

NSW STAMP DUTY SMALL BUSINESS INSURANCE EXEMPTION DECLARATION FORM



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."

What types of insurance are eligible for the exemption?

The types of insurance that may be eligible include:

- Commercial vehicle insurance, for a motor vehicle that is used primarily for business purposes.
- Occupational indemnity insurance (including professional indemnity) covering liability arising out of the provision by a person of professional services or other services (other than medical indemnity cover)
- Product and public liability insurance covering liability for personal injury or property damage occurring in connection with a business or arising out of the products or services of a business.
- Commercial aviation insurance for an aircraft that is used primarily for business purposes.

Special definitions apply to each of these insurances so we recommend you refer to section 259B of the Act for full details. Insurers will only apply the exemption where they determine the policy is affected (in whole or part).

Where to get further information

Visit the Revenue NSW website www.revenue.nsw.gov.au/taxes/insurance/exemptions

PHONE: **08 8272 7785**



When does the exemption apply?

The exemption only applies if the eligible insurance is in a contract effected (new business and variations) or renewed on or after the 1 January 2018.

Instructions for applying for an exemption

To receive the exemption, please complete this declaration declaring that you are a small business. Email the completed declaration to City Rural Insurance info@crib.com.au

For a policy to be exempt, the insured must be a small business as at the date the policy is effected or renewed and the insurer must have a small business declaration. If an insurer does not have a small business declaration as at the date the policy is effected or renewed then the policy is liable to duty.

Please note:

- a. This 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.
- b. If you are uncertain whether you classify as a small business, please speak to your financial adviser.
- c. The Insurer will place reliance on your declaration in charging the applicable insurance duty.
- d. 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.
- e. Revenue NSW may also be able to clarify your queries relating to the law and your obligations.
- f. 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.

NSW STAMP DUTY EXEMPTION – SMALL BUSINESS DECLARATION



This declaration covers policies effected or renewed during 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*.

Name:

Date Signed:

Name of insured (if different from above)

ABN of Insured:

Contact Details

Mobile:

Email:

Signature:

Please fill in all details above, and email the completed form to info@crib.com.au

* 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.

Where to get further Information

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CITY RURAL INSURANCE BROKERS PTY LTD

200 Greenhill Road, Eastwood, SA 5063 | PO Box 7138 Hutt St Adelaide SA 5000
Telephone: (08) 8272 7785 | AFSL: 237491 | ABN: 52 074 444 296

cityrural.au