

**AFSA BULLETIN**

**WA STAMP DUTY ON LIFE INSURANCE**

Member societies may wish to note that, as a result of amendments to the *Stamp Act 1921* of Western Australia – which took effect from 1 March 2006, a ‘life insurance policy’ has become exempt from duty under Part IIIF of that Act.

The Act defines ‘life insurance’ to mean insurance provided under, or in accordance with, a policy of insurance or assurance on any life or lives or on any event or contingency relating to or depending on any life or lives, other than a policy of accident insurance.

Where a ‘life insurance policy’ provides for a benefit that does not relate to, or depend on, a life or lives ... and an identifiable part of the premium payable in respect of the policy is attributable to that insurance, then the insurance is referred to as “additional insurance”. Additional insurance is commonly referred to as a ‘rider’ ... and is deemed to be non-exempt (and dutiable) general insurance.

Regardless, an exemption is provided for that part of an insurance premium that relates to property or risk outside Australia.

Interested friendly societies (whether Western Australian-based or not) are encouraged to seek independent advice on how this exemption might affect their dutiable position and reporting obligations, and also how refunds may be claimed for any overpaid duty ... and the effect of transitional provisions which were part of the 2006 amendments.

Inquiries may also be directed to the *Office of State Revenue* in Western Australia, and the following *Frequently Asked Questions* section on the ‘insurance’ page their website may be useful to read: [http://www.dtf.wa.gov.au/cms/osr\\_content.asp?id=1450](http://www.dtf.wa.gov.au/cms/osr_content.asp?id=1450).

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**Chairman**  
**AFSA Tax Committee**

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*An AFSA bulletin does not constitute advice. Affected societies and their investors are encouraged to seek and obtain appropriate, timely and independent professional advice prior to making any decisions on the basis of its contents – and to help meet their respective obligations under relevant laws.*