



# First Home Benefits

- \$7000 First Home Owner Grant where the commencement date of the eligible transaction is on or before 30 September 2012
- Exemptions and concessions on duty under First Home—New Home on agreements or transfers executed on or after 1 January 2012 and up to 30 June 2012

If you are buying or building your first home, you may be eligible for benefits under the First Home Owner Grant Scheme and/or the First Home—New Home Scheme.

The First Home Owner Grant Scheme is fully funded by the NSW Government and administered by the Office of State Revenue (OSR). The scheme was established to assist eligible first home owners to purchase their first home by offering a \$7000 grant. The grant applies to residential dwellings only and does not apply to vacant land.

The First Home—New Home Scheme is a NSW Government initiative which provides exemptions or concessions on transfer duty for eligible NSW first home buyers. This includes vacant land on which you intend to build your first home.

There are no income or assets tests to qualify for the benefits.

Business premises, a holiday house or renovations to an existing home do not qualify for first home benefits.

The First Home Owner Grant and the First Home—New Home Schemes have Proof of Identity requirements, the details of which are contained in the relevant Application and Lodgement Guides.

## First Home Owner Grant

The First Home Owner Grant Scheme is available to people buying or building their first home.

Your eligibility is determined on the facts and circumstances as at the **commencement date of the eligible transaction**. This is the date of the contract to purchase or build a home or, for an owner builder, the date the foundations commenced to be laid.

To qualify for the First Home Owner Grant, you must meet the following eligibility criteria:

- Each applicant is a natural person and not a company or trust.
- At least one applicant is a permanent resident or Australian citizen.
- Each applicant must be at least 18 years of age.
- All applicants and/or their spouse/de facto have not owned a residential property, jointly, separately or with some other person, in any State or Territory of Australia **before July 2000**.
- All applicants and/or their spouse/de facto have not previously owned a residential property jointly, separately or with some other person in any State or Territory of Australia, and occupied that property for a continuous period of at least six months.
- Each applicant has entered into a contract for the purchase of a home or signed a contract to build a home on or after 1 July 2000. In the case of an owner-builder, laying of the foundations commenced on or after 1 July 2000.

- The total value of the property does not exceed the cap amount for eligible transactions which commenced on or after 1 January 2010. The cap amount is reviewed annually and the cap applicable to your application is determined by the commencement date of the eligible transaction. This is the date of the contract to purchase or build a home or, for an owner builder, the date the laying of foundations commenced.

### Eligible transaction commencement date

From	To	Cap amount
1 January 2011	Onwards	\$835 000
1 January 2010	31 December 2010	\$750 000
1 July 2000	31 December 2009	No cap applicable

- This is the first time an applicant and/or their spouse/de facto will receive a grant under the *First Home Owner Grant Act 2000* in any State or Territory (unless subsequently repaid).
- At least one applicant will occupy the home as their principal place of residence for a continuous period of six months, commencing within 12 months of settlement or construction of the home. Where an applicant was a member of the *permanent forces of the Australian Defence Force* and **all** applicants were enrolled on the NSW electoral roll, as at the commencement date of the eligible transaction, dated on or after 21 October 2009, then all applicants are exempt from the residence requirement.

## How to apply for the First Home Owner Grant

You can apply for the First Home Owner Grant through your financial institution or OSR. Applications lodged with financial institutions will have the grant available for settlement or for the first draw down on contracts to build.

Applications can only be lodged with OSR after completion and you are registered on title (if you are purchasing under a 'Terms Contract', please contact OSR for lodgement requirements). Applications must be lodged within 12 months of completion or settlement of your home.

## First Home—New Home

The First Home—New Home Scheme provides eligible purchasers with exemptions on transfer duty on new homes valued up to \$500 000 and concessions on duty for new homes valued between \$500 000 and \$600 000.

Eligible purchasers buying a vacant block of residential land to build their home on will pay no duty on vacant land valued up to \$300 000, and will receive concessions on duty for vacant land valued between \$300 000 and \$450 000.

To qualify for First Home—New Home, you must meet the criteria listed below:

- The contract and the transfer must be for the purchase of the whole of the property.
- All purchasers must be 'eligible purchasers'.
- At least one eligible purchaser must occupy the home as their principal place of residence for a continuous period of six months, commencing within 12 months of completion of the agreement. Where an eligible purchaser was a member of the *permanent forces of the Australian Defence Force* and **all** purchasers were enrolled on the NSW electoral roll, as at the transaction date, dated on or after 21 October 2009, then all purchasers are exempt from the residence requirement.
- An 'eligible purchaser' is a natural person (ie not a company or trust) at least 18 years of age who has not, and whose spouse/de facto has not:
  - ▶ at any time owned (either solely or with someone else) residential property in Australia other than property owned solely as trustee or executor

- ▶ previously received an exemption or concession under First Home—New Home.

**Note:** If all purchasers are not 'eligible purchasers', you may still qualify for a concession under the shared equity arrangements in First Home—New Home – see page 4.

## Calculating the concessions on duty

Refer to the First Home—New Home tables below for a guide to the concession applicable. You can calculate the exact amount of your concession using the First Home—New Home calculator on OSR's website.

### Homes

You do not have to pay duty on the purchase of a new home up to \$500 000. To calculate the First Home—New Home concession on a home between \$500 000 and \$600 000, multiply the purchase price by 0.2249 and subtract \$112 450.

#### First Home—New Home – homes example calculations

Purchase price (\$)	Usual duty (\$)	First Home—New Home duty (\$)	Savings (\$)
250 000	7 240	0	7 240
300 000	8 990	0	8 990
350 000	11 240	0	11 240
400 000	13 490	0	13 490
450 000	15 740	0	15 740
500 000	17 990	0	17 990
525 000	19 115	5 623	13 493
550 000	20 240	11 245	8 995
575 000	21 365	16 868	4 498
600 000	22 490	no discount	0

### Vacant land

You do not have to pay duty on the purchase of vacant land up to \$300 000. To calculate the First Home—New Home concession on land between \$300 000 and \$450 000, multiply the purchase price by 0.1049 and then subtract \$31 470.

#### First Home—New Home – vacant land example calculations

Purchase price (\$)	Usual duty (\$)	First Home—New Home duty (\$)	Savings (\$)
100 000	1 990	0	1 990
200 000	5 490	0	5 490
300 000	8 990	0	8 990
340 000	10 790	4 196	6 594
380 000	12 590	8 392	4 198
420 000	14 390	12 588	1 802
450 000	15 740	no discount	0

## Shared Equity Arrangements under First Home—New Home

First Home—New Home shared equity arrangements allow eligible purchasers to buy property with other parties and still receive a concession. To qualify, the eligible purchasers must buy at least 50 per cent of the property. The value limits and other eligibility criteria of First Home—New Home apply.

Transfer duty is calculated with reference to the proportion of the property purchased by other parties. However, this interest is disregarded if it is not more than five per cent.

The tables below give a guide to the concession applicable. You can calculate the exact amount of your concession using the First Home—New Home calculator on OSR's website.

**Note:** If the first home buyer's spouse has previously owned a home or received a benefit under First Home—New Home, the first home buyer will not be entitled to the shared equity arrangements concession under First Home—New Home, regardless of whether or not the spouse is also a purchaser.

### First Home—New Home Shared Equity Arrangements – homes example calculations

	50% acquired by first home buyer		90% acquired by first home buyer	
Purchase price (\$)	Duty (\$)	Saving (\$)	Duty (\$)	Saving (\$)
250 000	3 620	3 620	724	6 516
300 000	4 495	4 495	899	8 091
350 000	5 620	5 620	1 124	10 116
400 000	6 745	6 745	1 349	12 141
450 000	7 870	7 870	1 574	14 166
500 000	8 995	8 995	1 799	16 191
525 000	12 369	6 746	6 972	12 143
550 000	15 743	4 498	12 145	8 096
575 000	19 116	2 249	17 317	4 048

### First Home—New Home Shared Equity Arrangements – vacant land example calculations

	50% acquired by first home buyer		90% acquired by first home buyer	
Purchase price (\$)	Duty (\$)	Saving (\$)	Duty (\$)	Saving (\$)
100 000	995	995	199	1 791
200 000	2 745	2 745	549	4 941
300 000	4 495	4 495	899	8 091
340 000	7 493	3 297	4 855	5 935
380 000	10 491	2 099	8 812	3 778
420 000	13 489	901	12 768	1 622

To apply for the shared equity arrangements concession, use the First Home—New Home application form available from [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au)

## MORE INFORMATION



[www.osr.nsw.gov.au](http://www.osr.nsw.gov.au)



1300 130 624  
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Monday to Friday



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Help in community languages is available.

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## How to apply for First Home—New Home

Submit your First Home—New Home application together with your Agreement for Sale/Transfer for stamping by OSR. Your application must be accompanied by all supporting documents. You must have already exchanged contracts to purchase your first home or vacant land.

## First Home Benefits application forms

You can print an application form for both the First Home Owner Grant and First Home—New Home from [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au), phone and ask to have an application posted, or send an email to [first.home.benefits@osr.nsw.gov.au](mailto:first.home.benefits@osr.nsw.gov.au). Forms are also available from your solicitor or conveyancer.

## False claims

There are substantial penalties for knowingly making false or misleading statements in connection with an application for first home benefits. OSR conducts investigations and compliance checks to ensure the grant and duty exemption/concession are given only to those applicants who are entitled to receive them. OSR audits claims with current and historical data held by other State and Territory agencies and commercial organisations.

Read more about First Home Owners Grant Scheme – Penalties for Non-Compliance and Interest and Penalty Tax at [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au)