

Tax & Benefits Overview

1. Tax Brackets

Income Range (R)	Tax Rate (%)
0 - 195,850	18%
195,851 - 305,850	26%
305,851 - 423,300	31%
423,301 - 555,600	36%
555,601 - 708,310	39%
708,311+	41%

- **Tax Calculation Example:**
 - If someone earns **R8,000 p/m**, they fall under the **first tax bracket**.
 - Tax deduction = **R8,000 * 18% = R1,440** (annual tax: **R17,280**).

2. Benefits

Benefit	Rate	Eligibility Criteria	Amount/Percentage
Pension	7.5%	All employees	7.5% of salary
Medical Aid	5%	All employees	5% of salary
UIF (Unemployment Insurance Fund)	1%	All employees	1% of salary
Birthday Bonus	R500	Employee's birthday month	R500
Union Fee	R150 (optional)	If employee joins a union	R150, deducted if selected

3. Tax and Benefit Calculation Logic

- **Tax Calculation:** Based on monthly income, refer to the applicable tax bracket.

- **Pension:** Deduct 7.5% of the employee's salary.
- **Medical Aid:** Deduct 5% of the employee's salary.
- **UIF:** Deduct 1% of the employee's salary.
- **Birthday Bonus:** R500 bonus applied if the employee's birthdate matches the current month.
- **Union Fee:** Optional, deducted if the employee chooses to join a union.