



Benefits for First Home Buyers in NSW

By far the single biggest expense incurred by home buyers and land purchasers in NSW is the stamp duty paid to the NSW government on a purchase contract. As an example, a purchaser buying a home for \$650,000.00 would ordinarily pay \$24,744.00 stamp duty on both the contract and transfer. There is however a stamp duty exemption scheme which operates to assist first home buyers and a monetary grant is available to first home buyers of new homes. Summarised below are the benefits currently available.

1. First Home Buyer Assistance Scheme (FHBAS)

This Scheme was introduced on 1 January 2012 and was varied on 1 July 2017. It provides exemptions or concessions on transfer duty for people who are buying their first home or unit in NSW. It also includes buying vacant land on which they intend to build their first home.

The FHBAS provides purchasers with full exemptions on transfer duty on existing and new homes and units valued up to \$650,000.00 and concessions on transfer duty for these properties valued between \$650,000.00 and \$800,000.00.

Eligible purchasers buying a vacant block of residential land to build their new home on will pay no duty on vacant land valued up to \$350,000.00 and will receive a concession on duty for vacant land valued between \$350,000.00 and \$450,000.00.

To qualify for the FHBAS:

- the contract date must be on or after 1 July 2017 and must be for the whole property
- you must be an individual, not a company or trust
- you must be over 18
- you, and your spouse or partner, must never have owned or co-owned residential property in Australia
- you, and your spouse or partner, must never have received an exemption or concession under this scheme
- at least one of the first home buyers must be an Australian citizen or permanent resident.

You or one of the other first home buyers must also:

- move into the new home within 12 months after buying the property and
- live there for at least six continuous months.



2. First Home Owner Grant (New Homes) Scheme

Subject to satisfying eligibility requirements first home owners buying **new** homes or building their first home are also entitled to a \$10,000.00 grant to assist them provided that the total purchase price is not more than \$600,000.00 for a new home. For those building their first home a cap of \$750,000.00 is applied against the total of the land purchase price and the building contract price.

Applicants are required to be natural persons, one of whom must be a permanent resident or Australian Citizen. Applicants are also required to live in the property for a continuous period of at least 6 months.

Please feel free to contact either [John Bateman](mailto:John.Bateman@batemanbattersby.com.au) at Bateman Battersby on (02) 4731 5899 or email to property@batemanbattersby.com.au if you require any further information or assistance in relation to any of the exemption and concession schemes currently available in NSW.