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Cut Your Tax Bill: Rebates and Incentives Available This Tax Season

"Next to being shot at and missed, nothing is quite as satisfying as an income tax refund." (F.J. Raymond)

SARS offers a range of rebates, incentives and deductions that can significantly reduce the tax you need to pay, if you know where to look. The challenge is knowing which ones will apply to your situation this Tax Filing Season 2026 (covering the period between 1 March 2025 and 28 February 2026) and how to claim them correctly.

We've put together handy (but by no means exhaustive) lists for individuals and businesses.

For individuals

Thanks to rebates available to taxpayers, you only start paying tax when you earn more than a certain amount. For the 2026 Tax Season, that amount is R95,750 if you are under age 65 (increased to R99,000 for the 2027 tax year). The thresholds are much higher for those aged between 65 and 75 and those older than 75. These are automatic rebates that reduce the tax you pay before any other relief is applied.

Medical scheme contribution tax credits provide a monthly rebate for the main member and first dependent, plus lower amounts per month for each additional dependent. If your medical expenses exceed a certain threshold, you may also qualify for additional medical tax credits based on your total out-of-pocket medical costs for the year.

Interest from a South African source up to R23,800 per annum is exempt from income tax when earned by any natural person under 65 years of age (R34,500 over 65) or a deceased estate.

Retirement fund contributions to a registered pension, provident or retirement annuity fund are deductible up to 27.5% of the greater of your taxable income or remuneration, calculated as per the income tax rules, capped at R350,000 per year (increased to R430,000 for the 2027 tax year). This is one of the most powerful ways to lower your tax bill while building long-term savings.

Tax-free savings accounts remain one of the simplest ways to build wealth tax-efficiently. All returns, including interest, dividends and capital gains, are 100% tax free. The annual contribution limit for the 2026 tax year was R36,000 (increased to R46,000 for the 2027 tax year), and the lifetime limit is R500,000.

If you work from home and have a dedicated home-office area used for your trade, you may be able to deduct a portion of your rent, utilities, rates and wear-and-tear on office furniture or equipment on a pro-rata basis. The rules are specific, and there are potential downsides to claiming, so professional guidance is recommended.

Donations to section 18A-approved organisations are deductible up to 10% of taxable income calculated in accordance with legislation. Any excess is carried forward to the following tax year.

For businesses

Small Business Corporations (SBCs) benefit from tax relief including immediate write-off of qualifying new plant or machinery, significantly reducing taxable income in years when you invest in equipment, as well as a wear-and-tear or accelerated allowance on other depreciable assets and a progressive tax rate that can deliver substantial savings for qualifying smaller businesses.

Micro businesses (turnover of R1 million or less, upped to R2.3 million for 2027) may qualify for a simplified turnover tax, instead of the usual taxes payable by companies, such as income tax, provisional tax and Capital Gains Tax (CGT).

There are also specific accelerated depreciation allowances for manufacturing and other assets used in the production of renewable energy.

Employers who register SETA learnership agreements qualify for additional tax deductions beyond the actual training cost, reducing taxable income while building skills.
Qualifying research and development costs are 150% deductible, with accelerated depreciation on R&D machinery and capital assets.

Other deductions worth noting include the Urban Development Zone allowance, the Special Economic Zones incentive offering a reduced corporate tax rate of 15%, and a potential accelerated building allowance for new and unused buildings and improvements to a building at 10% of cost per year. Business owners aged 55 or older might also qualify for a capital gains exemption when selling a business.

Do you qualify?

These are just some of the rebates, deductions and incentives available for the 2026 Tax Season. The difference between a good tax outcome and a great one often comes down to knowing which relief measures apply and how to claim them correctly. Our team stays on top of every change, so you don't have to.

National Wills Month: Do You Have a Business Will?

> ***"True leadership is measured by what happens after you die." (Myles Munroe)***

Most business owners believe that their personal will has the business covered too, but that's usually not the case.

First things first, your valid, updated Last Will and Testament (i.e. your personal will) **must** clearly state your instructions regarding the distribution of your business assets in your estate, be they company shares, member interest, or 100% of a sole proprietorship. Without this, your business assets will be distributed under the rules of intestate succession.

But that's not the end of the story…

Firstly, the actual transfer of ownership in a business, even as dictated in a valid, updated personal will, remains subject to the company's structure and its governing documents. If the company's Memorandum of Incorporation ("MOI") or Shareholders' Agreement includes specific rules for the transfer of shares upon death, these rules must be followed.

Secondly, a "business will", commonly called a shareholder's agreement, a buy-and-sell agreement, or succession plan, is essential. It focuses specifically on the company's success when you or other partners or shareholders are no longer there.

It should answer questions like who steps in to run things, who is entitled to buy shares, and at what price. And it typically includes insurance to cover the costs of appointing key people and the agreed share sales price when the time comes.

Why you need one…

Having a properly structured (and regularly updated) business will is important because:

- It prevents operational paralysis when the owner is no longer there. Without a clear plan, bank accounts can be frozen, signing authorities revoked, and employees left stranded without leadership.
- It helps to prevent family and partner conflict by eliminating guesswork between grieving family members who inherit paper value and business partners who need operational control.
- It secures fair valuation and liquidity, working with funding mechanisms like life insurance to ensure your estate receives fair market value for your shares immediately, rather than forcing a fire sale.
- It protects your legacy by ensuring the core vision, values, and strategic direction you built are smoothly transitioned to chosen successors.

And why you need to update it regularly

Having an up-to-date business will keeps your business positioned to take advantage of changing tax legislation. A current example is the increased capital gains tax (CGT) exemption for small business owners aged 55 and older who sell their businesses. For many business owners, the sale of their business is their primary retirement asset. The increased CGT exemption means more business owners now qualify for meaningful tax relief when they exit. The exemption is determined on an asset-by-asset basis, and each asset must have been held continuously for at least five years before disposal.

A well-structured and continuously updated business will ensures your succession plan aligns with these conditions so that you and your estate can benefit from the relief available.

Types of business wills

- A **shareholders' agreement** can impose conditions on the transfer of shares, often taking into account the interests of the remaining shareholders, such as restrictions and approvals on transfer, pre-emptive rights and forced buyouts. Please note that the shareholders' agreement must comply with the Companies Act and be consistent with the company's MOI.
- A **buy-and-sell agreement** is sometimes referred to as a "business will" because it allows business owners to govern the relationship between the respective shareholders and to outline who will take over their shares in the business and at what price in the event of their death or retirement.
- A **succession plan** is a strategic business process to ensure continuity by preparing contingency plans for when key people in critical roles leave, retire, or pass away. It's a good idea to include "key man" insurance to cover the costs involved.

Protect your business and your family

To circumvent the problems created by cash shortfalls, business owners are also encouraged to have personal investments outside of the business. A retirement annuity may be a sensible option since its proceeds generally enjoy significant protection from creditors, although access to the funds is restricted and they should not be regarded as a source of immediate liquidity. A life policy specifically structured to cover business debts can also make a significant difference.

The key is to work with financial, tax and legal advisers who understand the full picture. A business will that is reviewed and updated regularly – particularly when tax legislation changes, business value shifts, or ownership structures evolve – ensures your plan remains implementable and your beneficiaries are not left with a document that no longer fits the reality of your business. **The cost of professional advice is small compared to the cost of getting it wrong.**

The time is now

National Wills Month is the ideal time to review whether your business is properly protected – and whether your existing plan is still fit-for-purpose.

Our team is ready to review your estate planning, your personal will and your business succession and exit strategy. We will help you structure a plan that protects what you have built.

Some Companies are Going Back on Automation. Should you?

“The future of business isn't about doing more with less. It's about doing what matters with more intention, alignment, and flow.” (Chais Meyer, business founder and consultant)

We all read the brochures. Automation was going to offer us a future where laborious and repetitive tasks were all handled instantly without human intervention. Jobs that used to take weeks would now take hours. Businesses rushed to automate every task they could in search of this promised utopia of lower wage bills and greater efficiency. But now, just a few years later, retailers are reopening staffed tills, customer-service teams are restoring human support, and executives are rethinking whether every process should be handed to software.

Is it time for your business to go back on automation? Here are the signs.

Customers keep asking for human help

One of the clearest warning signs is persistent demand for human help. According to HubSpot and SurveyMonkey, 53% of consumers actively dislike or hate AI in service interactions, and 82% would still prefer human support even if the outcome and waiting time were identical. Five9 separately found that 86% of consumers rate empathy and human connection as more important than speed. For businesses, that matters because automation often looks efficient internally while feeling obstructive externally. If customers repeatedly seek an employee after going through a bot, menu or self-service loop, the system may be reducing convenience rather than improving it.

Your conversion percentages have been falling

In some settings, the mere presence of a human fallback improves commercial outcomes. A Management Science study examining a credit union’s self-service loan-approval process found that inviting customers to connect with a human loan agent increased the uptake of approved loans by 24%. Crucially, very few customers actually used the option, they just liked having it there. The finding suggests that access to human support can reduce anxiety, improve trust and make customers more comfortable completing important decisions. For firms operating in finance, healthcare, education, legal services or any emotionally charged sector, full automation may damage performance even when the process appears technically sound.

Your staff spends their time rescuing broken journeys

Automation often fails by pushing complexity downstream to employees. Payments service Klarna became one of the most visible examples of that correction. After loudly promoting an AI assistant that handled large volumes of customer chats, the company later moved to bring more people back into customer service, because, as its spokesperson put it, AI brings speed while people bring empathy.

If you find your team members are constantly stepping in to correct chatbot confusion, soothe irritated customers or solve exceptions the system cannot handle, not only is automation not saving work, it’s ruining your relationship with your customers as well.

Shrinkage, theft or abandoned sales

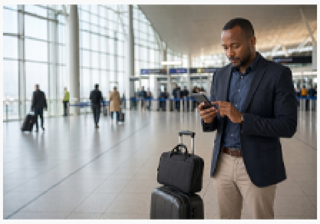
Retail offers perhaps the clearest example of automation being scaled back for hard commercial reasons. NBC News reported that Dollar General eliminated self-checkout at about 12,000 stores, and Five Below removed it in some high-risk locations. The common thread was not nostalgia for staffed tills; it was concern over shrinkage, scanning errors, and difficult customer experiences. While your business might be saving on staffing, if it’s losing margin through mistakes, misuse, walkaways or required oversight, the costs are simply being reallocated.

Is your business better?

In routine, low-stakes tasks, automation can be enormously useful. But where trust, nuance or reassurance matter, evidence increasingly shows that businesses need visible human support. The companies rethinking automation simply recognise that efficiency only counts when it improves the customer experience and frees people up to do higher-value work. If it damages trust, degrades quality or creates hidden costs, it is not smart automation at all.

Ultimately, the question to ask yourself is not whether a task *can* be automated, but whether the business improves after it is. It’s vital that after a move to automation, you keep a keen eye on the numbers. As your accountants, we can help.

SARS Moves Traveller Declarations Online



“In my travels across the globe, I've come to believe that Franz Kafka wasn't writing fiction but rather a traveller's guidebook.” (Ned Donovan)

South Africans and foreigners crossing our border (on arrival and departure) are now required to complete one more step before they travel: an online declaration to SARS covering goods, cash and other items in their possession. The system, which is already in place across South Africa’s air, land and sea borders, became compulsory from 1 July 2026 and is part of a broader push to digitise customs controls and tighten oversight at the border.

A flurry of conspiracies

Since the announcement, social media has been flooded with conspiracy theory videos alleging ulterior motives. But the documentation released by SARS reveals travellers need not fear: this new requirement is not an income-tax filing in disguise. The available guidance makes clear that it is a customs measure aimed at simply improving how travellers declare goods, currency and other regulated items when entering or leaving the country.

So, what’s really going on?

SARS says the online process replaces much of the old manual declaration system and is intended to make compliance easier, create a smoother traveller experience and strengthen risk management at ports of entry. In practice, that means customs officials receive information earlier and can respond before a traveller reaches the inspection point.

The system asks travellers to submit their details before travel, including passport information, travel plans, contact details and the names of companions. Adults must also complete declarations for children or infants travelling with them. Once the form is submitted, the traveller receives an electronic confirmation by email. That confirmation must be kept on a mobile phone or printed out, and it contains instructions on what to do at the port of entry or departure. Travellers arriving in South Africa are directed through customs according to those instructions, while departing passengers may be told whether they need to report to customs before leaving.

When will it impact you?

For businesspeople and frequent travellers, the commercial significance lies in what must be declared. Ordinary personal belongings such as clothing, a phone or a laptop for personal use do not need to be listed. But goods above duty-free thresholds, items intended for resale or business use, and cash above the legal limits do. The guidance provided in the source material states that goods with a value up to R5 000 per person are duty-free, while goods above that level may trigger duty and VAT, with normal customs duty and VAT applying above R25 000. Cash above R100 000 must also be declared.

The rules haven’t changed, the method of declaration has. A traveller returning with expensive goods, a businessperson carrying samples, or an entrepreneur moving stock across the border may all face duties, VAT or reporting obligations depending on what they are carrying. The online declaration gives SARS a digital record in advance and gives travellers a clearer process to follow.

Tried and tested

SARS says the system was first piloted at OR Tambo, Cape Town International and King Shaka airports in 2022 before being expanded nationally. The message to travellers is straightforward: border declarations have moved online, and failing to declare goods or giving false information could lead to delays, penalties or the seizure of goods. For anyone crossing South Africa’s borders, customs compliance is now a digital-first process.

Your Tax Deadlines for September 2026

- 07 September: PAYE submissions and payments
- 19 September: Start of Trust Filing Season 2026
- 25 September: VAT manual submissions and payments
- 29 September: Excise duty payments
- 30 September:
  - VAT electronic submissions and payments
  - PIT Provisional Tax payments
  - CIT Provisional Tax payments where applicable
  - End of the 2nd fiscal quarter.

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