



MAY 2025 BUDGET OVERVIEW
**SUMMARY OF THE
BUDGET**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Summary of the national budget

	2024/25		2025/26	2026/27	2027/28
	Budget estimate	Preliminary outcome	Budget estimate	Medium-term estimates	
R million					
REVENUE					
Main budget revenue before tax proposals			1 931 409	2 057 297	2 188 746
<u>Budget 2025/26: Net impact of tax proposals</u>			18 000	38 072	40 481
Direct taxes			16 700	17 698	18 793
Personal income tax					
No inflationary adjustment to tax brackets and rebates			15 500	16 448	17 489
No inflationary adjustment to medical tax credits			1 200	1 250	1 304
Indirect taxes			1 300	374	396
Fuel levy					
Inflationary adjustment to general fuel levy			-	-	-
Diesel refund relief for primary sectors			-	-1 000	-1 065
Specific excise duties					
Above-inflation increase in excise duties on alcohol and tobacco			1 300	1 374	1 461
Additional policy measures in 2026 Budget²⁾			-	20 000	21 291
Main budget revenue after tax proposals	1 815 020	1 808 485	1 949 409	2 095 369	2 229 227
<i>Percentage change from previous year</i>			7.8%	7.5%	6.4%
EXPENDITURE					
Direct charges against the National Revenue Fund	1 034 600	1 040 702	1 114 811	1 166 353	1 230 400
Debt-service costs	382 183	385 822	426 346	447 015	477 513
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	7 300	7 901	8 586	9 486
Skills levy and sector education and training authorities	24 500	24 137	26 006	27 811	29 773
Other ¹⁾	4 313	6 841	4 543	4 752	4 967
Appropriated by vote	1 095 797	1 103 398	1 172 207	1 170 417	1 211 799
Current payments	281 673	282 808	298 653	310 659	323 926
Transfers and subsidies	797 881	797 989	846 703	839 734	868 846
Payments for capital assets	15 189	16 473	17 064	14 456	14 743
Payments for financial assets	1 054	6 128	9 787	5 568	4 284
Provisional allocations	570	-	18 712	60 763	62 300
Provisional allocations not appropriated	570	-	18 712	60 763	61 875
Infrastructure Fund not appropriated	-	-	-	-	425
Total	2 130 967	2 144 101	2 305 730	2 397 533	2 504 499
Plus:					
Contingency reserve	5 000	-	5 000	5 500	11 127
Estimate of national expenditure	2 135 967	2 144 101	2 310 730	2 403 033	2 515 626
<i>Percentage change from previous year</i>			7.8%	4.0%	4.7%
2024 Budget estimate of expenditure		2 135 967	2 255 576	2 373 222	
<i>Increase / decrease (-)</i>		8 134	55 154	29 811	
Gross domestic product	7 452 214	7 406 878	7 872 157	8 351 403	8 890 572

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.

2) Unallocated tax measures to be outlined by the Minister of Finance in the 2026 Budget.

Source: National Treasury

Summary of the consolidated budget					
	2024/25		2025/26	2026/27	2027/28
	Budget estimate	Preliminary outcome	Budget estimate	Medium-term estimates	
R million					
National budget revenue ¹⁾	1 815 020	1 808 485	1 949 409	2 095 369	2 229 227
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	2 040 156	2 200 828	2 354 328	2 503 224
National budget expenditure ¹⁾	2 135 967	2 144 101	2 310 730	2 403 033	2 515 626
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	2 397 771	2 578 682	2 674 547	2 807 495
Consolidated budget balance	-332 373	-357 615	-377 854	-320 219	-304 271
<i>Percentage of GDP</i>	<i>-4.5%</i>	<i>-4.8%</i>	<i>-4.8%</i>	<i>-3.8%</i>	<i>-3.4%</i>
Redemptions	-172 568	-98 620	-171 705	-151 648	-301 275
Domestic long-term loans	-132 087	-61 001	-111 357	-111 357	-274 536
Foreign loans	-40 481	-37 619	-60 349	-40 292	-26 739
Eskom debt-relief arrangement	-64 154	-64 000	-80 223	-	-
GFE CRA settlement	100 000	100 000	25 000	25 000	-
Gross borrowing requirement	-469 096	-420 235	-604 782	-446 868	-605 546
Financing					
Domestic loans	379 094	388 217	378 168	352 967	478 257
Foreign loans	36 785	67 444	98 949	80 030	96 018
Change in cash and other balances	53 217	-35 426	127 665	13 870	31 271
Total financing	469 096	420 235	604 782	446 868	605 546

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