

NSW SMALL BUSINESS STAMP DUTY EXEMPTION DECLARATION

WHAT IS THE SMALL BUSINESS EXEMPTION?

From 1 January 2018, small businesses will be exempt from paying NSW 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 WILL THE EXEMPTION APPLY TO?

This exemption can be applied for small businesses with one of the following insurance types:

- Commercial vehicle insurance
- Professional indemnity insurance
- Product and public liability insurance

HOW DO I APPLY FOR THE EXEMPTION?

To receive the exemption, please complete the below declaration declaring that you/ your client are a small business. Email the completed declaration to your underwriter / broker.

If the Declaration is not received by the date that the relevant insurance is effected or renewed, the exemption will not be applied and stamp duty will be payable.

Please note:

- The declaration covers all policies issued to You during the financial year in which the cover is effected or renewed, a new declaration is required on an annual basis.
- If you are uncertain whether you classify as a small business, please speak to your financial adviser.
- Tasman on behalf of 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 penal interest on that balance.
- Revenue NSW may also be able to clarify your queries relating to the law and your obligations.

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This declaration only covers policies for the financial year in which the cover is effected or renewed.

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*.

SIGNATURE:

NAME (PRINT):

OFFICE HELD:

DATE:

NAME OF INSURED:

ABN OF INSURED:

MOBILE PHONE:

EMAIL:

* 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.

* A fraudulent declaration may invalidate your insurance contract.