

TAX DEDUCTION VERSUS TAX CREDIT

Tax deduction in 2011/12 tax year*		Monthly tax saving per marginal rate of tax				
Annual	Monthly	18%	20%	25%	30%	40%
R5 280	R440	R79	R88	R110	R132	R176
R8 640	R720	R130	R144	R180	R216	R288
R17 280	R1 440	R259	R288	R360	R432	R576
R22 560	R1 880	R338	R376	R470	R564	R752
R27 840	R2 320	R418	R464	R580	R696	R980
R36 000	R3 000	R540	R600	R750	R900	R1 200
R41 460	R3 455	R622	R691	R864	R1 037	R1 382
R48 000	R4 000	R720	R800	R1 000	R1 200	R1 600

Saving if medical tax credit is 30 percent of current rand deductions.

* For taxpayers under 65 years of age.

SOURCE: NATIONAL TREASURY