

NSW SMALL BUSINESS STAMP DUTY EXEMPTION DECLARATION

At the time that the contract of insurance being applied for is effected or renewed (as applicable), I hereby declare that I am/will be a small business as defined in section 259A of the Duties Act 1997 (NSW) (the Act) for the purpose of the small business exemption in section 259B of the Act.

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

Name of the insured effecting or renewing the contract of insurance:

Signed: _____

Date: _____

Name of Signatory: _____

Position held: _____

Important Information

Small Business Eligibility:

The government has abolished stamp duty on a number of policies taken out by a small business. In order to gain the exemption, the business must be a small business in accordance with the Income Tax Assessment Act 1997 (s152.10), Capital Gains Tax meaning, for the income year in which the insurance is effected or renewed. A small business for Capital Gains Tax purpose is, "an individual, partnership, company or trust that is carrying on a business, and has an aggregated turnover of less than \$2 million." Aggregated Turnover, is the insureds annual turnover plus the annual turnovers of any business entities that are affiliates or are connected with the insured.

Incorrect or False Declaration:

A small business that wrongly claims the exemption, makes a false declaration, will be liable to a penalty of up to \$11,000 plus penalty stamp duty, interest and other costs being imposed.

Failure to provide a Declaration within the required timeframe:

The small business stamp duty exemption is subject to the completed declaration being received by the Insurer. Where a small business declaration has not been provided at the time the policy is effected or renewed, the policy will be liable to duty. Please ensure you complete and return this Declaration to your Adviser as soon as possible to ensure you obtain the relevant exemption.

In executing this declaration I also confirm that:

- my obligations in respect of the NSW Small Business Stamp Duty exemption have been explained to me by my Adviser; and
- if I required any further clarity and/or understanding in respect of my eligibility I have made my own independent inquiry prior to executing this Declaration.