NSW FIRST HOME OWNER GRANT

RESIDENTIAL

FIRST HOME OWNER GRANT SUMMARY

- The Scheme was established to assist first home buyers to purchase their first home by offering a $7000 grant. The grant applies to residential dwellings only and does not apply to vacant land.
- From 1 January 2011, the cap was increased to $835,000 and the cap applies to all applications where the commencement date of the eligible transaction is on or after 1 January 2011.
- Applicants who purchase or build a home which has a total value of more than $835,000 will not be eligible for the grant.
- The previous cap of $750,000 still applies where the eligible transaction commencement date falls between 1 January 2010 and 31 December 2010 (inclusive). Prior to 1 January 2010 there was no cap applicable.
- In addition to the grant, you do not have to pay duty on the purchase of a home up to $500 000. To calculate the First Home Plus concession on a home between $500 000 and $600 000, multiply the purchase price by 0.2249 and subtract $112 450.

First Home Plus – homes example calculations

Purchase price ($)	Usual duty ($)	First Home Plus 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

NSW HOME BUILDERS BONUS

- The NSW Home Builders Bonus (HBB) has been introduced to stimulate the construction of new homes in NSW and is available to all purchasers.
- Agreements for sale or transfers of vacant land or a new home will be eligible for consideration under HBB where they are entered into on or after 1 July 2010 and before 1 July 2012
- **A 100% exemption** of stamp duty applies if:-
  - A vacant lot is purchased with a dutiable value not exceeding $400,000 and on which a new home will be built;
  - A new home is purchased off-the-plan, construction has not commenced yet and the property has a dutiable value not exceeding $600,000;
  - A person is over 65+ years and claims the Seniors Principal Place of Residence (PPR) and purchases a completed new home or a new home off-the-plan where construction has commenced, with a dutiable value not exceeding $600,000.
- **A 25% reduction** in stamp duty applies if:-
  - A new home is purchased off-the-plan, construction has commenced and has a dutiable value not exceeding $600,000;
  - A newly completed home is purchased with a dutiable value not exceeding $600,000.