

# Guidelines for signing the NSW Small Business Stamp Duty Exemption Declaration



MKW INSURANCE BROKERS

## 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 the following insurance types:

- Commercial vehicle insurance
- Commercial aviation insurance
- Occupational 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.

### Please note:

- (a) The declaration covers all policies issued to you during the current financial year ended 30th June.
- (b) If you are uncertain whether you classify as a small business, please speak to your financial adviser.
- (c) Insurers will place reliance on your declaration in charging the applicable insurance duty.
- (d) False declarations may result in penalties up to \$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.

## NSW Small Business Stamp Duty Exemption Declaration

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\***.

Signed

Name

Date signed

Name of Insured  
(if different from above)

ABN of Insured

Contact details

Mobile	<input type="text"/>	Email	<input type="text"/>
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\* 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.