

VAT FAQs

Financial advisers

How does the VAT increase affect my Multiply premium?

Your Multiply premium includes VAT, and because VAT increased from 14% to 15%, your Multiply premium will also increase in line with the 1% VAT increase.

Why has my Multiply premium increased for a second time this year?

The increase on 1 January 2018 was our standard yearly premium review. The increase in April is because of legislative changes in the VAT rate. Because your Multiply premium includes VAT, it also increases.

When will the VAT increase affect me?

The new premiums are effective from 1 April 2018. The increase will apply to your April premium, regardless of when it is paid. So if you choose to pay your April 2018 premium on 25 March, you will pay the increased April premium.

For clients whose Planet Fitness gym premium is billed by Multiply:

Why has my Planet Fitness gym premium not increased?

Planet Fitness made a decision to absorb the VAT increase, so your gym premium has not increased.

For clients whose Virgin Active gym premium is billed by Multiply:

Why has my Virgin Active gym premium increased?

Virgin Active made a decision not to absorb the VAT increase, so your gym premium has increased.

What are the new rates after the VAT increase?

The new rates are as follows:

	Before 1 April 2018	After 1 April 2018
Premier		
Single	R 219	R 221
Family of 2	R 269	R 272
Family of 3+	R 299	R 302
Provider		
Single	R 75	R 76
Family	R 95	R 96
Dependants	R 12	R 12

Why did Multiply increase the membership rates, when Discovery did not increase their Vitality rates?

The increase is at each company's discretion and is based on funding and commercial agreements. Benefits to members exceed premiums received and if Multiply were to absorb the VAT increase, it would negatively impact the value of benefits members get.

How does the VAT increase affect commission paid to me by Multiply?

Commission due to you before 1 April will be calculated using a VAT rate of 14%. Commission due to you after 1 April will be calculated using the increased VAT rate of 15%.

