

Saskatchewan PST Refunds FAQ

When did we stop collecting SK PST?

We have been working diligently to stop collecting SK PST on tax-exempt products. The last of our system changes were completed on May 21, 2018.

What insurance products and policies are PST exempt in Saskatchewan?

The following products are tax exempt:

- Individual and group life insurance,
- Creditors Group Insurance
- Individual and Group Health, Disability and Accident and Sickness insurance
- Crop and livestock insurance, hail insurance and margin/income insurance

The following products offer optional coverages that are tax exempt (subject to conditions):

- Auto insurance premiums remain taxable, but Term Life premiums (no longer available for purchase) associated with an auto insurance policy will be tax-exempt.
- Home insurance premiums remain taxable, but Family Accidental Death and Impairment (FADI) and Term Life premiums associated with a Home or Farm policy will be tax-exempt.
- Most Farm insurance premiums remain taxable; however, premiums for the following coverages associated with a Farm policy will be tax exempt:
 - Livestock
 - Poultry and Eggs
 - Bees, Equipment and Honey
 - Produce (except Chemicals/Fertilizers and Feed/Hay/Grain – these items will remain taxable)*
 - Term Life
 - Farm Accident Insurance
 - Family Accidental Death and Impairment

***Note:** The above coverages are not tax-exempt for Hobby Farms.
- Commercial insurance premiums remain taxable, except for accident related coverage, such as Group Accident Insurance Form, Blanket Accident Insurance Form, etc. Also, eligible coverage associated with Farm policies will be tax-exempt as described above.

How can I determine if my client will be eligible for a refund?

We're handling the refund process internally. Eligible clients will automatically receive a refund or credit of taxes paid on exempt products and no action is required from Advisors or their staff.

How will eligible clients receive their refund?

Clients eligible for a refund will receive their refund based on their current payment method. If the client's payment method is by:

- Pre-Authorized Deduction (PAD) or Electronic Fund Transfers (EFT)
 - We will apply the PST refund as a credit to the client's account. Credits for the current policy term will reduce the amount of the remaining withdrawals for this term. Credits for a prior policy term will be applied as an excess overpayment and applied to next withdrawal.
- Direct Full Pay by cheque
 - We will issue and mail a cheque for amounts greater than \$5.00.
Note: We will not be issuing cheques for refund amounts less than \$5.00, unless requested by the client. See the Minimum Threshold information below.

When are client refunds being issued?

The refund process involves many policyholder accounts and collaboration with the Saskatchewan Ministry of Finance. Most of the SK PST refunds will be processed by June 30, however, may not be credited to member's accounts until July.

Will client refunds be consolidated when they hold multiple policies that are eligible for a refund?

Unfortunately, no. Due to the number of clients impacted and complexity of managing a retroactive change, we are unable to consolidate refunds in timely manner. To ensure that our clients receive their refunds and credits in a reasonable timeframe, we are processing refund(s)/credit(s) by product type. This means that a client with multiple tax-exempt products may see more than one refund/credit applied to their account.

What happens if a client doesn't receive their refund?

If a client contacts you and they believe they are entitled to a refund but have not received it, please contact:

- For CUMIS Creditor
Contact the Customer Contact Centre at 1-800-263-9120
- For Auto/Home/Farm/Commercial refund requests:
Contact the System Operations Support Desk (SOSD) through the online [SOSD self-service portal](#) or call at 1-800-563-2375, option 3.
- For Individual Life refund requests:
Contact the Billing Service Centre at 1-800-454-8061 option 3.
- For Travel inquiries:
Contact Agency Services at 1-800-465-4279

Note: We have a \$5.00 minimum threshold on the automatic issuing of refund cheques. This threshold applies to cheques only, it doesn't apply when we are able to directly credit the client's account.

What if a client requests their refund and it is below the threshold?

Issuing refund cheques in small denominations incurs administrative, print and postage expenses that far exceed the value of the refund itself. If the client's SK PST refund amount was below this threshold, we did not request the refund from the Saskatchewan Government.

However, since the Government has advised that refunds will be provided by the Insurer, if the client requests their refund and it falls below the \$5.00 minimum threshold, we will issue a refund cheque for an amount.