

Information Update

May 2018

Information for
Plan Advisors

Saskatchewan PST Reversal on Insurance Premiums

On February 26, 2018, the newly elected Premier of Saskatchewan announced his intention to reinstate the tax exemption that previously applied to insurance premiums. The tax exemption is being **reinstated retroactively to August 1, 2017**, the date that PST first applied to insurance premiums in Saskatchewan.

The Government of Saskatchewan has indicated that the insurer who collected and remitted the PST will calculate the PST refund payable and either credit the policyholder's account or issue a refund. Policyholders are not required to apply directly to the Government of Saskatchewan for a refund. Insurers are expected to issue most of the credits/refunds before June 30, 2018.

How will this impact client plans?

Refunds will be issued based on the amount of Saskatchewan PST billed by or remitted to The Co-operators since August 1, 2017.

Insured plans (billed by The Co-operators)

- PST refunds will be calculated and shown as a credit on the June 2018 billing statement. The refund will be itemized at the group/account level.

Insured Self-Administered plans

- Plan Sponsors will receive a letter that summarizes the groups and accounts entitled to a PST refund, along with a cheque for the total PST refund amount.

Budgeted Administrative Services Only (ASO) and Health Spending Accounts (HSA) plans (billed by The Co-operators):

- PST refunds will be calculated and credited on the June billing statement.

Non-budgeted ASO and HSA plans (billed by The Co-operators):

- PST refunds will be calculated and credited to the May billing statement.

Self-Administered ASO plans:

- Plan Sponsors will receive a letter that summarizes the groups and accounts entitled to a PST refund, along with a cheque for the total PST refund amount.

Cost Plus Claims:

- Plan Sponsors will receive a letter that summarizes the groups and accounts entitled to a PST refund, along with a cheque for the total PST refund amount.

Information Update

Groups no longer with The Co-operators

Groups that terminated with the Co-operators Life Insurance Company that paid Group Benefits premiums since August 1, 2017 will receive a cheque for any eligible SK PST refund amount.

Questions?

If you have any questions, please contact your Group Benefits Representative.