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## **Summary of the budget**

## Summary of the national budget

	2018/19		2019/20	2020/21	2021/22
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
<b>R million</b>					
<b>REVENUE</b>					
Estimate of revenue before tax proposals			<b>1 388 464</b>		
<b>Budget 2019/20 proposals:</b>			<b>15 000</b>		
<b>Direct taxes</b>			<b>13 800</b>		
<b>Taxes on individuals and companies</b>					
<b>Personal income tax</b>			<b>13 800</b>		
Revenue from not fully adjusting for inflation			12 800		
Revenue if no adjustment is made			14 000		
Partial bracket creep for personal income tax			-1 200		
No adjustment to medical tax credit			1 000		
<b>Indirect taxes</b>			<b>1 200</b>		
General fuel levy adjustment			-500		
Introduction of carbon tax on fuel			1 800		
Additional VAT zero-rated items			-1 100		
Increase in excise duties on tobacco products			400		
Increase in excise duties on alcoholic beverages			600		
<b>Estimate of revenue after tax proposals</b>	<b>1 321 146</b>	<b>1 285 386</b>	<b>1 403 464</b>	<b>1 505 118</b>	<b>1 632 925</b>
<i>Percentage change from previous year</i>			9.2%	7.2%	8.5%
<b>EXPENDITURE</b>					
<b>Direct charges against the National Revenue Fund</b>	<b>683 691</b>	<b>686 212</b>	<b>743 850</b>	<b>805 706</b>	<b>868 089</b>
Debt-service costs	180 124	182 218	202 208	224 066	247 408
Provincial equitable share	470 287	470 287	505 554	542 909	578 645
General fuel levy sharing with metropolitan municipalities	12 469	12 469	13 167	14 027	15 182
Skills levy and sector education and training authorities	16 929	17 312	18 759	20 437	22 307
Other <sup>1)</sup>	3 883	3 927	4 163	4 267	4 545
<b>Appropriated by vote</b>	<b>814 509</b>	<b>823 645</b>	<b>882 648</b>	<b>946 484</b>	<b>1 007 493</b>
Current payments	229 318	231 026	246 636	263 911	282 640
Transfers and subsidies	566 436	563 245	615 879	661 429	702 243
Payments for capital assets	14 297	15 632	15 424	16 230	17 426
Payments for financial assets	4 457	13 742	4 708	4 914	5 184
<b>Provisional allocations</b>	<b>6 000</b>	<b>-</b>	<b>19 210</b>	<b>11 376</b>	<b>18 904</b>
Provisional allocation not assigned to votes <sup>2)</sup>	6 000	-	10	376	3 904
Infrastructure fund not assigned to votes	-	-	1 000	-	4 000
Provisional allocation for Eskom restructuring	-	-	23 000	23 000	23 000
Compensation of employees and other baseline adjustments	-	-	-4 800	-12 000	-12 000
<b>Total</b>	<b>1 504 200</b>	<b>1 509 858</b>	<b>1 645 707</b>	<b>1 763 566</b>	<b>1 894 485</b>
<b>Plus:</b>					
Contingency reserve	8 000	-	13 000	6 000	6 000
<b>Estimate of national expenditure</b>	<b>1 512 200</b>	<b>1 509 858</b>	<b>1 658 707</b>	<b>1 769 566</b>	<b>1 900 485</b>
<i>Percentage change from previous year</i>			9.9%	6.7%	7.4%
<b>2018 Budget estimate of expenditure</b>		<b>1 512 200</b>	<b>1 632 571</b>	<b>1 757 452</b>	
<i>Increase / decrease (-)</i>		-2 343	26 137	12 114	
<b>Gross domestic product</b>	<b>5 025 379</b>	<b>5 059 106</b>	<b>5 413 825</b>	<b>5 812 415</b>	<b>6 249 070</b>

1) Includes direct appropriations in respect of the salaries of the President, Deputy President, judges, magistrates, members of Parliament, National Revenue Fund payments (previously classified as extraordinary payments), and the International Oil Pollution Compensation Fund.

2) The 2018/19 year includes provision for contingencies related to drought relief in several provinces, support to the water sector and public investment improved infrastructure planning.

Source: National Treasury

Summary of the consolidated budget					
R million	2018/19		2019/20	2020/21	2021/22
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
<b>National budget revenue <sup>1)</sup></b>	<b>1 321 146</b>	<b>1 285 386</b>	<b>1 403 464</b>	<b>1 505 118</b>	<b>1 632 925</b>
Revenue of provinces, social security funds and public entities	169 570	169 831	180 347	191 265	203 673
<b>Consolidated budget revenue <sup>2)</sup></b>	<b>1 490 716</b>	<b>1 455 217</b>	<b>1 583 811</b>	<b>1 696 382</b>	<b>1 836 598</b>
<b>National budget expenditure <sup>1)</sup></b>	<b>1 512 200</b>	<b>1 509 858</b>	<b>1 658 707</b>	<b>1 769 566</b>	<b>1 900 485</b>
Expenditure of provinces, social security funds and public entities	158 990	155 568	167 845	179 380	188 529
<b>Consolidated budget expenditure <sup>2)</sup></b>	<b>1 671 190</b>	<b>1 665 425</b>	<b>1 826 553</b>	<b>1 948 947</b>	<b>2 089 014</b>
<b>Consolidated budget balance</b>	<b>-180 473</b>	<b>-210 208</b>	<b>-242 741</b>	<b>-252 564</b>	<b>-252 416</b>
<i>Percentage of GDP</i>	<i>-3.6%</i>	<i>-4.2%</i>	<i>-4.5%</i>	<i>-4.3%</i>	<i>-4.0%</i>
<b>FINANCING</b>					
<b>Domestic loans (net)</b>	<b>173 704</b>	<b>180 269</b>	<b>209 992</b>	<b>230 405</b>	<b>232 664</b>
<b>Foreign loans (net)</b>	<b>35 912</b>	<b>51 638</b>	<b>-20 992</b>	<b>30 889</b>	<b>39 246</b>
<b>Change in cash and other balances</b>	<b>-29 143</b>	<b>-21 699</b>	<b>53 742</b>	<b>-8 730</b>	<b>-19 495</b>
<b>Total financing (net)</b>	<b>180 473</b>	<b>210 208</b>	<b>242 741</b>	<b>252 564</b>	<b>252 416</b>

1) Transfers to provinces, social security funds and public entities presented as part of the national budget.

2) Flows between national, provincial, social security funds and public entities are netted out.

Source: National Treasury

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