

FIRST HOME-BUYERS GRANT

Until June 30, 2002, a \$10,000 grant is available to Australian first homebuyers to go towards the building of a new home or the purchase of a previously unoccupied new home. This grant has been scaled back from \$14,000, which applied until December 31, 2001.

For first home buyers purchasing an established property, the grant is \$7000 and this grant continues indefinitely.

The **First Home Owners Grant** scheme comes from the Commonwealth government to help compensate for the effect of the GST.

The extra grant for buying a newly built home is a temporary measure to boost the housing sector and underpin the wider economy.

First homebuyers in New South Wales get a further bonus, with the State government offering a rebate on stamp duty payable on their first property purchase under a scheme called **First Home Plus**.

First Home Owner Grant

To qualify, you must:

- be a permanent resident or citizens of Australia.
- not already own, or have owned a property. If you are married, this includes property held in either your name or your partner's.
- intend to live in the property.

Buyers of new homes have 26 weeks after entering a contract to begin construction and have 18 months to complete construction.

First Home Plus

The scheme offers first homebuyers in NSW a rebate on the stamp duty applicable to both the purchase of property purchase and the mortgage.

This means:

- no stamp duty is payable on properties valued at \$200,000 or less in metropolitan areas (around Sydney, Newcastle and Wollongong) and \$175,000 or less in other areas of NSW.
- discounts on stamp duty for property between \$200,000 and \$300,000 in metropolitan areas and \$175,000 and \$250,000 in other areas. The amount of these concessions are based on a sliding scale between the designated sums.
- no stamp duty exemption or discount for property valued at \$300,000 or above. However, the First Home Owner Grant still applies.

Vacant land also qualifies for the rebate but at different rates.