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## **Summary of the budget**

## Summary of the national budget

	2021/22		2022/23	2023/24	2024/25
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
<b>R million</b>					
<b>REVENUE</b>					
Estimate of revenue before tax proposals			1 603 647		
<b>Budget 2022/23 proposals:</b>			-5 200		
<b>Direct taxes</b>			-2 200		
<b>Personal income tax</b>					
Increasing brackets by inflation			-		
Revenue if no adjustment is made			13 500		
Increase in brackets and rebates by inflation			-13 500		
Expansion of the employment tax incentive			-2 200		
<b>Corporate income tax</b>					
Reform package			-		
Reduction in corporate income tax rate to 27 per cent			-2 600		
Restriction of assessed losses			1 100		
Additional interest limitation			1 500		
<b>Indirect taxes</b>			-3 000		
<b>Fuel levy</b>					
Not adjusting the general fuel levy			-3 500		
<b>Specific excise duties</b>					
Increase in excise duties on alcohol			400		
Increase in excise duties on tobacco			100		
<b>Estimate of revenue after tax proposals</b>	<b>1 351 672</b>	<b>1 549 068</b>	<b>1 588 044</b>	<b>1 660 223</b>	<b>1 774 174</b>
Percentage change from previous year			2.5%	4.5%	6.9%
<b>EXPENDITURE</b>					
<b>Direct charges against the National Revenue Fund</b>	<b>830 023</b>	<b>874 411</b>	<b>902 658</b>	<b>920 040</b>	<b>970 094</b>
Debt-service costs	269 741	268 306	301 806	334 979	363 515
Provincial equitable share	523 686	544 835	560 757	543 149	562 018
General fuel levy sharing with metropolitan municipalities	14 617	14 617	15 335	15 433	16 127
Skills levy and sector education and training authorities	17 813	18 933	20 619	22 329	24 099
Other <sup>1)</sup>	4 165	27 720	4 141	4 149	4 335
<b>Appropriated by vote</b>	<b>980 584</b>	<b>1 025 806</b>	<b>1 057 029</b>	<b>1 013 673</b>	<b>1 059 387</b>
Current payments	255 691	263 444	260 680	254 858	267 246
Transfers and subsidies	663 138	696 796	755 267	740 774	775 225
Payments for capital assets	15 004	15 318	15 506	16 124	16 053
Payments for financial assets	46 751	50 248	25 577	1 917	863
<b>Provisional allocations</b>	<b>11 645</b>	<b>-</b>	<b>5 569</b>	<b>28 295</b>	<b>32 078</b>
Provisional reduction allocation to fund the Land Bank	-5 000	-	-	-	-
Provisional allocation not assigned to votes	12 645	-	1 372	1 852	2 209
Provisional allocation for Eskom restructuring	-	-	-	21 015	22 000
Infrastructure Fund not assigned to votes	4 000	-	4 197	5 428	7 869
Unallocated reserve	-	-	-	25 000	30 000
<b>Total</b>	<b>1 822 252</b>	<b>1 900 217</b>	<b>1 965 257</b>	<b>1 987 007</b>	<b>2 091 559</b>
<b>Plus:</b>					
Contingency reserve	12 000	-	10 000	5 000	5 000
National government projected underspending	-	-4 263	-	-	-
<b>Estimate of national expenditure</b>	<b>1 834 252</b>	<b>1 895 954</b>	<b>1 975 257</b>	<b>1 992 007</b>	<b>2 096 559</b>
Percentage change from previous year			4.2%	0.8%	5.2%
<b>2021 Budget estimate of expenditure</b>		<b>1 834 252</b>	<b>1 870 833</b>	<b>1 911 046</b>	
Increase / decrease (-)		61 702	104 423	80 961	
<b>Gross domestic product</b>	<b>5 352 236</b>	<b>6 251 494</b>	<b>6 441 288</b>	<b>6 805 312</b>	<b>7 233 716</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), Auditor-General of South Africa, the International Oil Pollution Compensation Fund and allocations made in the Second Adjustments Appropriation Bill as well as allocations not spent in terms of the Special Appropriation Act (2021) for departments of Health (COVID-19 vaccine rollout) and Social Development (social relief of distress grant).

Source: National Treasury

<b>Summary of the consolidated budget</b>					
R million	2021/22		2022/23	2023/24	2024/25
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
<b>National budget revenue <sup>1)</sup></b>	<b>1 351 672</b>	<b>1 549 068</b>	<b>1 588 044</b>	<b>1 660 223</b>	<b>1 774 174</b>
Revenue of provinces, social security funds and public entities	168 695	172 235	182 601	192 983	203 457
<b>Consolidated budget revenue <sup>2)</sup></b>	<b>1 520 367</b>	<b>1 721 303</b>	<b>1 770 645</b>	<b>1 853 206</b>	<b>1 977 632</b>
<b>National budget expenditure <sup>1)</sup></b>	<b>1 834 252</b>	<b>1 895 954</b>	<b>1 975 257</b>	<b>1 992 007</b>	<b>2 096 559</b>
Expenditure of provinces, social security funds and public entities	186 108	181 094	182 011	184 795	185 226
<b>Consolidated budget expenditure <sup>2)</sup></b>	<b>2 020 360</b>	<b>2 077 049</b>	<b>2 157 267</b>	<b>2 176 802</b>	<b>2 281 785</b>
<b>Consolidated budget balance</b>	<b>-499 994</b>	<b>-355 746</b>	<b>-386 622</b>	<b>-323 596</b>	<b>-304 154</b>
<i>Percentage of GDP</i>	<i>-9.3%</i>	<i>-5.7%</i>	<i>-6.0%</i>	<i>-4.8%</i>	<i>-4.2%</i>
<b>FINANCING</b>					
<b>Domestic loans (net)</b>	<b>336 798</b>	<b>221 468</b>	<b>245 604</b>	<b>291 592</b>	<b>270 273</b>
<b>Foreign loans (net)</b>	<b>42 992</b>	<b>77 989</b>	<b>34 685</b>	<b>25 883</b>	<b>33 693</b>
<b>Change in cash and other balances</b>	<b>120 203</b>	<b>56 289</b>	<b>106 334</b>	<b>6 122</b>	<b>188</b>
<b>Total financing (net)</b>	<b>499 994</b>	<b>355 746</b>	<b>386 622</b>	<b>323 596</b>	<b>304 154</b>

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

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

Source: National Treasury

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