



Info Note

May 2010

INFO10-06iE

Premium tax increase announced in Quebec's 2010–2011 budget

The province of Quebec has announced that the premium tax will be temporarily increased from 2.35% to 2.55%, effective March 31, 2010.

Below, please find DFS's position about this change for each contract type:

A. Insured plans

The following rate adjustments will be made:

- To all quotes submitted but not yet approved, as well as any new quotes issued after March 31, 2010
- To all renewal offers submitted after April 1, 2010

The next round of financial reports for **insured plans with a financial agreement** will include the premium tax adjustment, effective March 31, 2010.

B. Non-insured plans (ASO, Cost Plus and HSA agreements)

- The new tax rate that applies to benefits paid on or after April 1, 2010 will appear on the billing statement sent out in May
- We'll send an email to group plan administrators to inform them of this change when the May billing statements are sent out

If you have any questions about this InfoNote, please feel free to contact your advisor or representative.

Sales, Group and Business Insurance