

April 27<sup>th</sup>, 2018

**To:                   Benefit Administrators / Human Resource Personnel**

**From:               Jade Lea-Wilson**  
**Manager, Employee Benefits**

**Re:                   Provincial Sales Tax Refunds**

The Ministry of Finance and our insurer, Great-West Life (GWL) have confirmed how provincial sales tax refunds will be administered. 3sHealth has worked on a plan to pass those refunds on to plan members, employers and the benefit plans.

#### **Group Life Insurance**

GWL has confirmed that employers will receive an immediate refund for PST paid on life insurance premiums by simply adjusting your next monthly remittance. Reduce the amount of your next remittance to Great-West Life by subtracting the amount of PST you paid to GWL from August 1, 2017 to present. Refer to your previous remittance forms to confirm the amount of PST you paid. Enter the PST amount into the *miscellaneous debit or credit* field on the remittance forms.

- Premium remittance forms have been updated to remove PST and updated forms are now available on the 3sHealth website.

#### **Core Dental Plan**

3sHealth will apply for a PST refund from GWL. Money will be refunded directly back to the plan.

- The Core Dental rate was changed effective April 1, 2018 to \$69.43 to reflect the elimination of PST.
- The DDS excel payroll reports will remain unchanged with the PST shown as 0.

#### **In-Scope Extended Health Care and Enhanced Dental Plan & Out-of-Scope Extended Health Care and Enhanced Dental Plan**

3sHealth will apply for a refund of PST from GWL. Money will be refunded directly back to the plans.

#### **Out-of-Scope Flexible Spending Plan**

3sHealth will refund the PST that was applied to paid Healthcare Spending Account claims as an adjustment credit, on the April 2018 quarterly invoice. The refund will include both the PST on paid health care spending account claims and the PST on the administration fee. PST was not applied to lifestyle spending account claims.

### **Disability Income Plans**

3sHealth will calculate the PST on disability contributions paid and will mail a reimbursement cheque to each employer. You can expect to receive both the employer and employee portions of paid PST amounts by May 30, 2018.

- The DIP contribution remittance form has been updated to remove PST and is available on the 3sHealth website.

### **Retiree Plans**

GMS will refund retirees directly for PST paid on retiree health and dental coverage.

Retirees who have their group life premiums deducted from their SHEPP pension or by preauthorized debit (PAD) will have their PST reimbursed by cheque from 3sHealth.

### **Employee PST Refund Process**

The Ministry of Finance has indicated the majority of refunds should be completed by June 30, 2018.

For member organizations who subscribe to 3sHealth Provincial Payroll and Scheduling Services (PP&SS)

PP&SS will provide employers with reports that shows how much PST each employee paid since August 1, 2017. This team will send detailed communication on the recommended best practice on how to refund employees by May 11<sup>th</sup>, 2018.

For member organizations who do not subscribe to 3sHealth PP&SS

The employer is required to calculate how much PST each individual paid and refund it back to the employee.

### **KEY MESSAGES:**

- Immediate refunds for Group Life can be done by reducing your next premium remittance using the PST amount you paid from August 1<sup>st</sup> 2017 to current day.
- Employers will receive a refund cheque from 3sHealth for PST paid on DIP contributions.
- Employers will receive an adjustment credit on the April 2018 quarterly invoice for PST paid on the Flexible Spending Plan.
- Tools, systems and forms are now updated to remove PST on any benefit premiums and contributions.
- PP&SS will provide detailed communication on best practice to refund PST to employees using the payroll system.
- Refunds should be paid to employees by June 30, 2018.
- Additional information on PST can be found by searching the Government of Saskatchewan, Ministry of Finance website at [www.finance.gov.sk.ca](http://www.finance.gov.sk.ca).



If you have any questions about PST, please contact me at [jade.lea-wilson@3shealth.ca](mailto:jade.lea-wilson@3shealth.ca) or 306-347-1723.

*Bulletin*