



2025 BUDGET REVIEW
**SUMMARY OF THE
BUDGET**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNEXURE F

SUMMARY OF THE BUDGET

Summary of the national budget

	2024/25		2025/26	2026/27	2027/28
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
R million					
REVENUE					
Main budget revenue before tax proposals			1 942 458	2 074 258	2 199 800
<u>Budget 2025/26: Net impact of tax proposals</u>			28 000	44 158	46 845
Direct taxes			19 500	20 634	21 960
Personal income tax					
No inflationary adjustment to tax brackets and rebates			18 000	19 067	20 324
No inflationary adjustment to medical tax credits			1 500	1 567	1 636
Indirect taxes			8 500	23 523	24 885
Value-added tax (VAT)					
Increase in VAT rate — 2025/26			13 500	14 344	15 196
Increase in VAT rate — 2026/27			-	15 500	16 420
Additional zero rating			-2 000	-2 128	-2 262
Fuel levy					
No adjustment to general fuel levy			-4 000	-4 257	-4 535
Diesel refund relief for primary sectors			-	-1 000	-1 065
Specific excise duties					
Above-inflation increase in excise duties on alcohol and tobacco			1 000	1 064	1 131
Main budget revenue after tax proposals	1 815 020	1 797 566	1 970 458	2 118 416	2 246 645
<i>Percentage change from previous year</i>			9.6%	7.5%	6.1%
EXPENDITURE					
Direct charges against the National Revenue Fund	1 034 600	1 044 488	1 113 334	1 168 523	1 231 498
Debt-service costs	382 183	389 561	424 869	449 185	478 611
Provincial equitable share	600 476	600 476	633 166	660 569	690 243
General fuel levy sharing with metropolitan municipalities	16 127	16 127	16 849	17 621	18 418
Public-sector-related pension, post-retirement medical and other benefits in terms of statutory and collective agreement obligations	7 001	7 003	7 901	8 586	9 486
Skills levy and sector education and training authorities	24 500	24 493	26 006	27 811	29 773
Other ¹⁾	4 313	6 828	4 543	4 752	4 967
Appropriated by vote	1 095 797	1 105 799	1 168 964	1 174 429	1 215 624
Current payments	281 673	284 510	298 503	311 943	324 977
Transfers and subsidies	797 881	798 972	843 610	842 454	871 612
Payments for capital assets	15 189	16 274	17 064	14 464	14 751
Payments for financial assets	1 054	6 042	9 787	5 568	4 284
Provisional allocations	570	-	37 056	83 011	84 749
Provisional allocations not appropriated	570	-	37 056	83 011	84 324
Infrastructure Fund not appropriated	-	-	-	-	425
Total	2 130 967	2 150 287	2 319 354	2 425 963	2 531 871
Plus:					
Contingency reserve	5 000	-	5 000	5 500	11 127
Estimate of national expenditure	2 135 967	2 150 287	2 324 354	2 431 464	2 542 997
<i>Percentage change from previous year</i>			8.1%	4.6%	4.6%
2024 Budget estimate of expenditure		2 135 967	2 255 576	2 373 222	
<i>Increase / decrease (-)</i>		14 321	68 778	58 242	
Gross domestic product	7 452 214	7 478 831	7 999 415	8 512 578	9 068 703

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

Source: National Treasury

ANNEXURE F

SUMMARY OF THE BUDGET

Summary of the consolidated budget					
R million	2024/25		2025/26	2026/27	2027/28
	Budget estimate	Revised estimate	Budget estimate	Medium-term estimates	
National budget revenue ¹⁾	1 815 020	1 797 566	1 970 458	2 118 416	2 246 645
Revenue of provinces, social security funds and public entities	221 602	231 671	251 420	258 959	273 997
Consolidated budget revenue ²⁾	2 036 623	2 029 237	2 221 878	2 377 375	2 520 642
National budget expenditure ¹⁾	2 135 967	2 150 287	2 324 354	2 431 464	2 542 997
Expenditure of provinces, social security funds and public entities	233 029	253 670	267 952	271 514	291 870
Consolidated budget expenditure ²⁾	2 368 996	2 403 958	2 592 306	2 702 978	2 834 867
Consolidated budget balance	-332 373	-374 721	-370 428	-325 602	-314 225
<i>Percentage of GDP</i>	<i>-4.5%</i>	<i>-5.0%</i>	<i>-4.6%</i>	<i>-3.8%</i>	<i>-3.5%</i>
Redemptions	-172 568	-98 802	-172 838	-152 961	-303 679
Domestic long-term loans	-132 087	-61 538	-112 252	-112 252	-277 184
Foreign loans	-40 481	-37 264	-60 586	-40 709	-26 495
Eskom debt-relief arrangement	-64 154	-64 154	-80 223	-	-
GFECRA settlement	100 000	100 000	25 000	25 000	-
Gross borrowing requirement	-469 096	-437 677	-598 489	-453 563	-617 904
Financing					
Domestic loans	379 094	384 897	375 768	357 267	483 157
Foreign loans	36 785	67 114	99 417	82 162	96 721
Change in cash and other balances	53 217	-14 334	123 304	14 134	38 026
Total financing	469 096	437 677	598 489	453 563	617 904

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