

Stamp duty exemption for small businesses in NSW

The NSW Government has amended the [Duties Act 1997 \(NSW\)](#) (the Act) to provide a stamp duty exemption for eligible small businesses on certain insurance products taken out on or after 1 January 2018.

To obtain the benefit of the exemption you must be an eligible small business and provide a written small business declaration to your insurer.

Determining whether you are a small business under the definition in the Act can be complex. In summary:

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.

If you are unsure whether the definition of small business applies to you for the purposes of determining your eligibility for the stamp duty exemption, visit [Revenue NSW's website](#)¹ for more information or obtain qualified tax advice. Aon is not able to provide tax advice, such as whether you are eligible for the stamp duty exemption.

It is your responsibility as the insured to determine your eligibility for the exemption. Your insurer will rely on this declaration in applying the stamp duty exemption for small businesses on relevant insurance products in NSW. If you claim the small business exemption and are not entitled to it, you may be required by the insurer to pay an amount equal to the duty, together with any interest or penalty tax payable. The insurer may recover this amount as a debt if the amount is not paid. You may also be liable to penalties under relevant laws. Neither Aon nor your insurer is responsible or liable for incorrect or dishonest declarations.

A new declaration is required at each renewal period to satisfy legislative requirements.

Declaration

I am/will be a small business as defined in section 259A of the *Duties Act 1997 (NSW)* (the Act) for the purposes of the small business exemption in section 259B of the Act at the time the insurance is/will be effected or renewed.

Business name _____

Signed for and on behalf of the insured _____

Print name _____

Date _____

If known at the time of declaration:

Branch ID _____ Cover No. _____ Policy No. _____

Policy Start Date _____ Insurer _____ Servicer Name _____

¹ www.revenue.nsw.gov.au/taxes/insurance
Risk. Reinsurance. Human Resources.