



VAFA PERSONAL ACCIDENT INSURANCE & HEALTH PAYG AND WITHHOLDING TAX

EFFECTIVE JULY 1 2017

Introduction

The Australian Taxation Office (ATO) has recently confirmed that it is necessary for all general insurers to withhold PAYG tax from certain periodic payments. Specifically, this relates to people who are receiving loss of income claim payments via the Victorian Amateur Football Association (VAFA) Personal Accident Insurance Top Up Program.

What is changing?

Previously, all claimants who received periodic payments for loss of income under the VAFA Personal Accident Top Up policy have been required to declare these payments as income on their annual tax return.

Following advice from the ATO, the VAFA's Insurer, Sportscover is required to withhold PAYG Tax.

In order for Sportscover to withhold the correct PAYG tax, the ATO requires you to provide Sportscover with a completed Tax File Number (TFN) declaration. **Non – receipt of a TFN will result in tax being withheld from the payment at the top marginal rate currently (49%).**

Sportscover will also be issuing PAYG summaries to all recipients of these payments effective from 1st July 2017 to assist you in completing your tax returns to the ATO. The PAYG summaries will be provided to you in July 2018.

If you hold an ABN?

If you hold an ABN, you are not required to complete and return the Tax File Declaration (TFN).

However, you will need to provide Sportscover with your ABN Details. This may apply to the self-employed or people who are involved in businesses.

Action required by you?

Please complete and return the TFN declaration urgently within seven (7) days. Note this is an on-line PDF document so you can complete the relevant details on-line. A link to the document can be found on the claims section of the EFL Insurance web-site. Please return the ATF declaration to the following address:

Email: asiapac.claims@sportscover.com **OR** **Mail:** **Sportscover Australia Pty Ltd**
Locked Bag 6003
Wheelers Hill Vic 3150

Further Information

For any queries, please contact the Sportscover Claims Hotline on 1300 134956.

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