

A high-level summary for Financial Advisors on threshold adjustments and critical policy shifts affecting clients living abroad or emigrating.

STRATEGIC THRESHOLD AND INVESTMENT UPDATES



Offshore allowance doubled to R2m

The single discretionary allowance (SDA) facilitates larger offshore transfers without the requirement for individual tax clearance.



Enhanced CGT and TFSA limits

Primary residence exclusion rose to **R3m**, while annual TFSA contribution limits increased to **R46,000**.



Retirement fund cap raised to R430,000

The deductible contribution cap increased from R350,000 for those maintaining SA tax residency.

Key threshold changes (2026)

Provision	Old Threshold	New 2026 Threshold
Single discretionary allowance	R1,000,000	R2,000,000
Annual CGT exclusion	R40,000	R50,000
Primary residence exclusion	R2,000,000	R3,000,000
Retirement De Minimis	R247,500	R360,000

CRITICAL RISK AND RESIDENCY COMPLIANCE



New restriction on spousal donations

Spousal exemptions now only apply if the receiving spouse remains a South African tax resident.



Residency dictates tax exposure

Residents are taxed on worldwide income; non-residents are taxed only on South African-sourced income.



Section 9H 'Exit Tax' still applies

Those ceasing residency face exit tax on worldwide assets; new exclusions offer only minimal relief.