

GUIDELINES TO SIGNING THE NSW STAMP DUTY EXEMPTION - SMALL BUSINESS DECLARATION

What is the NSW small business exemption?

From 1 January 2018, NSW small businesses will be exempt from paying stamp duty on certain types of insurance.

What is a small business?

Revenue NSW has stated that: "You are a small business if you are **an individual, partnership, company or trust** that is carrying on a business, and the business has an **aggregated turnover of less than \$2 million**. Aggregated turnover is your annual turnover plus the annual turnovers of any business entities that are your affiliates or are connected with you."

Which insurance types does the exemption apply to?

- Commercial vehicle insurance
- Commercial aviation insurance
- Occupational (Professional) indemnity insurance
- Public and Product liability insurance

How to apply for an exemption

To receive the exemption, please complete this declaration declaring that you are a small business. Email the completed declaration to your insurance consultant.

Please note:

- This declaration covers all policies issued to you during the financial year ending 30 June 2024.
- If you are uncertain whether you classify as a small business, please speak to your accountant or financial adviser.
- Insurers will place reliance on your declaration in charging the applicable insurance duty.
- False declarations may result in penalties up to of \$11,000 by Revenue NSW plus the insurance duty not paid and penalty interest on that balance.
- Revenue NSW may also be able to clarify your queries relating to the law and your obligations.
- If you are a not for profit organisation already entitled to a NSW Stamp Duty Exemption, your premium is already exempt and the NSW Stamp Duty Exemption for Small Business is not relevant.
- If a Declaration is not provided at the time of entering into an eligible contract of insurance, NSW Stamp Duty will be charged at the rate applicable on the effective date of the Policy;
- If a Policy covers multiple types of risks the premium will require apportionment between the different types of risk to determine the NSW Stamp Duty payable;
- If a Policy covers multiple States, Territories or Countries, the premium will require territorial apportionment in order to calculate NSW Stamp Duty payable;

NSW SMALL BUSINESS STAMP DUTY EXEMPTION DECLARATION

This declaration covers policies effected or renewed during the financial year ending 30 June 2024.

I hereby declare that I am a Capital Gains Tax small business entity (within the meaning of section 152-10 (1AA) of the *Income Tax Assessment Act 1997* of the Commonwealth). I am a small business individual/partnership/company and/or trust, which is carrying on a business, and the business has an aggregated turnover of less than \$2 million*.

Name of Insured:

ABN:

Signed

Name:

Date:

* Aggregated turnover is your Australia wide annual turnover plus the annual turnovers of any business entities that are your affiliates or are connected with you.