



November 3, 2017

IMPORTANT NOTICE
SASKATCHEWAN PROVINCIAL SALES TAX (6%) ON
HEALTH & WELFARE CONTRIBUTIONS

Dear Member Contractors,

Attached you will find the following documents regarding the new legislation requiring the inclusion of PST (6%) on the Boilermaker Health and Welfare Plans effective August 1, 2017.

- Letter from the Boilermakers' National Benefit Funds (Canada) Administration Office
- The latest bulletin from the Government of Saskatchewan website

Should you have any questions please contact the BCA Office at (905) 684-2244.

Thank you!

Please ensure members of your organization are notified accordingly.



BOILERMAKERS' NATIONAL BENEFIT FUNDS (CANADA)

Administration Office
45 McIntosh Drive, Markham, Ontario L3R 8C7
Tel: 905-946-2530 • Fax: 905-946-2535

Administration Office
15220-114 Avenue, Edmonton, AB, T5M 2Z2
Tel: 780-455-3502 • Fax: 780-488-7423

Boilermakers' National Pension Fund (Canada) Plan Registration Number 0366708 and Boilermakers' National Health and Welfare Fund (Canada)

November 2, 2017

Dear Member Contractors,

Please see the attached bulletin from the Government of Saskatchewan indicating that effective August 1, 2017, 6% Provincial Sales Tax (PST) will be applicable to insurance products. Below you will also find a link to the latest bulletin regarding the addition of PST from the Government of Saskatchewan website (this bulletin has also been attached):

<http://www.finance.gov.sk.ca/revenue/pst/IN2017-07-PSTOnInsurancePremiums.pdf>

The Boilermakers' National Health and Welfare Plan (Canada) has reviewed this new legislation to determine its application. Contributions to the Boilermakers' National Health and Welfare Plan (Canada)(the Plan) will be subject to 6% PST on employer contributions for members who work in Saskatchewan **and** for workers that are paid salary/wages from Saskatchewan, but work in other provinces.

In the case of your workers' salary/wages paid from Saskatchewan but for those who are working outside of Saskatchewan you must remit Saskatchewan PST in respect of their contributions to the Plan unless they have had a similar tax (ie Ontario Retail Sales Tax – RST) paid by you.

You should review your remittances to the Plan and make the applicable payments in respect of the PST.

The Plan's employer contribution reports have been amended to show the necessary information. The Plan will be responsible for remitting the taxes collected to the regulatory authority. They may be subject to audit by the regulatory authority.

Please note that PST applies **only** to contributions for health and welfare benefits – not the entire remittance you make payable to the Plan under the one cheque remittance system.

Toll Free: 1-800-668-7547

E-mail: questions@boilermakersbenefits.ca • Web: www.boilermakersbenefits.ca



www.facebook.com/boilermakersnationalbenefitplans



PROVINCIAL SALES TAX ON INSURANCE PREMIUMS

As a result of consultations with insurance industry associations, the Government of Saskatchewan has extended the effective date for the application of Provincial Sales Tax (PST) to insurance premiums from July 1, 2017, to August 1, 2017. This extension will provide additional time to implement the change and to address the following updates:

- Self-insured group benefit arrangements, also known as Administrative Services Only (ASO) arrangements, are subject to PST.
- Individual permanent life insurance policies, including whole and universal life insurance, in effect prior to August 1, 2017, are exempt from PST, including all future premium payments with respect to these policies. New individual permanent life insurance policies effective after July 31, 2017, will be subject to PST.
- Endorsements added to insurance contracts with an effective date prior to August 1, 2017, are not subject to PST.

PST of 6 per cent applies to all insurance premiums with an effective date on or after August 1, 2017, sold by any company, agency or group, where the insured person or business is a resident of Saskatchewan or the insurance contract is in respect of property located in Saskatchewan.

PST will not apply to reinsurance, annuity contracts, contributions or premiums paid under the *Canada Pension Plan*, *Employment Insurance Act (Canada)* and *The Workers Compensation Act, 2013* or to insurance contracts purchased by Status Indians or Indian Bands solely covering their property situated on reserve land, or for risks, perils or events that relate wholly to an activity or location on reserve land, or in respect of a Status Indian living on reserve land.

The Ministry of Finance is currently consulting with insurance industry associations to finalize the information bulletin which will assist in applying and collecting the PST on insurance premiums. This bulletin is expected to be complete by May 31, 2017.

FOR FURTHER INFORMATION

<u>Write:</u>	Ministry of Finance Revenue Division PO Box 200 REGINA SK S4P 2Z6	<u>Telephone:</u>	Toll Free 1-800-667-6102 Regina 306-787-6645
<u>In-Person:</u>	Ministry of Finance Revenue Division 2350 Albert St REGINA SK S4P 4A6	<u>Email:</u>	sask.tax.info@gov.sk.ca
<u>Fax:</u>			306-787-9644

Internet: Tax bulletins, forms and information are available on the Internet at:
<http://www.finance.gov.sk.ca/taxes>