

IMPORTANT ADVICE FOR FIRST HOME BUYERS

If you are a First Home Buyer and you intend to use the property as your principal place of residence did you know that you may well be eligible for the following:-

A. FIRST HOME PLUS EXEMPTION OR CONCESSION FROM STAMP DUTY;

To be eligible for the First Home Plus Exemption of Stamp Duty Scheme the following must apply:

1. The agreement or transfer must be for the whole of the property
2. All eligible purchasers must be natural persons (ie not a company or trust) at least 18 years of age.
3. At least one eligible purchaser must be an Australian citizen or permanent resident.
4. At least one eligible purchaser must satisfy the residence requirements and provide supporting evidence
5. The eligible purchasers must together be acquiring an interest of at least 50%

Eligible purchasers

An eligible purchaser is a purchaser who has not and whose spouse has not:

1. At any time owned (either solely or with someone else) residential property in Australia other than property owned solely as trustee or executor.
2. Previously received an exemption or concession under First Home Plus

It should also be noted that to qualify for First Home Plus Exemption the following must also apply:-

1. The home must be occupied by one of the eligible purchasers as his or her principal place of residence for a continuous period of at least 6 months, with that occupation starting within 12 months after completion of the agreement or transfer.
2. In the case of vacant land., the Chief Commissioner must be satisfied the vacant block of land is intended to be used as the site of a home to be occupied as the principal place of residence of one of the eligible purchasers.

Homes

To receive the full exemption of stamp duty the purchase price must be \$500,000.00 or less. If the purchase price exceeds \$500,000.00 you receive a proportionate concession up to the sum of \$600,000.00 whereupon the exemption ceases to apply.

Vacant Land

To receive the full exemption of stamp duty, the purchase price must be \$300,000.00 or less. If the purchase price exceeds \$300,000.00 you receive a proportionate concession up to the sum of \$450,000.00 whereupon thereafter the exemption ceases to apply.

B. FIRST HOME OWNERS GRANT

To qualify for the First Home Owners Grant Applicants must comply with the following:-

1. Be a natural person (ie not applying as a company or trust) at least 18 years of age and whose interest in the property is not held subject to a Trust
2. Ensure at least one applicant is an Australian Citizen or a permanent resident
3. Be buying or building a home for which the contract was signed on or after 1 July 2000 or building a home as an owner builder where building commenced on or after 1 July 2000
4. Ensure each person holding a relevant interest in the property is an applicant.
5. Ensure at least one applicant will reside in the home as their principal place of residence for a continuous period of at least six months commencing within 12 months of completion of the eligible transaction
6. Lodge an application within 12 months of completion of the eligible transaction.

It should also be noted that Applicants and their Spouses/Partner must:-

1. not have previously received a First Home Owner Grant in any State or Territory of Australia. If a grant was received but later paid back together with any penalty, you may be entitled to reapply for the grant.
2. not have previously owned or held a relevant interest in a residential property anywhere in Australia prior to 1st July 2000.
3. Not have occupied for a continuous period of at least six months, a residential property in which they acquired a relevant interest on or after 1 July 2000 anywhere in Australia.

If you have complied with the above requirements then you will be eligible to receive the First Home Owners Grant in the sum of \$7,000.00 which will be made available to your mortgagee at settlement if you are obtaining finance to complete the purchase or alternatively be deposited in a Bank Account of your choice after registration of the transfer confirming your ownership of the property has been completed and evidence of same supplied to the Office of State Revenue.

For any further advice on the above or any other Conveyancing issues Please ring Scott Bryant at Belmont or Toronto Office.