

Apportionment of insurance premiums

Revenue Ruling DA.042

Replaces DA.015

Preamble

Division 3 of Part 2 of Chapter 8 of the *Duties Act 2000* (the Act) provides for the apportionment of certain insurance premiums between States and Territories. Sections 192(1)(a) and (b) of the Act outline the types of insurance contracts to which Division 3 applies.

Section 192(2) of the Act explains the intention of the Division in relation to the apportionment of insurance premiums, the avoidance of multiple duty and the sharing of duty by means of apportionment between the States and Territories.

This Revenue Ruling explains the process of apportionment of insurance premiums that has been adopted by the Commissioner of State Revenue (the Commissioner).

Ruling

Pursuant to section 193 of the Act, the Commissioner may adopt a Schedule of Apportionment for the purpose of apportioning insurance premiums. Where a Schedule of Apportionment has been adopted, section 194 of the Act requires a premium to be apportioned in accordance with the Schedule of Apportionment.

The Schedule of Apportionment adopted by the Commissioner is the latest approved Apportionment Schedule published in the Insurance Council of Australia (ICA)'s publication 'Conspectus of Stamp Duties and Advisory Fire Service Levies in Australia' (the Conspectus).

This Revenue Ruling, however, does not apply to international travel insurance policies. For a Schedule of Apportionment applicable to premiums paid to effect international travel insurance policies, please refer to Revenue Ruling DA.041.

Please note that rulings do not have the force of law. Each decision made by the State Revenue Office is made on the merits of each individual case having regard to any relevant ruling. All rulings must be read subject to Revenue Ruling GEN.001.