



Total Tax Contribution of the South African banking sector 2024

March 2026



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Foreword

Message from PwC

South Africa's banking sector is a cornerstone of fiscal resilience. It provides a stable tax base and is a critical intermediary in the flow of taxes to government. A decade of tax transparency research in South Africa has shown that companies able to clearly communicate their tax story build stakeholder trust and demonstrate a commitment to ethical business practices and sustainable development. This Total Tax Contribution (TTC) study, undertaken in partnership with the Banking Association of South Africa (BASA) for the first time, is an important milestone in establishing transparent, standardised, and comparable insights into the fiscal footprint of major South African banks, forming the basis for future joint studies.

PwC's TTC Framework enables organisations to quantify and report the full spectrum of taxes borne and collected—and to communicate their economic contributions clearly to stakeholders. This framework is designed to be accessible to non-tax audiences while maintaining the rigour required for policy engagement and industry benchmarking.

This report provides a data-driven perspective on the breadth and depth of the financial contribution of the eight banks that participated in this study, which collectively amounted to R90.45bn in FY2024. While the study focuses only on eight institutions, the findings nonetheless demonstrate how these banks support government revenue, enable essential public services, and underpin broader economic growth.

Insights from PwC's 29th Global CEO Survey reinforce the relevance of this work. The 2025 results show that 81% of CEOs in Africa expect economic conditions to improve in their territory, yet many simultaneously recognise the accelerating risks associated with technological disruption. This dual reality—optimism coupled with an urgent need for reinvention—underscores the importance of a modern, efficient, and fair tax system, and the value of a transparent fact base, such as that provided through this TTC study.

PwC is proud to partner with BASA, and the participating banks, to deliver this assessment. We trust that the findings will support constructive dialogue between industry, policymakers, and stakeholders as South Africa navigates ongoing economic complexity and works towards a more resilient, competitive, and inclusive financial sector.

Message from BASA

The Banking Association South Africa welcomes this TTC study, which marks an important milestone in strengthening transparency and reinforcing the sector's commitment to South Africa's social and economic development. Banks play a foundational role in supporting households, businesses, and the broader economy—through financial intermediation, innovation, employment, and long-term investment while consistently contributing to public finances through both taxes borne and taxes collected on behalf of government.

The findings of this study highlight that South African banks are among the most significant contributors to national revenue, reflecting not only corporate income tax, but also the wider network of employment, consumption, property, and regulatory taxes. This data-driven perspective provides a clearer understanding of the breadth and depth of the sector's fiscal footprint and offers a powerful foundation for evidence-based policy engagement and regulatory alignment.

This report provides a transparent and comparable analytical view of the sector's contribution at a time when constructive dialogue between industry, the National Treasury, SARS, regulators, and wider stakeholders is essential. BASA looks forward to continued collaboration to support a stable, competitive, and forward-looking financial services sector that enables economic growth and advances South Africa's development objectives.



South Africa fiscal footprint

TTC in FY2024:
(TTC methodology):

R90.45bn

Taxes administered via TPAs
in FY2024:

R5.40bn

Total SA fiscal footprint in
FY2024:

R95.85bn

Executive summary

South Africa's major banks play a foundational role in fiscal stability and tax administration.

Eight participating banks contributed R90.45bn in TTC in FY2024—equivalent to 4.88% of total government tax receipts and 1.24% of national GDP—a substantial fiscal footprint delivered by less than one-third of BASA's members. In the South African context, banks also perform a significant tax-administration role on behalf of SARS. When taxes administered through third-party appointments are included, the sector's total fiscal footprint rises to R95.85bn—reflecting a broader contribution that extends beyond the global PwC TTC methodology:

- **Composition:** 37.21% of TTC was taxes borne (direct cost to banks), and 62.79% was taxes collected on behalf of government.
- **Scale as tax intermediary:** People taxes (borne and collected) are the largest single component (38.50% of TTC), with 95.42% of these collected via payroll systems—evidence of banks' role in channelling employment-related revenues efficiently to SARS.
- **Tax intensity:** Taxes borne and collected together equate to 23.42% of sector revenue. Put simply, for every R100 of revenue, R23.42 goes to the fiscus.
- **Economic value generated:** Banks generated R260.01bn Gross Value Added (GVA) representing 3.92% of the national GVA of R6.63tn and 16.72% of the finance, insurance, real estate, and business services sector's GVA. Over one-third of the banking sector's value creation is channelled to public finances through taxes borne and collected.¹
- **Economic value distributed:** Banks distributed R255.38bn across three key stakeholder groups. For every R100 of value created, R49 flowed to employees, R36 to government, R15 to shareholders/retained earnings.
- **Other payments to government:** Banks paid a further R3.4bn in regulatory levies—dominated by the Corporation for Deposit Insurance (91.10%)—underscoring cash outflows to public institutions beyond taxes.
- **Compliance burden:** Banks spent R589.3mn on tax compliance (equivalent to 0.65% of TTC), requiring 503,309 hours (≈242 Full Time Employees (FTEs)). Costs were driven by internal staff (61%), external advisors (17%), technology (12%), penalties (8%), and disputes (2%).
- **Third party appointments (TPAs):** In addition to TTC, banks are appointed as agents to perform tax administration functions on behalf of the revenue authority, adding a further R74.8mn in costs, while collecting R5.40bn via IT88 notices.

What this means for stakeholders

- **Government and policymakers:** The sector is an efficient tax channel and a stable revenue source; policy stability and administrative simplification amplify fiscal throughput without eroding competitiveness.
- **Investors:** Total Tax Rate (TTR) (27.03%), Effective Tax Rate (ETR) (21.51%), and cash tax (21.14%) show tax costs extend beyond CIT (irrecoverable VAT, levies, payroll-related charges).
- **Banks and management:** TTC data is now a strategic asset for board-level engagement, investment decisions, and stakeholder dialogue (e.g., 87.5% of banks use TTC in interactions with policymakers' and SARS engagement; 75% for investment decisions).

Purpose of this report

This report provides a transparent, comprehensive, and standardised assessment of the TTC of the South African banking sector. It aims to support constructive dialogue with policymakers, regulators, and stakeholders by quantifying the full fiscal contribution of banks—beyond corporate income tax—including people taxes, VAT, property and production taxes, environmental taxes, and other payments to government.

Methodology

This study applies the PwC TTC Framework to quantify and report the full spectrum of taxes borne and collected by participating banks. It covers five tax bases—profit, people, product, property, and planet—and uses cash-paid data from South African banking operations only. All data has been anonymised and aggregated by PwC. Full details on the methodology, data sources and limitations, are provided in Appendix A.

Scope and participation

Eight leading South African banks participated in this TTC study, representing R1.63tn in market capitalisation—equivalent to 8.50% of the JSE, as at 31 December 2024. Seven of the eight banks are included in the JSE Top 100, where they collectively contributed 9.25% of total Top 100 market capitalisation and 64.86% of financial services companies within that index. Although only 8 member banks of BASA participated in the study, they are generally regarded as the major players in this sector, both in terms of their economic presence and TTC.

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TTC relative to the national economy**1.23%**

TTC contributed to the main budget tax-to-GDP ratio

4.88%

TTC as % of government tax revenue

TTC relative to the banking sector**5.81%**

TTC as % of financial services sector GVA

34.79%

TTC as % of participating banks GVA

Cost of delivering TTC**0.65%**

Cost of compliance as a % of TTC

Total Tax Contribution of the South African banking sector

Fiscal context

The eight participating banks collectively represent almost two-thirds of the financial services sector on the JSE and made a significant fiscal contribution of R90.45bn, equivalent to 4.88% of total government tax revenue in 2024. This highlights their exceptional fiscal productivity.

Headline contribution

TTC is split into taxes borne and taxes collected.

Taxes borne as % of TTC		Taxes collected as % of TTC		Total TTC
R33.66bn (37.21%)	+	R56.79bn (62.79%)	=	R90.45bn

Figure 1: Scale and composition of TTC of the eight participating banks

Building on this headline contribution, the banking sector's tax performance continues to demonstrate its strategic importance to South Africa's public finances. The scale and composition of the TTC highlights the sector's resilience and its ability to sustain meaningful fiscal support even in a low-growth, high-pressure economic environment.

Beyond the direct revenue implications, these tax contributions reinforce the sector's role in underpinning fiscal stability. Banks remain among the most reliable and consistent contributors to the national revenue base, helping to fund critical public priorities such as infrastructure investment, social spending programmes, and debt-servicing obligations. Their sustained fiscal contribution ensures that the broader public finance system can absorb economic shocks while maintaining essential government functions. The banking sector serves as a crucial pillar of the nation's economy, emphasising their commitment to economic stability and growth.

The banks alone contributed about 1.23% to the 25.1% main budget tax-to-GDP ratio, signifying their outsized importance to fiscal sustainability.²

Total Annual TPA Costs:

R74.8mn

Total Collected via IT88:

R5.40bn

Total taxes borne:

R33.66bn

Total taxes collected:

R56.79bn

Total taxes borne by the eight participating banks compared to TTC:

37.21%

The hidden cost of tax administration

Banks collected R5.40bn in outstanding tax debt on behalf of SARS through third-party appointments (IT88 notices) in FY2024, at an administrative cost of R74.8mn. These costs are borne entirely by the banks, with no compensation from SARS.

For every R100 collected via third-party appointments (TPAs), banks spend R1.39 on compliance costs.

All eight participating banks report that acting as tax collection agents for SARS has significantly increased compliance costs—yet these costs remain hidden, absorbed within existing staff duties rather than tracked as dedicated functions.

Taxes borne vs collected

The eight participating banks paid R33.66bn in taxes directly but collected a substantially larger R56.79bn on behalf of government, underscoring their dual role as both taxpayers and major tax intermediaries.

The following sections explore the composition and significance of each element in greater detail.

Taxes borne

The banking sector’s direct tax contribution reflects taxes paid from their own profits and operations, underscoring the sector’s role as a substantive contributor to the national revenue base. In FY2024, taxes borne totalled R33.66bn, accounting for 37.21% of total TTC. This demonstrates that participating banks are not only intermediaries collecting Pay-as-you-earn (PAYE taxes) on behalf of the state but also significant taxpayers in their own right.

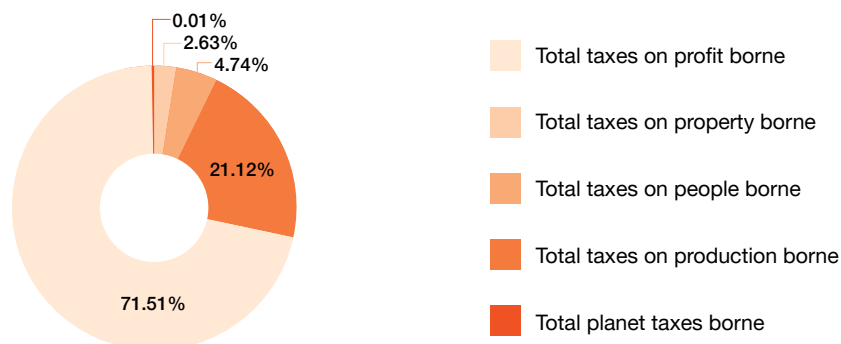


Figure 2: Profile of taxes borne by the eight participating banks broken-down by tax type

Profit taxes were the largest component of taxes borne, totalling R24.07bn (71.51%). This is driven predominantly by corporate income tax, with withholding taxes making up the balance. This reflects the sector’s strong profitability and its significant direct contribution to the fiscus.

Production taxes formed the second-largest category, amounting to R7.11bn (21.12%). These were driven overwhelmingly by irrecoverable VAT, with marginal contributions from customs duties, the air passenger levy, fuel levy, and vehicle licence fees—illustrating the operational tax costs embedded in banks’ day-to-day activities.

People-related taxes totalled R1.59bn (4.74%), while modest in scale, reflect the sector’s labour-force obligations through payroll-based contributions such as the Skills Development Levy (SDL), Unemployment Insurance Fund (UIF), and COIDA fees.

Property-related taxes amounted to R885.41mn (2.63%), comprising municipal property taxes and Securities Transfer Tax arising from property ownership and transactional activity.

Planet taxes were minimal, at R1.82mn (0.01%), split between Carbon Tax and the Electricity Levy. While small in value, these are expected to grow as sustainability and climate-related policies mature in the country.

Taxes collected

The banking sector’s indirect tax contribution reflects the substantial volume of transactional taxes that banks administer on behalf of the government. In FY2024, the eight participating banks collected R56.79bn in taxes, representing 62.79% of total TTC. This underscores the sector’s critical role in supporting the tax administration system and the significant compliance and operational responsibilities associated with these collection activities.

Total tax collected by the eight participating banks:

R56.79bn

Total taxes collected by the eight participating banks compared to TTC:

62.79%

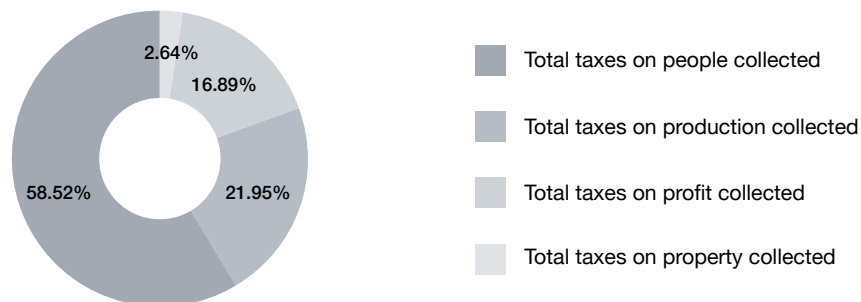


Figure 3: Profile of taxes collected by the eight participating banks broken down by tax type

People-related taxes formed the largest share of taxes collected, totalling R33.23bn (58.52%), driven overwhelmingly by PAYE, with a smaller contribution from UIF. This highlights the banking sector’s critical role in mobilising employment-related revenues for the fiscus.

Production taxes were the next-largest category, amounting to R12.47bn (21.95%), entirely related to VAT collections. This reflects the high volume of taxable transactions processed through banks as part of day-to-day customer activity.

Profit-related taxes collected totalled R9.59bn (16.89%), made up primarily of Dividends Withholding Tax, underscoring the sector’s central role in administering capital-market-related tax flows on behalf of clients and investors.

Property-related taxes contributed the smallest share, at R1.50bn (2.64%), consisting entirely of Securities Transfer Tax and reflecting banks’ function in facilitating securities and property transactions.

Other payments to government

Beyond taxes, the eight participating banks made R3.40bn in other payments to government in 2024. Although not classified as taxes, these payments represent significant cash outflows that support regulatory oversight, financial system stability, and depositor protection. They form an important part of the sector’s broader fiscal contribution.

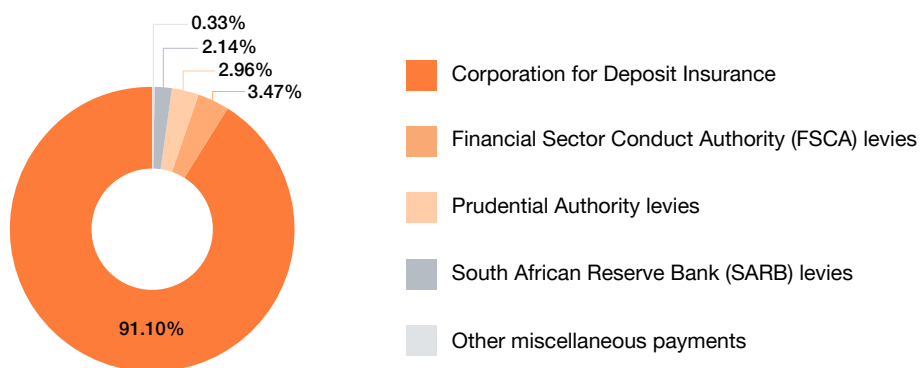


Figure 4: Banking sector related fees profile of the eight participating banks

Deposit insurance contributions

The largest component—R3.10bn (91.10%)—went to the Corporation for Deposit Insurance, reflecting the critical role of deposit protection in maintaining trust and safeguarding customer funds across the financial system.

Regulatory levies

Banks also paid regulatory levies to support financial oversight and consumer protection:

- **FSCA levies:** R118.09mn (3.47%)
- **Prudential Authority levies:** R100.76mn (2.96%)
- **SARB levies:** R72.71mn (2.14%)

These payments fund supervision, prudential regulation, market conduct monitoring, and alignment with central banking mandates.

Other payments

Miscellaneous payments of R11.34mn (0.33%) were made to government entities for specific regulatory or administrative requirements.



Key ratios and tax metrics

The tax and economic performance of the eight participating banks in 2024 is reflected across a suite of indicators, including their total contribution across three major government tax revenue categories, the Total Tax Rate (TTR), Effective Tax Rate (ETR), cash tax rate, tax intensity, and GVA. Together, these measures provide a holistic view of the sector's fiscal footprint, profitability, and broader economic contribution.

Total contribution across three major tax categories

Profit taxes borne and collected as a % of government income tax revenue:

10.56%

People taxes borne and collected as a percentage of government personal income tax revenue:

4.60%

VAT borne and collected as a % of VAT government revenue:

4.25%

Together, the participating banks contributed R87.95bn in taxes borne and collected across three tax categories, equating to 5.74% of total government tax revenue of R1.53tn.³ This highlights a material contribution from the banking sector across these key tax categories.

Tax rates

TTR:

The TTR measures the full tax burden on banks by comparing all taxes borne to Profit Before Total Taxes Borne (PBTB).

At 27.03%, the participating banks paid roughly R27 in taxes for every R100 of profit before taxes, including corporate income tax, irrecoverable VAT, payroll levies, property taxes, and other operational taxes.

ETR

The ETR, which focuses solely on total corporate income tax (current and deferred) relative to reported profit before tax, averaged 21.51% in 2024—down from 23.74% in 2022 and 22.19% in 2023.⁴ The effective tax rate remained broadly stable over the 3-year period. This consistency indicates a steady underlying tax profile, with year-on-year movements largely reflecting normal timing differences and changes in profit mix rather than structural shifts in tax contribution.

TTR in FY2024:

27.03%

ETR in FY2024:

21.51%

Cash tax rate in FY 2024:

21.14%

TTC as a % of revenue:

23.42%

GVA in FY 2024

R260.0bn

Although the ETR captures only income-tax-related charges, it reflects tax-exempt income, deductions and incentives, which together influence the gap between the statutory and effective tax rate.

Cash tax rate

The cash tax rate, which measures actual cash taxes paid relative to pre-tax profit, was 21.14% in 2024. This rate excludes non-cash tax adjustments and non-income taxes.

The cash tax rate complements ETR by providing stakeholders with visibility of both the accounting tax expense and actual cash tax payments. While the ETR is based on accrual accounting, the cash tax rate reflects real cash outflows to tax authorities.

The importance of cash tax rates has been reinforced by recent global tax developments, including the OECD's Pillar Two framework, which emphasises jurisdictional cash effective tax rates as part of the global minimum tax regime.

Tax intensity

Tax intensity is a measure of the proportion of the sector's revenue ultimately collected as tax. The banking sector's TTC—taxes borne and taxes collected—amounted to 23.42% of total revenue of the eight participating banks (R386.21bn).

Put simply, the participating banks paid or collected R23.42 in taxes for every R100 of revenue generated.

Economic value created

South Africa's major banks create a huge amount of economic value through skilled employment and strong profitability—making banks both economic and fiscal anchors during slow-growth conditions.

The eight participating banks added R260.01bn in GVA to the economy in 2024, contributing:

- 16.72% to the finance, insurance, real estate, and business services sector GVA of R1.56tn
- 3.92% to national GVA of R6.63tn

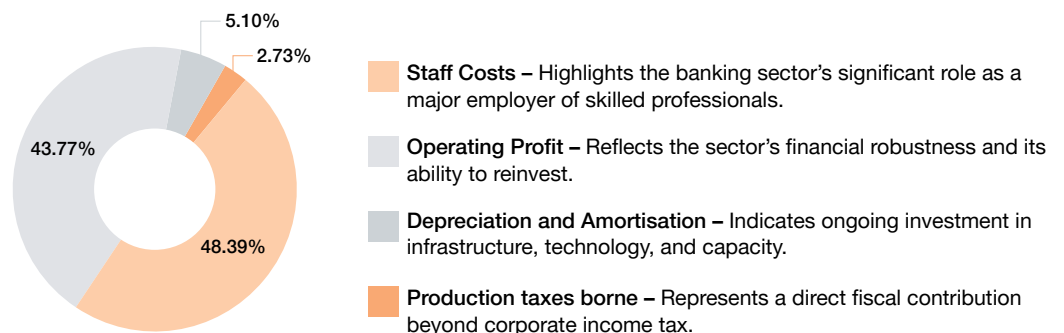


Figure 5: Breakdown of eight participating banks GVA

This structure reflects a labour-intensive, high-skill sector with strong profitability and sustained investment in technology, infrastructure, and capacity.

Linking TTC to GVA

These metrics demonstrate:

Taxes borne as % of GVA:

12.95%



Taxes collected as % of GVA:

21.84%



TTC as % of GVA:

34.79%



This means that for every R100 of value created by the participating banks, R34.79 was directed to government through taxes borne, taxes collected, and other payments.

- A substantial tax burden, including income tax, irrecoverable VAT, payroll levies, and regulatory fees.
- A critical intermediary function, with banks remitting significant taxes linked to employees, customers, and supply chains.
- A large share of economic value flowing directly to public finances at a time when GDP growth was muted at 0.6%.



Sector landscape and economic context

Macroeconomic environment

South Africa's economy demonstrated resilience in 2024 despite persistent global and domestic pressures. Real GDP growth reached 0.6%, with expectations of a gradual improvement to 1.4% by 2025, although the outlook remained constrained by logistics bottlenecks, policy uncertainty, elevated borrowing costs, and subdued global demand.⁵

Growth was uneven across sectors. The finance, real estate, and business services sector was the strongest performer, expanding 3.5% and contributing 0.8% to overall GDP—more than the total national growth rate.⁶ Personal services and the electricity, gas, and water sectors also recorded moderate gains, signalling incremental improvements in essential infrastructure and service delivery.

In nominal terms, GDP rose to R7.3tn, an increase of R312bn (4.5%) from 2023. The finance, insurance, real estate, and business services sector grew by R79bn, reinforcing its central role in sustaining economic activity. GVA at basic prices reached R6.63tn, with the South African banking sector contributing R1.56tn.⁷

Domestic demand remained relatively firm, supported by consumption and investment, although the strong net-export gains seen in 2024 were expected to moderate. Inflation continued to ease, reflecting earlier monetary policy actions and lower fuel and food prices. By late 2025, the inflation target was revised to 3%, a milestone indicating improved policy credibility and stabilising investor confidence.⁸

Government's fiscal strategy remained focused on stabilising debt by 2025/26 while prioritising infrastructure investment as a catalyst for long-term growth, competitiveness, and job creation.

Government revenue performance

For the 2024/25 fiscal year, SARS recorded R1.86tn in net revenue collections, underscoring the strength of South Africa's diversified tax base:

- Personal Income Tax (PIT): 39.34% (R729.9bn)
- Value-Added Tax (VAT): 24.68% (R457.7bn)
- Corporate Income Tax (CIT): 17.18% (R318.7bn)⁹

These three tax categories accounted for 81.20% of total revenue. The tax-to-GDP ratio increased to 25.1%, up from 24.5%, signalling that revenue growth outpaced economic growth—supported by enhanced tax administration and strengthened levels of compliance.¹⁰

Regulatory and policy environment

The sector continued to operate within a robust prudential framework shaped by Basel III, the SARB's regulatory standards, and ongoing refinements to national tax policy. Banks upheld strong capital and liquidity reserves, while meeting stringent conduct, rigorous consumer protection, anti-money laundering, and data privacy requirements. As inflation pressures eased, interest rates remained elevated, and growth subdued, prompting banks to balance resilience with support for the economy. Banks also embraced transformation mandates to promote equitable ownership and skills development under the Financial Sector Code, while adapting and responding to rising expectations in digital innovation, cybersecurity, and climate-related financial risk management.

The changing tax landscape

The tax environment evolved as South Africa progressed implementation of the OECD's Pillar Two global minimum tax. This change means banks require enhanced systems and data to support intricate Global Anti-Base Erosion (GloBE) calculations and filing for in-scope groups. South Africa has aligned with the global BEPS 2.0 framework, while SARS continued to intensify compliance through more rigorous audits, data matching, and digital processes.

These combined global and local pressures have led to a big rise in compliance costs. Banks are now channelling significant human and financial resources to manage this complex regulatory environment, making tax considerations a key business priority.



Banking sector's broader economic contribution

South Africa's banking sector economic contribution is far beyond taxes. It significantly impacts the economy by creating jobs, offering competitive wages, and providing skilled employment opportunities. With a broad national presence, it ensures access to credit and financial services for many. The sector invests heavily in technology, payments and market infrastructure, and robust risk management, which are critical enablers of business expansion, household investments, and the efficient functioning of capital markets. Together, these elements highlight the sector's vital role in fostering economic participation, supporting livelihoods, and underpinning growth, especially in a challenging economic climate.

Economic value distributed

The participating banks distributed value across key stakeholder groups, with employees, government, and shareholders all benefiting meaningfully from sector activity—and more than one-third of that value ultimately flows to government through taxes borne and collected.

- 148,427 employees received the largest share, with R125.82bn in wages and salaries (net of employment taxes), accounting for 49.27% of total value distributed. This reflects the sector's significant employment footprint and its role in sustaining household income and economic activity.
- Government received 35.42% of total value, primarily through R90.45bn in taxes borne and collected, alongside R3.4mn in other regulatory payments. This substantial fiscal contribution underscores the banking sector's central role in supporting public finances and national development priorities.
- Shareholders and reinvestment accounted for the remaining 15.31%, with R39.11bn distributed through dividends or retained to fund future growth, innovation, and resilience.

Taken together, the distribution of value shows how contributions are shared across stakeholder groups.

For every R100 distributed by the participating banks:

- R49 went to employees
- R36 went to government
- R15 went to shareholders/reinvestment

Employees

49.27%

Government

35.42%

Shareholder and
reinvestment

15.31%

This balanced distribution reflects the sector's meaningful support for fiscal sustainability, employment, and long-term economic growth.

A deep dive into employment

The 148,427 people employed by the participating banks represent 1.27% of South Africa's formal non-agricultural workforce.¹¹

Employment taxes (borne and collected) totalled R34.83bn including R32.88bn in PAYE collected alone. This means the participating banks contributed 4.60% of all government revenue from personal income tax—over three times their share of national employment. Average employment taxes per employee were R234.632, underscoring the sector's significant role in channelling labour-market taxation to the fiscus.

People taxes remained the largest component of TTC, representing 36.74% of the total contribution. Notably, 95.42% of these taxes were collected through payroll systems, highlighting banks' efficiency as a payroll intermediary for SARS and their critical role in supporting South Africa's social protection system.



Infrastructure, innovation, and enterprise development

South Africa's banking sector contributes to the economy not only through tax payments and intermediation, but also through sustained investment in infrastructure, innovation, and enterprise development. These activities strengthen the resilience of the financial system, support transformation, and generate economic spillovers across multiple sectors.

Investment at a glance

Total additions:

R14.04bn

Disposals:

R3.77bn

Capital investment:

R10.27bn

Research and Development (R&D) expenditure:

R472.76mn

Partners in growth: Supplier and Small and medium sized enterprise (SME) count:

42,926

Capital investment

In 2024, the eight participating banks made a combined R14.04bn in capital additions, offset by R3.77bn in disposals, resulting in a net capital investment of R10.27bn. These investments expanded and modernised operational capacity across buildings, technology, equipment, and physical infrastructure.

This level of capital formation stimulates downstream economic activity through construction, technology procurement, and professional services—strengthening domestic supply chains and supporting long-term sector competitiveness.

Innovation and R&D

Banks invested R472.76mn in R&D activities in 2024, reflecting their ongoing commitment to technology-driven innovation. This spending supports:

- the development of new financial products and digital channels
- enhanced cybersecurity and risk-management systems
- efficiency improvements through automation and data optimisation
- innovation aligned with evolving customer expectations and regulatory change

R&D investment continues to position South Africa's financial services sector as a leader in digital capability and operational resilience.

SME & supplier ecosystem

The eight participating banks engaged 42,926 suppliers and SMEs, representing an extensive and inclusive enterprise network. This supplier footprint:

- Strengthens local value chains
- Supports small business development
- Promotes skills creation and transformation
- Circulates economic activity across a wide and diverse ecosystem

By integrating SMEs into procurement, the sector plays a direct role in expanding economic participation and building business capability across the country.

Overall contribution

Taken together, these investments—in physical assets, innovation, and enterprise development—extend the banking sector's contribution far beyond taxation. They reinforce the sector's strategic role in:

- Building national infrastructure capacity
- Advancing South Africa's digital economy
- Supporting inclusive growth through SME participation
- Strengthening competitiveness and system stability

In a low-growth environment, these channels of investment underscore the banking sector's importance as a catalyst for long-term economic progress and transformation.

Themes by tax base

The following section unpacks the TTC results through the lens of the five TTC tax bases, providing deeper insight into how fiscal contributions arise across the sector's activities.

The TTC of the eight participating banks spans all five tax bases set out in the TTC Framework. Together, these tax bases illustrate the sector's broad fiscal footprint—covering profitability, labour, consumption, property use, and emerging environmental obligations.

Profit taxes (CIT and profit-based withholding taxes)

Profit-based taxes remain the largest component of taxes borne, reflecting the sector's profitability and its direct contribution to public finances. In 2024, banks:

- **Incurred:** R24.07bn (in profit taxes (corporate income tax accounted for 95.37% of this amount). making up 7.55% of national CIT receipts (R318.7bn).
- **Collected:** R9.59bn in profit-based withholding taxes, mainly dividends withholding tax. Given that national Dividends Tax revenues were approximately R42.97bn, the share collected by the participating banks (22.25%) highlights the outside role the sector plays as an intermediary in administering this tax base.¹²

CIT continues to anchor the profit tax category, while profit-based withholding taxes highlight banks' crucial role in managing and remitting investment related taxes on behalf of clients and investors.

Key insight: Profit-based taxes show a strong link between sector profitability and government revenue, while the withholding function reinforces banks' position at the centre of investment tax administration.

People taxes (PAYE, UIF, SDL)

People-related taxes make up the largest share of all taxes collected by the participating banks. In 2024, banks:

- **Collected:** R33.23bn in people taxes (58.52% of all taxes collected), with PAYE accounting for almost all of it.
- **Incurred:** R1.59bn in employer-related levies, including SDL, UIF, and COIDA contribution.

These taxes reflect both the sector's sizeable skilled workforce and its role as a primary withholding agent for employee-related taxes. The high proportion of PAYE collected underscores the importance of payroll systems in funnelling personal income tax and social-security contributions to SARS.



Key insight: With 95.42% of people taxes collected via payroll, banks serve as essential intermediaries for SARS—efficiently channelling labour-market taxation into the fiscus and supporting South Africa’s social support programme. Notably, their people-tax collections account for 4.39% of all government revenue from personal income tax (R757.04bn), despite employing just 1.27% of the formal workforce.¹³

Production taxes (VAT – collected & non-claimable, customs, levies)

Production taxes – dominated by VAT – represent a substantial portion of TTC. In 2024, banks:

- **Collected** (output VAT less recoverable input VAT): R12.47bn in VAT charged on transactions to clients (21.95% of taxes collected).
- **Incurred** (production taxes and irrecoverable VAT borne): R7.11bn including R6.99bn in irrecoverable VAT (which accounts for 98.44% of production taxes borne).
- **Net VAT (VAT collected plus irrecoverable VAT incurred):** 19.46bn makes up 4.25% of the total government revenue from VAT (R457.79bn).

Because most core banking services are VAT exempt, input VAT often becomes an irrecoverable cost, directly increasing banks’ effective tax burden. Additional production taxes such as customs duty, air passenger levy, fuel levy, and vehicle licence fees collectively contributed less than 2% of this category.

Key insight: VAT is a major channel of fiscal support—both as a cost to banks (non-claimable VAT) and a large revenue stream to SARS (VAT collected). Together, VAT flows contributed 21.52% of TTC.

Property taxes (municipal rates, securities transfer tax)

Property taxes, while smaller compared to profit or people taxes, highlight banks’ physical footprint and role in financial market transactions. In 2024, banks:

- **Collected:** R1.50bn in Securities Transfer Tax (STT) making up 25.18% of the total government revenue from STT (R6.0bn).¹⁴
- **Incurred:** R885.41mn in property taxes (municipal rates + property-related charges)

Key insight: Property taxes link banks to local infrastructure funding, while STT demonstrates their operational role in facilitating securities transactions.

Planet taxes (environmental levies - emerging)

Environmental taxes currently represent a minimal share of the TTC profile. In 2024, banks:

- **Incurred:** R1.82mn in environmental taxes, split between Carbon Tax and the Electricity Levy.

- **Collected:** No environmental taxes were collected by the participating banks in 2024.

While small in value, these taxes signal the beginning of a broader shift toward integrating climate-related policy into financial regulation and sector behaviour. As carbon-pricing mechanisms and environmental regulation evolve, environmental taxes are expected to play a more visible role in shaping sector behaviour.

Key insight: As South Africa's climate and transition-policy frameworks mature, planet related taxes are likely to increase in scale and strategic relevance—informing how banks manage environmental risk, allocate capital, and integrate sustainability considerations into long-term planning.

Overall theme across tax bases

Across all five tax bases, the TTC data reveals a sector that not only pays substantial direct taxes but also serves as a critical intermediary in administering national tax flows—particularly through PAYE and VAT. This wide-ranging tax footprint underpins the banking sector's significance as both a contributor to and enabler of South Africa's public-finance system.



Industry-specific focus

South Africa's banking sector stands out as one of the most regulated and compliance-heavy industries in our economy. Banks play a dual fiscal role: they're not only major taxpayers but also key players in the tax system. They collect and remit billions in taxes for the government, navigate complex regulations, and shoulder big administrative costs to keep the revenue system robust. This unique role means that traditional tax measures, like corporate income tax, don't fully reflect the sector's fiscal impact or its broader economic value.

While corporate income tax remains a core component of bank taxation, it represents only part of the sector's fiscal footprint. In 2024, the eight participating banks contributed 1.30%¹⁵ of total national CIT receipts, within a broader financial services sector that recorded the strongest year-on-year CIT growth. Within taxes borne, Profit taxes (CIT net of refunds including bank levies and regulatory fees where applicable and including withholding tax suffered on payments received) accounted for 71.51%, yet it represented only 26.61% of total TTC—highlighting that a narrow focus on CIT understates the sector's overall contribution.

For every R1 paid in CIT, banks contributed approximately R2.66 in other business taxes.

Irrecoverable VAT

Irrecoverable VAT is the second-largest tax borne by the participating banks—and one of the most distinctive features of the banking sector's tax profile.

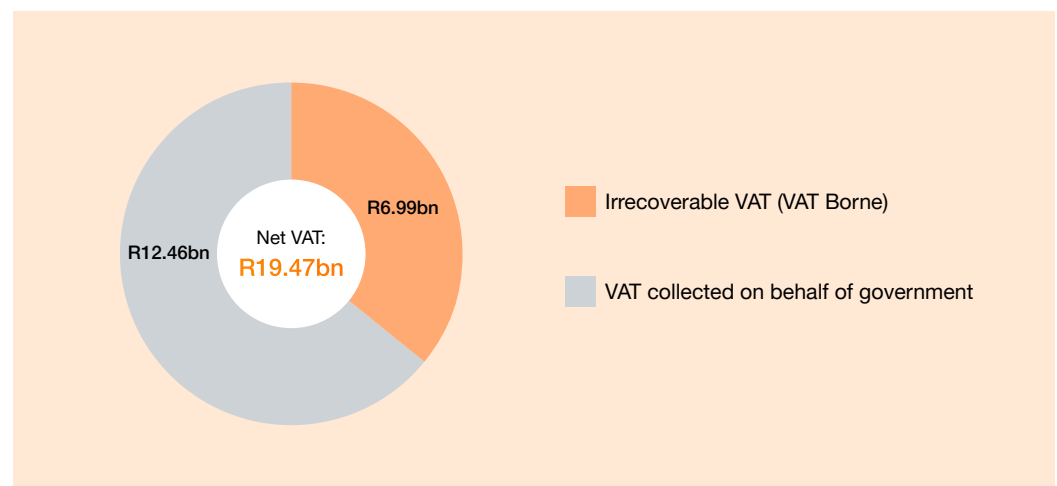


Figure 6: VAT breakdown of eight participating banks

Irrecoverable VAT

As a % of TTC:

7.74%

As a % of taxes borne:

20.79%

As a % of production taxes borne:

98.44%

Irrecoverable VAT in context

In 2024, the eight participating banks incurred R6.99bn in irrecoverable VAT. That's 7.74% of the sector's TTC and 20.79% of all taxes borne. At the same time, banks collected R12.47bn in VAT on behalf of government—13.78% of TTC. Together, VAT borne and VAT collected account for R19.46bn—4.25% of total government VAT receipts and 21.52% of the sector's entire fiscal contribution.

The ratio of VAT collected to VAT borne illustrates the multiplier effect.

Put simply: for every R1 of VAT that banks absorb as a cost, they collect and remit an additional R1.78 to SARS on behalf of customers.

Why this happens

The main driver is that core financial intermediation services—such as lending, deposit-taking, certain trading activities—are exempt from VAT while most fees and charges to customers within the sector remain taxable. As a result, banks continuously make both taxable and non-taxable supplies (“mixed-supplies”). As such, unlike a business that makes only taxable supplies (where full input tax recovery is generally possible) banks must determine the portion of VAT that is deductible as input tax through applying the following two-phased approach:

- Direct attribution—allocate expenses wholly to taxable or non-taxable activities; input VAT is fully recoverable on costs directly attributable to taxable supplies (unless specifically denied like entertainment costs) and VAT attributable to fully exempt supplies are not recoverable.
- Apportionment—applying an approved apportionment methodology to the remaining expenses incurred for mixed supplies to determine the deductible portion of input tax.

Managing these two aspects allows banks to optimise their VAT recoverability, ensuring the most effective outcome. Because exempt activities make up such a large proportion of banking, the apportionment ratio is far lower than in other sectors resulting in a small percentage of VAT on mixed expenses being recoverable. The rest—R6.99bn in 2024—becomes a permanent cost that has to be absorbed by the banks.

The cascading effect

Irrecoverable VAT doesn't just sit on a balance sheet. It shapes how banks operate, how they price, and how they build.

- It influences operating models. For example, insourcing functions (where salaries are not subject to VAT) can carry a lower effective VAT cost compared to outsourcing the same activity, where suppliers charge VAT on their services, much of which is non-recoverable due to the exemption and apportionment.

- It weighs on transformation. Major investments in digital platforms, cybersecurity, and infrastructure modernisation can result in a significant VAT cost—with limited recovery on costs tied to exempt activities.

Those costs potentially flow through to customers via higher fees and charges—creating a compounding effect across the value chain.

A material compliance cost

SARS does not rule on the application of and/or principles related to direct attribution for VAT, leaving banks to rely on internal interpretations and precedent. Furthermore, apportionment methodologies approved by SARS are open to being challenged by taxpayers. As South Africa's VAT system matures, disputes in this space are growing, in both frequency and complexity. Maintaining the granular cost allocation, data infrastructure, and documentation required to support attribution and apportionment positions is a significant contributor to the R589.3mn in total annual compliance costs incurred by the participating banks.

Key insight: Irrecoverable VAT is an ongoing cost in South African banking requiring precise attribution, well-designed apportionment methods, robust data and process controls, and active collaboration with SARS to ensure clarity and uniformity. This is why CIT alone doesn't fully capture the sector's financial impact, and why the TTC perspective is essential to understand the complete landscape of taxes on profit, people, production, property, and the planet.



Cost of compliance

Tax compliance has become an increasingly resource-intensive function within South Africa's banking sector. Total annual tax compliance cost: amounts to R589.3mn

Cost of compliance at a glance:

Average annual compliance hours per bank:

62,914

Average FTE dedicated to tax compliance per bank:

30

Average annual tax payments per bank:

312

Average annual returns filed per bank:

413

Average annual cost per FTE:

R805,000

Average annual external advisor spend per bank:

R12.7mn

Average annual technology spend per bank:

R8.9mn

Total quantified TPA costs:

R74.8mn

The cost of tax compliance in South Africa's banking sector is substantial and rising. In 2024, the eight participating banks incurred R589.3mn in compliance costs—equivalent to 0.65% of the sector's total tax contribution.

This means that for every R100 paid in taxes, banks spend an additional 65 cents simply to comply with tax obligations.

Layers of compliance cost

A labour-intensive compliance burden

Tax compliance remains heavily people-driven. Across the eight banks, compliance activities consumed 503,309 hours in 2024—the equivalent of approximately 242 full-time employees working exclusively on tax-related tasks. On average, each bank dedicates 30 FTEs, which accounts for 61% of all compliance costs.

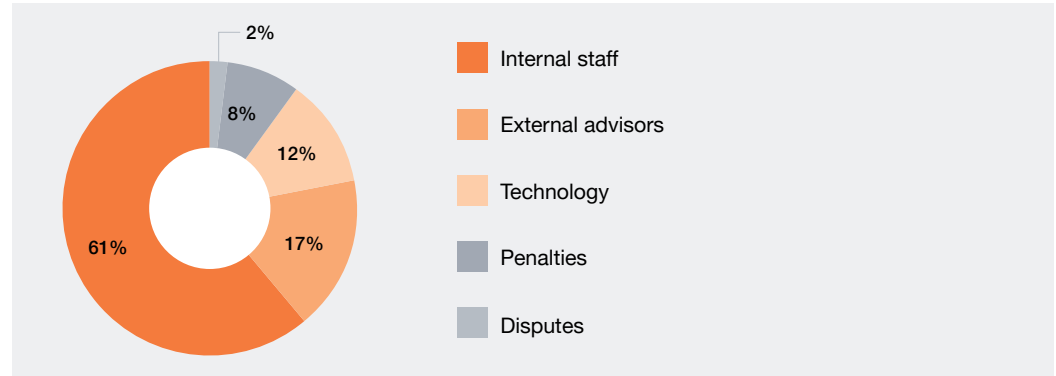


Figure 7: Cost of compliance of eight participating banks

High activity volume and complex obligations

Banks navigate one of the most complex compliance environments in the economy, managing on average:

- 312 tax payments per bank per year.
- 413 tax returns per bank per year including VAT201, PAYE/UIF/SDL, provisional tax, CIT, dividend withholding tax, STT, FATCA & CRS compliance, IT3 reporting, and carbon tax.

This breadth of obligations requires constant coordination across finance, tax, payroll, treasury, operations, and regulatory teams.

Technology, advisory, and dispute costs

To manage this increasing complexity, the banks invested R71.5mn in tax technology in 2024—a 23% year-on-year increase driven by new requirements such as OECD Pillar 2.

External advisors accounted for R101.6mn, supporting technical queries, audit defence, litigation, and complex structuring.

Penalties (R45.3mn) and dispute-resolution costs (R9.5mn) highlight systemic challenges including e-filing outages, data mismatches in third-party reporting and tax interpretive disputes.



The hidden burden: SARS third-party appointments (TPAs)

The most striking pressure point is the uncompensated administrative work required under SARS' third-party appointment regime.

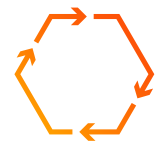
At a glance (FY2024):

- Quantified TPA compliance costs: R74.8mn across six of the eight banks that provided detailed figures related to Section 179 (IT88) debt collection, IT3 third-party data submissions, FATCA & CRS adherence, and AML obligations under FICA supporting tax enforcement and financial crime detection.
- Debt recovered via IT88 requests: R5.40bn collected on SARS' behalf.
- Cost-to collect: Banks spend R1.39 for every R100 collected—without any compensation.
- Challenges include incorrect taxpayer details from SARS, invalid or duplicate requests, non-bank clients, mismatched data, and processing immaterial amounts—creating inefficiency and diverting skilled staff from strategic priorities.

People and capacity: TPAs require specialist operations, legal, and payments resources to validate mandates, freeze/release funds, manage objections from clients, and handle reversals—on top of an already heavy compliance load of **503,309 hours** across the banks (**≈242 FTEs**).



Process complexity: Each TPA request requires validation, controlled execution, customer communication, reconciliation and reporting—activities that must be documented and independently checked to manage legal and conduct risk, the process of which is only partially automated.



Data quality risk: Mismatched or incomplete details increase escalations, reversals and complaints and potential financial liability exposure whenever actions are delayed beyond expected timelines.



Systems and technology: Even with automation, exception handling, and audit trails remain manual-heavy. Banks invested **R71.5mn** in tax technology in 2024 (partly to cope with volume and auditability).



Legal and reputational exposure: If a TPA leads to an incorrect debit (for example, due to wrong or out-of-scope details), it can trigger customer complaints and formal escalations. To manage this risk, banks apply conservative controls, which can extend processing time.



Where the burden lands – and why it's hard to absorb

Impact on efficiency and operations

The combined compliance burden has material operational implications:

- **Resource diversion:** Skilled tax teams are diverted from advisory and strategic support to manage time-sensitive TPA requests, follow-ups and reconciliations.
- **Administrative overload:** High query volumes and manual interfaces increase workload despite automation, and even invalid or immaterial requests must still go through all the required checks, resulting in work that adds cost but brings in almost no revenue.
- **Client experience risks:** Compliance-heavy onboarding and documentation requirements add friction and can erode trust. Issues with request accuracy may delay onboarding or product changes and ultimately affect competitiveness.
- **Cost escalation:** Rising TPA volumes push up compliance costs and require greater reliance on external advisors and technology to keep processes accurate and audit ready as regulatory requirements expand.

Overall insight

TPAs deliver meaningful revenue to the fiscus, but at a material, uncompensated administrative cost to banks—intensifying compliance workloads, elevating data and conduct risks, and diverting scarce specialist capacity from strategic priorities. In effect, banks carry a growing tax-administration workload far beyond their own tax payments, operating an unpaid extension of the tax authority to maintain compliance, manage third-party obligations, and uphold the integrity of South Africa's tax system.



The strategic value of TTC: Transparency, insight, and engagement

TTC provides a complete picture of how banks support South Africa's public finances – not only through the taxes they bear, but also through the significant taxes they collect and administer on behalf of the state. TTC turns complex tax obligations into a transparent narrative of fiscal responsibility, economic contribution, and trust.

Why TTC matters

- **Builds trust & accountability:** TTC provides a clear, comparable view of how banks support public services, employment, and growth—well beyond corporate income tax alone.
- **Strengthens governance:** TTC aligns reporting with leading frameworks (e.g., board oversight of tax strategy, risk, and disclosures), improving clarity for policymakers, regulators, investors, and the public.
- **Enhances transparency:** It challenges misconceptions about low tax contributions during downturns by showing the full tax footprint, including borne and collected taxes.
- **Improves operational insight:** TTC highlights tax-cost hotspots, supporting process efficiencies and systems improvements.
- **Supports policy dialogue:** Evidence-based TTC data enables constructive engagement with SARS and policymakers, especially on high-friction areas like third-party appointments.

How banks use TTC data

Banks increasingly treat TTC as a strategic tool:

- **Executive decision-making:** TTC has become a strategic tool rather than a compliance exercise. 87.5% of participating banks now use TTC data to support lobbying and engagement with SARS, while 75% rely on it to inform investment decisions. With three-quarters of banks collecting TTC data on a regular basis, it has firmly evolved into a strategic asset that shapes governance, planning, and decision-making across the sector.
- **Operational performance:** TTC insights are increasingly used to strengthen day-to-day tax management. 62.5% of participating banks apply TTC data to refine tax processes and identify efficiency opportunities, while 50% use it to analyse compliance costs in detail. This integration of TTC into operational KPIs is enabling more informed decision-making and a clearer view of tax-related performance across the business.
- **Targeted transparency:** Banks are using TTC data to enhance the quality of their external reporting and engagement. Detailed TTC information is shared most consistently with regulators and government (62.5%–87.5%), with increasing uptake among investors and analysts (62.5%). As data becomes more comparable and confidence grows, TTC presents a clear opportunity to broaden public-facing transparency in a measured, credible way.



What next?

To maximise the value of TTC, banks and the sector should focus on four priorities:

- **Telling the whole story:** Use TTC to communicate the full fiscal footprint—taxes borne, taxes collected, and other payments to government—clearly and consistently over time.
- **Making it measurable:** Embed TTC-based metrics (such as tax intensity, tax-to-GVA, and the borne/collected mix) into performance dashboards and governance discussions to support informed decision-making.
- **Standardising and benchmarking:** Adopt common data standards across the sector to strengthen comparability, support cross-country benchmarking, and improve the quality of policy and stakeholder dialogue.
- **Engaging with purpose:** Use TTC insights as a fact base in engagements with SARS and policymakers to address high-friction areas—particularly tax administration and third-party appointments—and improve system-wide efficiency.

TTC shifts the tax conversation from narrow measures of corporate income tax and compliance cost to a broader, evidence-based view of how banks fund public services, enable revenue collection, and support fiscal sustainability. Used well, it transforms tax from an administrative burden into a strategic narrative—strengthening trust, informing policy, and reinforcing the banking sector’s role as a cornerstone of South Africa’s public-finance system.

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Annexure A: Detailed methodology

Data sources, limitations, and study period

Where this report references data published by the South African Government, the South African Revenue Service (SARS), or other external sources, these citations are explicitly indicated. All data submitted by participating banks relates solely to payments made to South African public finances; no tax payments to foreign tax authorities are included in this study.

PwC anonymised and aggregated the data supplied by the participating banks to generate the study results. PwC relied on this data as provided, without performing independent verification, validation, or audit procedures, and therefore offers no assurance regarding the accuracy or completeness of the resulting figures.

The analysis covers the financial year ending 31 December 2024, with accounting periods for certain banks extending to 30 June 2025 data collection took place between October and December 2025.

All information provided and analysed was limited to consolidated South African banking operations only, excluding foreign operations and any non-banking activities.

Methodology

PwC developed the Total Tax Contribution Framework (the TTC Framework) to help companies measure and effectively communicate the full extent of their contributions to public finances. The TTC framework expands the traditional focus on corporate income tax to provide a comprehensive and easily understood picture of all taxes a company pays or collects. The TTC Framework establishes a standardised methodology that enables consistent reporting of all taxes and other contributions. It is designed to be clear and accessible, minimising tax technicalities to ensure that a wide range of stakeholders—many of whom may not be familiar with complex tax matters concepts—can easily understand it.

By emphasising cash payments, the framework captures the tangible contributions companies make to public finances, highlighting their role in fostering wealth creation and economic stability within the communities where they operate.



What is a tax

The TTC Framework is built on two key principles:

- a clear definition of what constitutes a tax
- the distinction between taxes borne (a direct cost to the company) and taxes collected (amounts remitted on behalf of others).

A tax is defined as any compulsory payment to government or public authorities made under law. This includes mandatory levies even if not explicitly labelled as taxes, but excludes payments made in exchange for specific services.

Taxes borne:

Taxes borne are those that represent a direct cost to the company and impact its financial results. Examples include:

- Corporate income tax
- Employer social security contributions
- Business rates or property taxes
- Stamp duties
- Customs duties
- Environmental and energy taxes
- Irrecoverable VAT
- Withholding taxes on the company's own income

It is important to emphasise that the TTC Framework is not designed as an economic model. Although taxes are classified as borne or collected, this does not imply the ultimate economic burden. Taxes borne by the company may eventually be passed on to shareholders, employees, or customers, alongside other operational costs, depending on where the economic incidence lies.

Taxes collected

Taxes collected are amounts that the company collects from third parties, such as customers or employees, and are remitted to government. These do not represent a direct cost to the company. Examples include:

- Employee income tax withheld through PAYE
- Net VAT (output VAT plus irrecoverable VAT)
- Excise duties
- Withholding taxes deducted from payments to suppliers or investors

Some taxes may appear in both categories. For example, VAT is borne when irrecoverable and collected when net VAT was remitted.

Although taxes collected do not affect profitability, companies incur administrative and compliance costs in managing them. These taxes may also influence strategic decisions, such as pricing for indirect taxes or labour cost strategies related to employee taxes.

Taxes collected are a significant part of a company's overall tax footprint: employee-related taxes accompany each job created, and consumption-related taxes accompany each sale. Not all payments to government qualify as taxes—such as mineral royalties, license fees, and other regulatory fees. The TTC framework, however, incorporates these to reflect the full breadth of a company's fiscal contribution. Data is reported on a cash-paid basis with taxes borne and collected shown separately to avoid double counting.

Five tax bases

The TTC Framework categorises taxes borne and collected into five tax bases, enabling consistent categorisation and cross-border comparison:

1. Profit taxes

Taxes on company income, profits, and capital gains. Examples include corporate income tax levied at federal, state, or local levels and withholding taxes on payments such as interest and royalties.

2. Product taxes

Taxes and duties on the production, sale, or use of goods and services, including international trade and transactions. These include taxes borne by companies on their consumption of goods and services, as well as taxes collected from customers upon sale.

3. Property taxes

Taxes on the acquisition, disposal, ownership, or use of tangible and intangible property. These are borne by companies in relation to owned or leased properties and may also be collected and passed on to government.

4. People taxes

All taxes and social contributions related to employment. This includes both employer-paid contributions and taxes withheld from employees and remitted by the employer.

5. Planet (environmental) taxes

Taxes and duties on the supply, production, use, or consumption of goods or services potentially harmful to the environment. This category also encompasses taxes paid and collected on fuels.

Sector specific economic contribution

Beyond the five tax bases, South African banks make a significant yet largely unrecognised additional economic contribution as mandated collection agents related to SARS third-party appointments.

In terms of South African tax legislation, banks are legally appointed to perform a range of tax administration functions on behalf of the government, effectively subsidising public revenue administration at their own cost. These obligations span three principal categories.

- Under Section 179 of the Tax Administration Act (IT88 notices), banks are required to act as debt collectors on behalf of SARS, withholding and paying over client funds upon instruction.
- Banks bear substantial information reporting obligations encompassing IT3 third-party data submissions to SARS, compliance with the FATCA on behalf of the United States IRS, and adherence to the CRS for the automatic international exchange of tax information.
- Banks carry extensive anti-money laundering responsibilities under the Financial Intelligence Centre Act (FICA), which directly support the state's broader tax enforcement and financial crime detection objectives.

The banking sector's contribution to the South African tax administration — through systems, human capital, legal expertise, and operational capacity deployed in service of government functions — represents a meaningful additional economic contribution that falls outside of conventional TTC framework but is nonetheless real, substantial, and deserving of formal recognition in any comprehensive assessment of the sector's total tax contribution.

The results of this study provide valuable insights that are not typically available in the public domain, as companies are not required to disclose this information in their financial reports.



Appendix B: Comprehensive data tables and charts

Headline numbers

Table 1: Total Tax Contribution

Tax Contribution	Amount
Total taxes borne	R33,661,407,618.50
Total taxes collected	R56,791,155,600.96
Total Tax Contribution	R90,452,563,219.46

Taxes borne and collected categorised by tax base

Table 2: Composition of taxes borne

Taxes Borne	Amount
Total taxes on profit borne	R24,069,649,312.54
Total taxes on property borne	R885,410,985.60
Total taxes on production borne	R7,110,546,518.63
Total taxes on people borne	R1,593,976,975.31
Total planet taxes borne	R1,823,826.43
Total taxes borne	R33,661,407,618.50

Table 3: Composition of total taxes collected

Taxes Collected	Amount
Total taxes on profit collected	R9,593,168,173.95
Total taxes on property collected	R1,500,373,353.30
Total taxes on production collected	R12,465,821,276.02
Total taxes on people collected	R33,231,792,797.69
Total planet taxes collected	R0.00
Total taxes collected	R56,791,155,600.96

Types of taxes per tax base

Table 4: Composition of profit taxes borne

Profit Taxes Borne	Amount
Corporate Income Tax - South African corporate income tax borne, net of refunds including bank levies and regulatory fees where applicable including withholding tax suffered on payments received	R24,069,649,312.54
Total profit taxes borne	R24,069,649,312.54

Table 5: Composition of property taxes borne

Property Taxes Borne	Amount
Property taxes	R616,130,893.32
Securities transfer Tax	R269,280,092.28
Transfer duty	R0.00
Donations tax	R0.00
Total property taxes borne	R885,410,985.60

Table 6: Composition of people taxes borne

People Taxes Borne	Amount
Fees for Compensation for Occupational Injuries and Diseases Act (COIDA)	R124,234,936.97
Skills Development Levy (SDL)	R1,170,399,078.65
Unemployment Insurance Fund (UIF) Levy borne by Employer	R299,342,959.69
Total people taxes borne	R1,593,976,975.31

Table 7: Composition of production taxes borne

Production Taxes Borne	Amount
Customs duty borne	R79,321,694.78
Air passenger levy	R20,392,489.94
Fuel levy	R4,463,883.35
Vehicle license fee	R6,852,218.01
Irrecoverable VAT	R6,999,516,232.54
Total production taxes borne	R7,110,546,518.63

Table 8: Composition of planet taxes borne

Planet Taxes Borne	Amount
Tyre levy	R0.00
Vehicle emissions tax	R0.00
Carbon tax	R579,712.54
Electricity levy	R1,244,113.89
Total planet taxes borne	R1,823,826.43

Table 9: Composition of profit taxes collected

Profit Taxes Collected	Amount
Withholding tax on payments to third parties	R0.00
Interest	R10,670,785.19
Royalties	R0.00
Dividends	R9,561,526,287.76
Other tax on profit collected	R20,971,101.00
Total profit taxes collected	R9,593,168,173.95

Table 10: Composition of property taxes collected

Property Taxes Collected	Amount
Securities transfer tax where the bank acts as a broker/ Central Securities Depository Participant (CSDP)	R1,500,373,353.30
Total property taxes collected	R1,500,373,353.30

Table 11: Composition of people taxes collected

People Taxes Collected	Amount
Income tax deducted under PAYE	R32,876,683,226.59
Unemployment Insurance Fund (UIF) levy collected by employer	R355,109,571.10
Total people taxes collected	R33,231,792,797.69

Table 12: Composition of production taxes collected

Production Taxes Collected	Amount
VAT collected	R12,465,821,276.02
Other international transaction fees/levies	R0.00
Total production taxes collected	R12,465,821,276.02

Other taxes paid to (from) government**Table 13: Composition of other payments to (from) government**

Other Payments to (from) Government	Amount
South African Reserve Bank (SARB) levies	R72,713,464.00
Financial Sector Conduct Authority (FSCA) levies	R118,093,430.60
Prudential authority levies	R100,761,256.98
Corporation for deposit insurance	R3,101,263,676.92
Other payments to (from) government	R11,342,036.15
Total other payments to (from) government	R3,404,173,864.65

Other data collected**Table 14: Cost of compliance**

Taxes Borne	Amount
Average tax payments per year	312
Average returns filed per year	412
Average FTEs per bank dedicated to tax compliance	30
Average cost per FTE	R805,351.64
Annual spend on external tax consultants	R101,610,506.08
Average tax-specific technology expenditure	R8,936,263.88
Annual spend on disputes with SARS	R9,528,639.00
Annual third-party appointment costs in 2024	R74,793,588.00

Table 15: Financial data

Total revenue/turnover	R386,207,638,084.26
Total profit before tax	R113,806,519,744.98
Total dividends paid to shareholders	R39,109,858,213.00
Total number of employees	148,427
Total wages and salaries	R125,820,615,439.02
Total capital investment	R10,274,458,138.71
Total research and development	R472,756,181.00
Total GVA	R260,006,334,941.00
Total suppliers	R42,926.00
Total % of suppliers which are SMEs	1.23%



Endnotes

1. Gross Value Added (GVA) is calculated using the income approach, consistent with the United Nations System of National Accounts (SNA 2008) and PwC's Total Tax Contribution methodology. GVA measures economic contribution by valuing goods and services produced minus intermediate inputs, aligning with GDP calculations: $GVA = \text{Compensation of Employees} + \text{Tax on Production (excluding CIT)} + \text{Depreciation \& Amortisation} + \text{Operating Profit}$.

National and sectoral GVA data obtained from: South African Reserve Bank (2025) Quarterly Bulletin – September 2025: Statistical tables – National accounts. Pretoria: South African Reserve Bank. PS116 and S117 Available at: <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2025/september/10Statistical%20tables%20National%20accounts.pdf>
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3. National Treasury, 2026. Statement of the National Revenue, Expenditure and Borrowing as at 31 January 2026: Table 1. [pdf] Pretoria: National Treasury Republic of South Africa. Available at: https://www.treasury.gov.za/comm_media/press/monthly/2602/Table%201.pdf
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