

PO Box 1101, Florida Glen, 1708  
37 Conrad Street, Florida North,  
Roodepoort, 1709  
t +27 11 671 2000  
[www.medscheme.com](http://www.medscheme.com)

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Dear Service Provider

### **Increase in value added tax (VAT) from 14% to 15% effective 1 April 2018**

The Minister of Finance announced a VAT increase in his budget speech on 21 February 2018. The standard rate of VAT will change from 14% to 15% with effect 1 April 2018.

Medscheme and its client schemes have commenced with the process of implementing the schemes' directive/mandate related to tariff adjustments. The VAT-inclusive scheme tariff files will be published on the Medscheme website ([www.medscheme.com](http://www.medscheme.com)) on the Provider logged-in zone as soon as quality and audit checks have been successfully completed. Tariff schedules will also be shared with our electronic trading partners i.e. hubs, switches and practice management software vendors in order for them to update their systems accordingly.

In addition to this, amendments will be made to all Addenda on VAT inclusive tariff rates initially agreed to with the schemes.

A list of the Medscheme administered client schemes can be found on [www.medscheme.com](http://www.medscheme.com) .

Kind regards,

**Medscheme Provider Relations**