.4% of GDP by 2018/19

## How does this affect your pocket?



## Income Tax



Find out how the National Budget Speech affects you directly with our handy [tax calculator tool](#)



We have been mindful of the need to moderate the impact of tax increases on households and firms in the present economic context. Our tax proposals include a personal income tax relief of R5.5 billion, which partially compensates for inflation, focused mainly on lower- and middle-income earners.

– Pravin Gordhan, Minister of Finance



## Assets



### Transfer Duties

The transfer duty rate on properties **above R10 million** will increase from **11%** to **13%** (on the amount over R10 million only)



## Capital Gains Tax

### Inclusion rate for individuals

2015 **33.3%**

2016 **40%**

The exclusion rate is up from R30 000 to R40 000

## Spending

### VAT

VAT remains at **14%**. The tax on a typical basket of goods will be the same



### NEW Sugary Beverages

The Finance Minister proposed a future tax on sugar-sweetened beverages

### Sin Tax



Pack of 20 cigarettes **82c more**

340ml can of beer **11c more**

750ml bottle spirit **R3.94 more**

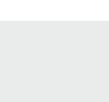
750ml sparkling wine **59c more**

340ml can of cider **11c more**



### Fuel

Fuel levies are rising by **30c per litre**, meaning you'll get fewer kilometers for the same cost



To support a greater national savings effort, we introduced Tax-Free Savings Accounts last year. The response has been most gratifying – about 150 000 accounts have been opened, with savings totalling R1 billion.

– Pravin Gordhan, Minister of Finance



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