



Finance Minister Malusi Gigaba delivered a message of restoration in his 2018 budget speech. **The main announcement that caused raised eyebrows is the first increase in VAT (tax on goods and services) in more than 20 years: from 14% to 15%.**

Gigaba also stressed the importance of reducing debt, which applies to all of us as individuals as well. Here's a brief summary of how ordinary South Africans will be affected.

### ALL OF US



The general fuel levy will increase by **52 cents** per litre.

**93 Petrol - R14.42**

**Diesel - R15.04**



The plastic bag levy has increased by **12 cents**.



A sugary drink tax will be implemented. You will pay **2.1 cents** per gram of sugar per 100ml, if above 4 grams per 100ml.

### WHAT ABOUT OUR INCOME?

Yearly taxable income (R)	Rate of tax (R)
0 – 195 850	18% of taxable income
195 851 – 305 850	35 253 + 26% of taxable income
305 851 – 423 300	63 853 + 31% of taxable income
423 301 – 555 600	100 263 + 36% of taxable income
555 601 – 708 310	147 891 + 39% of taxable income
708 311 – 1 500 000	207 448 + 41% of taxable income
1 500 001 and above	532 041 + 45% of taxable income

### WHAT ABOUT FREE EDUCATION?



An additional **R57bn** has been set aside in the medium term for fee-free higher education for lower income students. An increased figure of **R792bn** will be spent on basic education.

### THE VULNERABLE



Pensioners (75+) grant will increase to



**R1 715**



Disability grants will increase to



**R1 695**



The child support grant will be increase to



**R405**

### THE SINNERS

**Beer drinkers** will pay **14,66 cents** more for a 340ml can.

**Cider drinkers** will pay **14 cents** more for a 340ml can.

**Wine drinkers** will pay an extra **22,5 cents** per litre.

**Spirits drinkers** will pay an extra **R4.80** for a 750ml bottle.

**Cigarette smokers** will pay **R1.22** extra for a box of 20 cigarettes.

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