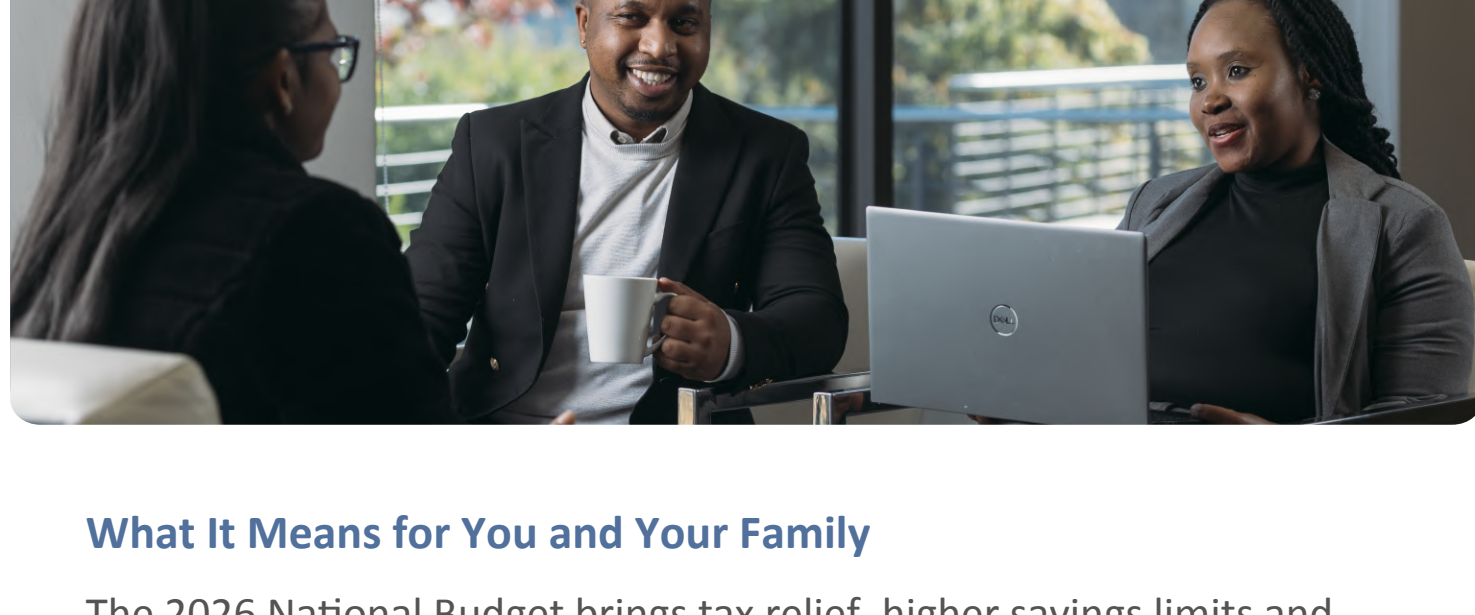


# 2026 Budget Update

for our Members



## What It Means for You and Your Family

The 2026 National Budget brings tax relief, higher savings limits and continued social grant support. Below we explain what this means for you as a working employee and a retirement fund member.

### 1. Personal Income Tax

#### What Changes Can You Expect in Your Salary?

For the past two years, there have been no changes to the tax brackets. Government has now adjusted the tax brackets to account for inflation.

**The new tax brackets applicable from 1 March 2026 to 28 February 2027 are set out below:**

Taxable Income	Tax Rate
R0 - R245 100	18%
R245 101 - R383 100	26%
R383 101 - R530 200	31%
R530 201 - R695 800	36%
R695 801 - R887 000	39%
R887 001 - R1 878 600	41%
Above R1 878 600	45%



The rebates and tax thresholds have also been adjusted. This means that if you are under the age of 65, you will not pay tax on the first R99 000 of income you earn in a year.



The medical tax credits have also been increased to R376 per month for the first two beneficiaries and R254 per month for each additional beneficiary.



If you contribute to a retirement fund, you may now claim a tax deduction of up to R430 000 per tax year against your taxable income.



The limit for the Tax-free investment account has also increased from R36 000 per year to R46 000 per year.

#### Examples

##### Sipho

Sipho works as a general worker and earns R1 200 per month. As his income falls below the tax threshold, the recent tax changes will not affect the amount that Sipho takes home.

However, Sipho loves drinking beer on the weekend and due to the increased tax on beer Sipho will now pay 8,36 cents more per beer.

##### Mbali

Mbali is a security officer earning R10 000 per month. With the new tax table, she will save R585 over the year, which means she will take home an additional R48.75 per month.

##### Teboho

Teboho is an executive earning R120 000 per month. With the changes in the tax rates, he will save R3 991 in taxes over the year. He will get an extra R332.58 per month on his payslip due to the tax savings.

##### David

David is long distance driver earning R25 000 per month. With the new tax table, he will save R1 225 over the year, which means that every month he will take home an extra R102.08.

### 2. Social Grants

**This is the second largest area of government spending. In total, R446.6 billion has been allocated to social development, including the payment of social grants.**

For many families, these increases provide important support for food, school transport and other basic living expenses.



#### Old-age grant

Increased by R80 to R2 400 per month.



#### War veterans grant

Increased by R80 to R2 420 per month.



#### Forster care grant

increased by R40 to R1 290 per month from 1 April and by a further R10 to R1300 per month from October.



#### The child support grant and grant-in-aid

Increased by R20 to R580 per month.

### 3. Alcohol, Beer and Tobacco

**Excise duties have increased by 3.4%, with the following adjustments:**



#### Cigarettes

77c per pack



#### Beer

8.36c per 340ml



#### Wine

15c per 750ml



#### Spirits

R3.20 per 750ml



#### Cigars

R4.56

This means if you regularly buy these products, your monthly costs will increase.

### 4. Fuel and Environmental Taxes

**From 1 April 2026, fuel levies will increase by 9c per litre for petrol and 8c per litre for Diesel. The Road Accident Fund levy will increase by 7c per litre. As a result of these increases, fuel will cost more, taxi fares are likely to rise and food prices may increase over time.**

### 5. Other Notable changes



#### Donations tax exemptions have increased:

individuals can now donate up to R150 000 tax-free (previously R100 000), and companies up to R20 000 (previously R10 000).



Tax-exempt employee benefits for bursaries and scholarships have been significantly increased, providing opportunities to save tax while supporting education.



We encourage you to check with your HR department to find out what your company offers and how you can take advantage of these benefits.

### 6. Conclusion

The 2026 Budget protects lower income earners from tax, provides moderate relief for middle-income earners, and allows higher income earners to save more in a tax-efficient manner.



**Increases in the cost of alcohol, tobacco and fuel will impact household budgets.**

Despite these challenges, saving remains one of the most powerful ways to build long-term financial security.