

GROUP **Benefits** SOLUTIONS

FROM HEALTH ASSOCIATION NOVA SCOTIA



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Taxing Health and Dental Benefit Plans

As recently reported in the media, the Federal Government has been discussing the possibility of taxing employer-paid health and dental plans. **Currently the premium paid by an employer is not a taxable benefit for employees.** Every employer and employee contributing to a health and dental plan would be impacted by such a change. In the viewpoint of Mercer (a national benefits consulting company), for example, “the taxation of employer contributions would have serious detrimental consequences for Canadians and the healthcare system.”

As such, the insurance industry (insurance carriers and benefits consultants from across the country) were very proactive in voicing their strong opposition to taxing benefit plans.

Mercer corresponded with the Federal Minister of Finance to express their concerns on this issue. Details of their submission and identified consequences can be found on [Mercer's website](#). Additionally, Manulife (our benefits carrier for health and dental) set up a spot on their website, making it very easy for any individual to share their concern directly to his/her own MP.

We are delighted to advise that it appears these advocacy efforts were successful. Last week the Federal Government stated it is not likely to move forward with this new form of taxation.

We will continue to monitor this issue and provide further updates as more information becomes available.

If you have questions about your benefits, please talk to your Benefits Administrator.
You can also call Health Association Nova Scotia at 1-866-886-7246.

Visit www.healthassociation.ns.ca/benefits

