



TAX FAQs 2024

MORE THAN A MEMBER, **MORE WITH BANKMED.**



WHAT IS SHOWN ON YOUR TAX CERTIFICATE AND HOW IS IT CALCULATED?

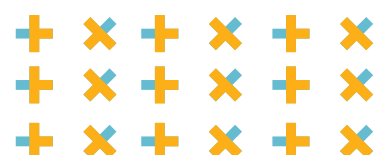
Your tax certificate contains the following necessary information to complete your tax return:

- Contributions from 1 March 2023 to 29 February 2024 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 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 pay, for example, where claims exceeded the benefit limits. We have included claims with 2023 service dates processed up to 29 February 2024

- A breakdown showing the total number of active members – Principal Member and active dependants – each month in 2023 and 2024 (you will need to list these on your tax return).

HOW ARE CONTRIBUTIONS FROM 1 MARCH 2023 TO 29 FEBRUARY 2024 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 IT3(B) CERTIFICATE?

Because 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 Medical Savings Account.

My IT3(b) Medical Savings Account certificate:

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

My IT3(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 IT3(B) CERTIFICATES THAT LOOK THE SAME, BUT HAVE DIFFERENT FIGURES ON THEM?

One certificate will show the interest earned on your Medical Savings Account balance, and the other will show the interest earned on the Accumulated Savings Account (including any carry-over savings from previous benefit years, if applicable).

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

HOW DOES THE SCHEME CALCULATE INTEREST?

The IT3(b) shows the interest you've earned on your Medical Savings Account 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 IT3(B) CERTIFICATE?

If you have not received an IT3(b) certificate this means that you have not earned interest on your Medical Savings Account 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' refers to 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 exceeded your benefit limits.

WHY DO I RECEIVE A MONTHLY BREAK-DOWN OF THE PRINCIPAL MEMBER AND ACTIVE DEPENDANTS?

The portion of your medical scheme contributions on which you may obtain a tax benefit, 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 DOES THE SCHEME HANDLE YOUR CLAIM IF IT HAS A SERVICE DATE BEFORE 29 FEBRUARY 2024, BUT WAS PROCESSED AFTER THE TAX CERTIFICATE WAS GENERATED

We consider claims processed (or changes to how the claim was processed) after 29 February 2024 for the next year's tax certificate. The Scheme reports the tax data as at 29 February 2024 and cannot issue manual tax certificates.

HOW DO YOU PRINT AN AUTHORISED COPY OF YOUR TAX CERTIFICATE?

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

