

Duties Act 2008

All Australian jurisdictions have agreed to adopt the same basis of apportionment of premiums where there is likelihood that a nexus to the contract of insurance could be established in more than one jurisdiction.

The attached schedule details the basis upon which the premium paid or payable on policies of insurance is to be apportioned for insurance duty purposes.

The Commissioners of all Australian States and Territories have approved the schedule for application in their jurisdictions, and it also has the full endorsement of the Insurance Council of Australia for use by their members.

Insurance duty is imposed by Chapter 4 of the *Duties Act 2008* on premiums paid for contracts of insurance, which are contracts that effect general insurance.

Where the insurance also relates to:

- property or risk outside Australia (offshore) or
- property or risk in another Australian State or Territory,

the amount of the premium that is attributable to general insurance is determined by apportioning the premium in accordance with the schedule below.

Where alternative methods are available, the method of apportionment adopted should be



Aviation Hull
Aviation Hull Third Party
Property Liability
Aviation Hull Personal
Liability

Where the aircraft, the subject of the insurance, is a high capacity regular public transport aircraft - apportioned on the

Comprehensive Crime Contract of Insurance	Salaries, wages, number of people/employees
Contract Works	Asset value/sum insured or exposure level for each jurisdiction
Contractor Risks	Asset value/sum insured or exposure level for each jurisdiction
Crop	Asset value/sum insured or exposure level for each jurisdiction
Deterioration of Stock	Asset value/sum insured or exposure level for each jurisdiction
Disability – single	Place of residence of the insured/place of registration of business
Disability – group	Place of residence of the insured/place of registration of business
Directors and Officers Liability	Turnover or sales or number of people
Fidelity Guarantee	Salaries and wages or number of people
Fire	Asset value/sum insured or exposure level for each jurisdiction
General Property	Asset value/sum insured or exposure level for each jurisdiction
Home Building and Contents	Asset value/sum insured or exposure level for each jurisdiction

Marine – Carrier’s Legal Liability – Coastal and International Shipping	Predominant location

Motor Vehicle and/or Extended Warranty - Fed. Interstate	Place of registration or deemed registration
Motor Vehicle and/or Extended Warranty - Unregistered	Place of (usual) location of asset-garaging
Occupational (professional indemnity)	Salaries, wages, number of people/employees Estimated profit, fees, rent, revenue etc
Personal Accident and Illness – group	Place of residence of the insured/place of registration of business
Personal Accident and Illness – single	Place of residence of the insured person/place of registration of business
Personal Liability	State of registration of business or place of residence of the person insured

Personal Property

Travel (inbound to Australia) – includes baggage	<p>Duty payable on 90% of premium received. State of intended stay where indicated by policyholder. If not indicated, location where the insurance company arranged the insurance (e.g. retail outlet, call centre, internet processing centre).</p> <p>Should an insurance company disagree with this basis of apportionment they may apply to the Commissioner for apportionment on another basis. Where an insurance company elects to apportion duty on some other basis that method of apportionment must be applied consistently across all jurisdictions.</p>
Travel (outbound from Australia) – includes baggage	<p>Duty payable on 10% of premium received. State of Registration of Business (where the insured is not a natural person) or place of residence of the person insured.</p> <p>Should an insurance company disagree with this basis of apportionment they may apply to the Commissioner for apportionment on another basis. Where an insurance company elects to apportion duty on some other basis that method of apportionment must be applied consistently across all jurisdictions.</p>
Travel (within Australia)	Place of residence of the person insured or state of registration of the business (where the insured is not a natural person).

www.osr.wa.gov.au/DutiesEnquiry

WA.gov.au

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This fact sheet provides guidance only. Refer to the *Duties Act 2008* for complete details.