



## **Input Tax Credit Entitlement**

You must answer the question on the front of the form in relation to any entitlement to claim back the GST component of the Compulsory Third Party Insurance (CTP) premium. Under the Commonwealth GST Law\*, this is known as an 'Input Tax Credit' (ITC). Guidance on how to respond to that question is provided below, however if you are unsure you should consult your accountant or the Australian Taxation Office about your particular circumstances.

- Step 1 *Is this vehicle used for business (including Government and non-profit organisations) purposes?*  
If **Yes** - continue with Step 2,  
If **No** - answer **NO** to the question on the front of the form and pay the lower 'No ITC Entitlement' total fee (if offered) for the selected period.
- Step 2 *Is the Registered Owner of this vehicle registered (or required to be registered) for GST?*  
If **Yes** - continue with Step 3,  
If **No** - answer **NO** to the question on the front of the form and pay the lower 'No ITC Entitlement' total fee (if offered) for the selected period.
- Step 3 *Is the Registered Owner of this vehicle entitled to claim an ITC in relation to the CTP Premium?*  
If **Yes** - answer **YES** to the question on the front of the form and pay the higher 'ITC Entitled' total fee (if offered) for the selected period.  
If **No** - answer **NO** to the question on the front of the form and pay the lower 'No ITC Entitlement' total fee (if offered) for the selected period.

*If you have answered YES to **all** 3 questions, you must answer **YES** on the front of the form and pay the 'ITC Entitled' fee (if offered). Upon payment of any 'ITC Entitled' fee, or standard fee where alternative fees are not offered, a Tax Invoice will automatically be provided with your Certificate of Registration.*

**Payment of the incorrect premium may incur a penalty up to \$250.**  
**This penalty is in addition to any premium differential payable.**

In addition, if the incorrect premium is paid this constitutes a breach of the Policy of Insurance. Section 124A(2) of the Motor Vehicles Act 1959 allows the insurer, by action in a court of competent jurisdiction, to recover from the insured person a portion of the money paid or costs incurred by the insurer in respect of the liability incurred by the insured person. Accordingly, use of the vehicle otherwise than for the purposes stated in your application renders you liable to recovery action in the event that a claim on your policy is paid by the insurer. The insurer considers an amount of 10% of the money paid or costs incurred by the insurer to be an appropriate amount and will accept that sum as settlement of its claim under section 124A(2) of the Motor Vehicles Act 1959.

\*GST Law means the Commonwealth legislation: A New Tax System (Goods and Services Tax) Act 1999.

FOR FURTHER INFORMATION AND ASSISTANCE IN DETERMINING THE APPROPRIATE PREMIUM PLEASE REFER TO THE PREMIUM SCHEDULES PROVIDED AT CUSTOMER SERVICE CENTRES.