



**BRYTE RISK SERVICES
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8 April 2021

VAT Increase – effective 1 April 2021

Dear Valued Customer

On 1 February 2021, the Honorable Minister of Finance, Dr Thapelo Matsheka, announced an increase in the value-added tax (VAT) rate from 12% to 14%. This increase came into effect from 1 April 2021.

We wish to remind you that your insurance premium is subject to VAT. Accordingly, all short-term insurance policy premiums inclusive of VAT increased by 2 percentage points with effect from 1 April 2021.

Although sums insured and excesses (fixed value) remain unaltered, it is important to review the adequacy of your cover. This is important when you consider that claims settlement will, where applicable, also take the increased VAT rate into account. Ultimately, if needed, you may want to adjust your sums insured to accommodate the increase.

Please bear in mind that should premiums be outstanding on 1 April these will attract VAT at 14%. When making payment the payment must be adjusted to include the increased VAT rate.

We thank you for your continued support. Should you have any questions, please do not hesitate to contact Keitumetse Oanthata on 77820565 or send an email to Keitumetse.Oanthata@bryte.co.bw.

Yours sincerely

Dziki Nganunu
Chief Executive Officer
Bryte Risk Services Botswana