

National budget 2024/2025

Dear client

The National Budget speech was delivered in parliament by the Minister of Finance, Enoch Godongwana, on 21 February 2024. A few key speech proposals are summarised below and a detailed summary is attached.

Budget 2025 will be remembered for its simplicity and the following tax proposals

No changes have been made to personal tax brackets or rebates



The primary rebate remains **R17 235**
the secondary rebate remains **R9 444**
and the tertiary rebate remains **R3 145**

Two-pot implementation



The so called two-pot system, that will allow members to access 1/3rd of retirement funds on an ongoing basis, is set to be implemented on **1 September 2024**.

All future contributions will be split 1/3rd into a savings pot and 2/3rds into a retirement pot. Members will be able to withdraw their savings pot once a year.

Members of retirement funds can take 10% of their existing savings when the legislation starts, with a maximum of R30 000 per fund. Tax will be payable on any cash taken.

Tax proposals will raise revenue of **R15 billion** in 24/25



Medical tax credits remain at **R364** for the first two beneficiaries and **R246** for the remaining beneficiaries.



No increase to fuel levies

R350 Covid-19 social relief payments to be reviewed during the year