



PROVINCIAL TREASURY CIRCULAR NO. 37 OF 2025

TO:

**DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA
HEADS OF DEPARTMENTS
CHIEF FINANCIAL OFFICERS OF DEPARTMENTS**

**SUBJECT: REVISED SUBSISTENCE AND CAMPING ALLOWANCE FINANCIAL YEAR
2025/26**

1. PURPOSE

The objective of this circular is to inform all Mpumalanga Provincial Departments about the revised subsistence and camping allowances effective from 1 April 2025.

2. BACKGROUND

The Minister of the Public Service and Administration annually revises subsistence and camping allowances.

3. DISCUSSION

Section 8(1)(a)(ii) of the Income Tax Act states that where the recipient is by reason of the duties of his or her office or employment is obliged to spend a part of a day away from his or her usual place of work or employment and provides proof of such expenditure to the employer, a reimbursement or advance for such expenditure actually incurred by the recipient is excluded from taxable income if the recipient is allowed by his or her principal to incur expenditure on meals and other incidental costs for that part of a day and the amount of the expenditure does not exceed an amount of R176.

If an employer allows an employee to incur expenditure on meals when is obliged to spend a part of a day away from his/her usual place of work/employment by reason of the employee's employment, and reimburses the employee upon the submission of proof of expenditure, such reimbursement up to an amount announced by notice in the Gazette (R176 per day for the 2026 YoA), is not taxable and must therefore not be declared on the IRP5/IT3(a).

However, where the reimbursement exceeds the lower of the amount announced or the amount for which proof of expenditure was submitted by the employee, the excess is fully taxable and

therefore liable to PAYE and must be declared under income code 3713 on the IRP5/IT3 (a).

Departments should note that the reviewed DPSA amount of R178.87 is higher than the SARS allowable amount of R176 therefore the difference will be taxable at the hands of the employees. Officials are informed that both E-Submission and PERSAL will not be calculating and deducting the tax on the taxable amount as claims are submitted but the calculations will be done at the end of the year when submitting the employers reconciliation(EMP501) which will result in officials having had to pay SARS directly for that tax.

Attached please find the current allowances for 2025/2026 financial year.



MS. GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 05-06-2025