

4 June 2025

## Circular 539: Updated 2025 Rate Schedule – VAT-Inclusive and VAT-Neutral Formats

To Sasria Agents and Intermediaries

Dear Valued Partner

Further to our earlier communication dated **1 June 2025 (Circular: Sasria Rate Adjustment Across Specific Classes of Business)**, Sasria SOC Ltd is issuing an updated rate schedule which now includes both VAT-inclusive and VAT-neutral versions of the approved 2025 rate adjustments.

As previously communicated, Sasria's standard published rates have historically reflected VAT-inclusive pricing, in line with Sasria's status as a VAT-registered entity. These rates are designed for systems where VAT is embedded within the premium charged to clients. However, we acknowledge that operational practices vary across the industry. Certain agent companies apply Sasria's rate to VAT-exclusive sums insured, then gross up the sum insured by the applicable VAT rate to arrive at a final premium. This methodology, aligned to Option 3 of Communication 117, produces a correct VAT-inclusive premium without altering Sasria's rate.

To accommodate both system configurations and ensure consistency, regulatory alignment, and SARS compliance, the updated rate schedule now provides:

- **VAT-Inclusive Rates:** For direct application to the VAT-inclusive sum insured.
- **VAT-Neutral Rates:** For environments where the sum insured is increased by the applicable VAT rate before applying the Sasria rate.

Please note:

- **There is no change to the risk premium itself.** This update is purely for clarity and administrative alignment.
- **No further rate increases are being introduced** beyond those already communicated per class of business, effective 1 October 2025.

We trust this dual-format approach will support seamless implementation across agent companies with differing systems, while maintaining pricing accuracy and tax compliance. For any further clarification, please contact your designated Portfolio Managers.

Attachment:

- [Updated Rate Increase Schedule – VAT Inclusive](#)
- [Updated Rate Increase Schedule – VAT Exclusive](#)

Kind regards

**Muzi Dladla**  
**Executive Manager: Stakeholder Management**  
**Sasria SOC Limited**