



# Guidelines for signing the 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 affiliated 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
- Commercial aviation insurance
- Product and public liability insurance
- Occupation indemnity insurance (including Professional indemnity, Management liability and Information Technology policies)

### How do I apply for the exemption?

For Brokers/Authorised Representatives: to receive the exemption, please have your client complete the NSW Small Business Stamp Duty declaration and notify GARD of your client’s entitlement to the stamp duty exemption.

For individuals, company, partnership or trust: to receive the exemption please complete the declaration that you/your business entity is a small business. Email the completed declaration to your broker.

### Please note:

- a) 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.
- b) If you are uncertain whether you classify as a small business, please speak to your financial adviser.
- c) GARD on behalf of 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.
- 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 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 at the date of signing 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:  Date:

Name:  Position:

Name of Insured:  ABN of Insured:

Contact number:  Email:

\* Aggregated turnover is your Australia wide annual turnover plus the annual turnovers of any business entities that are your affiliated or are connected with you.  
\* A fraudulent declaration may invalidate your insurance contract.