

NSW Stamp Duty Exemption – Small Business Declaration

What is the NSW small business exemption?

NSW small businesses are exempt from paying stamp duty on certain types of insurance effected or renewed on or after 1 January 2018.

What is a small business?

Revenue NSW provides guidance on the definition of a small business.

- A small business is defined (under section 259A of the Duties Act 1997 (NSW)) as 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) for the income year in which the insurance is effected or renewed.
- A Capital Gains Tax small business entity is defined as 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 types of insurance are eligible for the exemption?

The types of insurance that may be eligible for the NSW small business exemption include:

- Commercial vehicle insurance
- Commercial aviation insurance
- Occupational indemnity insurance
- Public and product liability insurance

Instructions for applying for an exemption

If you are eligible for the exemption, please complete the declaration on the last page of this document declaring that you are a small business. Email the completed declaration through to NGOPSA@icare.nsw.gov.au

Please note:

- a) This declaration covers all policies issued to you during the current financial year ending 30 June.
- b) If you are uncertain whether you classify as a small business, please speak to your financial adviser.
- c) icare will place reliance on your declaration in charging the applicable insurance duty.
- d) False declarations may result in penalties of up to \$11,000 by Revenue NSW plus the insurance duty not paid and penalty 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 small business exemption is not relevant. You must provide evidence of the exemption (such as an exemption letter from Revenue NSW) when requested by icare.

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

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

Signature

Date (DD/MM/YYYY)

Name of Insured (if different from above)

ABN of Insured

Phone Number

Email