

# Keeping you informed

Benefit plan news for People Corporation plan sponsors

## Manitoba implementing RST reduction

Effective July 1, Manitoba will reduce its retail sales tax (RST) from eight per cent to seven per cent. RST is charged on premiums of certain types of coverage so you may see a change in your group benefits plan premium.

### How the change impacts your group benefits plan premiums

Retail sales tax applies to the following group insurance coverages:

- Life Insurance including Dependant Life and Optional Life
- Accidental Death and Dismemberment (AD&D) Insurance, including Optional AD&D
- Critical Illness Insurance, including Optional Critical Illness Insurance
- Short-Term Disability Insurance
- Long-Term Disability Insurance

Changes for these coverages will be reflected on your July premium statement. Adjustments apply to premiums charged for plan members who:

- Have any of the coverages impacted
- Reside in Manitoba

### What's not changing

There is no impact to these group insurance coverages:

- Health Insurance
- Dental Insurance
- Health care spending accounts
- ASO health care claims and fees
- Optional benefits including employee and family assistance programs, second medical opinion programs, wellness, etc.

### Self-billed clients

Clients who self-bill should make adjustments to their premiums starting with their July billing.

### Carrier-billed clients

Clients who are billed by their carrier will see a reduction in tax starting with their July premium.

For more information, contact your benefits consultant.

