

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER 428

DATE OF PUBLICATION: 26 FEBRUARY 2010

Mr M Swart (DA) to ask the Minister of Finance:

- (a) What was the amount of income tax revenue that has been collected from each income tax bracket (i) in the 2005-06, (ii) in the 2006-07, (iii) in the 2007-08, (iv) in the 2008-09 and (v) since 1 April 2009, (b)
- (b) how many persons fell within each income tax bracket in each of the said financial years and
- (c) what is the estimated amount of persons that will fall in each income tax bracket in the (i) 2010-11 and 2011-12 financial years?

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REPLY:

(a) and (b)

(i) 2005-06 - Actual

2005/06				
Taxable income bracket	Number of taxpayers	Tax payable (R million)		
0 - 80 000	1,576,440	3,704		
80 000 - 130 000	1,066,089	14,687		
130 000 - 180 000	498,306	13,310		
180 000 - 230 000	244,812	10,507		
230 000 - 300 000	183,201	11,688		
300 000 - and above	288,151	54,023		
Total	3,856,999	107,918		

Data based on assessments issued up to March 2009

(ii) 2006-07 – Actual

2006/07				
Taxable income bracket	Number of taxpayers	Tax payable (R million)		
0 - 100 000	1,653,788	6,165		
100 000 - 160 000	948,174	16,199		
160 000 - 220 000	379,057	12,648		
220 000 - 300 000	250,363	13,809		
300 000 - 400 000	147,625	12,783		
400 000 - and above	201,307	51,943		
Total	3,580,314	113,546		

Data based on assessments issued up to March 2009

(iii) 2007-08 - Actual

2007/08				
Taxable income bracket	Number of taxpayers	Tax payable (R million)		
0 - 112 500	1,348,163	5,615		
112 500 - 180 000	948,084	18,234		
180 000 - 250 000	392,156	14,981		
250 000 - 350 000	268,993	17,368		
350 000 - 450 000	131,618	13,184		
450 000 - and above	214,499	64,768		
Total	3,303,513	134,150		

Data based on assessments issued up to mid February 2010

(iv) 2008-09 – Actual

2008/09				
Taxable income bracket	Number of taxpayers	Tax payable (R million)		
0 - 122 000	1,317,977	6,233		
122 000 - 195 000	983,945	21,262		
195 000 - 270 000	471,777	21,643		
270 000 - 380 000	215,432	17,077		
380 000 - 490 000	113,011	13,078		
490 000 - and above	198,228	64,662		
Total	0	0	3,300,370	143,954

Data based on assessments issued up to mid February 2010

Note: Most of the Personal Income Tax (PIT) revenue collected from individuals is obtained from the payment of employees' tax (Pay-As-You-Earn) by the employer on behalf of the employee. At the end of each tax year registered taxpayers are required to submit an Income Tax return for that year. Once assessed, the return will reflect the income tax bracket into which the taxpayer is categorised. The completeness of information per tax bracket per tax year is therefore dependant on assessments that were issued for the individuals' tax year and is therefore only available after the submission of returns.

Individuals with taxable income below R60 000 per annum will not be included in the above tables as SITE¹ only taxpayers and individuals below the tax thresholds are generally not obliged to register for income tax and therefore not liable to submit tax returns. There are approximately 5 million individuals with taxable income below R60 000.

In addition, for the 2008 tax season (in respect of the 2007/08 tax year) registered taxpayers earning remuneration below R120 000 per annum, with only a single IRP5 and no additional income or deductions, were not obliged to submit returns and are therefore also not counted.

(v) 2009-10 - Estimate

It is not possible to categorise the collections for the year to date (April 2009 to February 2010) in 2009/10 income tax brackets as this can only be done at the end of the 2010 Filling Season. The table below reflects the estimated percentage distribution of taxpayers and tax payable based on current employment, wage bill, investment and business income trends:

Estimate:

2009/10				
Taxable income bracket	Number of taxpayers	Number of taxpayers	Number of taxpayers	Tax payable (R million)
0 - 132 000	132 000	40.4%		4.5%
132 000 - 210 000	210 000	29.0%		13.2%
210 000 - 290 000	290 000	11.9%		10.7%
290 000 - 410 000	410 000	8.2%		12.7%
410 000 - 525 000	525 000	3.9%		9.5%
525 000 - and above		6.6%		49.4%
Total		100.0%		100.0%

¹ Standard Income Tax on Employees

(c)

(i) 2010-11 - Estimate

The table below reflects the estimated percentage distribution of taxpayers based on current employment, wage bill, investment and business income trends:

Estimate:

2010/11		
Taxable income bracket		Number of taxpayers
0 - 140 000		41.0%
140 000 - 221 000		28.3%
221 000 - 305 000		11.8%
305 000 - 431 000		8.3%
431 000 - 552 000		3.8%
552 000 - and above		6.8%
Total		100.0%

(ii) 2011-12

Estimated percentage distribution of taxpayers for future tax years is not available as the tax brackets for 2011-12 will only be announced in the 2011 Budget.