

COMMUNIQUÉ

To Group Insurance plan administrators
Tax changes

Quebec insurance premium tax increase

To ensure harmonization with the Quebec Sales Tax (QST), the Government of Quebec has announced an increase in the tax rate applicable to insurance premiums. This change will take effect on January 1, 2027, increasing the insurance premium tax rate from 9% to 9.975%.

Impact on your organization

Groups billed by iA Financial Group

- We will automatically apply the new tax rate to your invoices effective January 1, 2027.

Self-administered groups or third-party administrators

- The total amount of premiums, including adjustments, paid after December 31, 2026, will be subject to the 9.975% rate.* Self-administered groups and third-party administrators will need to **adjust the tax applied to premiums included in their remittances and inform iA Financial Group** of the applicable amount of taxable premiums.
- If invoices do not reflect the correct tax rate, we will return them to you for correction.

For more information about this change, please refer to the [Act respecting the Québec Sales Tax](#) and the [2025-2026 Budget Plan](#), Section D.20 (in French only).

If you have any questions, please contact your advisor or your iA Financial Group Account Executive.

*For example, an insurance premium covering the month of December 2026 but paid in January 2027 would be subject to the new rate of 9.975%, as the applicable rate is determined based on the payment date, rather than the period covered by the premium.

You, as the plan administrator, have an important role to play in informing your plan members about their group insurance plan. We also look to your support to give them all explanatory and administrative documents upon enrolment or upon request. We will help you show them where they can consult this documentation if it is not available in hard copy. If you have any questions, please feel free to consult your administrator's guide or to contact your local Account Executive or Client Relationship Manager.

This communiqué and past publications are also available on this [website](#).

iA Financial Group is a business name and trademark of
Industrial Alliance Insurance and Financial Services Inc.

1-877-422-6487

October 26, 2026

MKG(2026-10-ACC)