

**FROM:** Manager - International Tax, Taxation Department  
**LOCATION:** TAX/86/441  
**EXTENSION:** 6860  
**DATE:** 5 July 2001  
**REFERENCE:** TAX/MCM/ln/Y2575  
**SUBJECT:** TAX CHANGE IN AUSTRALIA  
**ATTACHMENTS:** None  
**ACTION POINTS:** Underwriters and Brokers to read and note  
**DEADLINE:** Effective immediately

1. This bulletin reminds underwriters and brokers of a reduction in the tax rate applying to Lloyd's business in Australia. The change was previously mentioned in Lloyd's market bulletin dated 10 May 2000.
2. The rate of the Australian tax applying to Lloyd's Underwriters' Australian business is reduced from 34% to 30% with effect from 1 July 2001. As Lloyd's Underwriters pay the Australian tax on a deemed profit of 10% of the gross premium (i.e. the premium paid by the assured to the broker) the new effective rate of tax is therefore 3.0% of the gross premium.
3. This bulletin is being sent to all Underwriters, Lloyd's Brokers and recognised auditors. If you have any queries, please contact Roger Ramage on Lloyd's extension 6852 or e-mail: - [Roger.E.Ramage@lloyds.com](mailto:Roger.E.Ramage@lloyds.com)

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