

TAX FAQ'S



What is shown on your tax certificate and how is it calculated?

On your tax certificate, you are provided with the following necessary information to complete your tax return:

- Contributions from 1 March 2016 to 28 February 2017 which reflect medical scheme contributions for this tax period only. Any backdated changes that apply to this tax period and were made after this certificate was created, will be included on the tax certificate for the next tax period. When you receive an IRP5 from your employer, you should rather refer to the contribution amount on that IRP5 when completing your tax return. As a pensioner you will be receiving an IT3(a) certificate from your Pension Fund
- "Own portion paid on claims" refers to claims we did not cover, for example, where claims exceeded the benefit limits. We have included claims for 2017 service date processed up to 28 February 2017
- A breakdown showing the total number of active members – main member and active dependants – each month in 2016 and 2017 (you will need to list these on your tax return)

How are contributions from 1 March 2016 to 28 February 2017 calculated?

The tax certificate shows only the portion of your monthly contribution for which you may obtain a tax benefit. We consider only the portion of your monthly contribution paid to the medical scheme (including your Medical Savings Account (MSA) if applicable).

What is an IT 3(b) Certificate?

As we administer money within a savings component, we are required to tell you how much interest you have earned. This is applicable to members who have a MSA.

My IT 3(b) MSA certificate:

The amount on this certificate shows the total interest earned on the money available (if any) in your MSA.

My IT 3(b) Accumulated Savings Account certificate:

This certificate shows the interest you continue to earn on the money you still have available in the Accumulated Savings Account. This value will include any carry-over savings from previous years if applicable.



What if I receive two IT 3(b) certificates that look the same, but have different figures on them?

One certificate will show the interest earned on your MSA balance; the other will show the interest earned on the Accumulated Savings Account (inclusive of any carry-over savings from previous benefit years if applicable).

You can tell the difference by checking the bolded heading which appears above the amounts showing the interest earned and the closing balance.

How does the Scheme calculate interest?

The IT 3(b) shows the interest you've earned on your MSA and/or your Accumulated Savings Account (if applicable) during the tax year. Interest is calculated in arrears. So, the interest calculated at the end of the month is based on the opening balance for that month.

Why did I not receive an IT 3(b) certificate?

If you have not received an IT 3(b) certificate this means that you have not earned interest on your MSA and/or do not have any funds in your Accumulated Savings Account.

How does the Scheme calculate the "own portion paid on claims"?

"Own portion paid on claims" reflects claims the Scheme did not pay, including any part of a claim not paid. These would be the sum of all processed in-hospital and out-of-hospital claims we did not pay, in instances such as those where your funds may have been used up or your claims exceed your benefit limits.

Why do I receive a monthly breakdown of the main member and active dependants?

The portion of your medical scheme contributions on which you may obtain a tax benefit on, is calculated using a monthly maximum rand amount (a "capped amount"), which is based on the number of people on your membership.

Visit the SARS website www.sars.gov.za, or contact your tax adviser for more information.

How do the Scheme handle your claim if it has a service date before 28 February 2017, but was processed after the tax certificate was generated?

We consider claims processed (or changes to how the claim was processed) after 28 February 2017 for the next year's tax certificate. The Scheme reports the tax data at 28 February 2017 to SARS and cannot issue manual tax certificates.

How do you print an authorised copy of your tax certificate?

Your tax certificate should be printed with a watermark 'authorised copy'. If it doesn't, change your printer settings to print background colours and graphics.