

2009

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

FIRST HOME OWNER GRANT AMENDMENT BILL 2009 (NO 2)

EXPLANATORY STATEMENT

Circulated by the authority of the Treasurer
Katy Gallagher MLA

First Home Owner Grant Amendment Bill 2009 (No 2)

Summary

The amendments made by this Bill to the *First Home Owner Grant Act 2000* provide the statutory requirements for the continued administration of the First Home Owner Boost Scheme.

Overview

The First Home Owner Boost has been extended in its current form to 30 September 2009 from 30 June 2009. The First Home Owner Boost provides an additional \$7,000 to first home buyers purchasing an established home on or after 14 October 2008 and on or before 30 September 2009. First home buyers purchasing a newly constructed home will receive an additional \$14,000 on contracts signed on or after 14 October 2008 and on or before 30 September 2009.

The First Home Owner Boost payments will be halved for contracts that are entered into on or after 1 October 2009 and on or before 31 December 2009. This means first home buyers purchasing an established home on or after 1 October 2009 and on or before 31 December 2009 will receive an additional \$3,500. First home buyers purchasing a newly constructed home will receive an additional \$7,000 on contracts signed on or after 1 October 2009 and on or before 31 December 2009. The value of the First Home Owner Grant will remain the same.

To qualify for assistance, applicants must meet the eligibility requirements for the First Home Owner Grant in addition to specific eligibility requirements for the First Home Owner Boost. The amendments contained in this Bill will ensure that all legislative requirements currently in place for the *First Home Owner Grant Act 2000* will apply to eligible recipients of the First Home Owner Boost. There are specific eligibility requirements for the First Home Owner Boost for the purchase of a new home, 'off the plan' purchase and for those entering into a comprehensive home building contract.

Commencement Date

This Bill will commence on the day after its notification day.

Details of the Bill

Details of the Bill are attached.



Details of the First Home Owner Grant Amendment Bill 2009 (No 2)

Clause 1 — Name of Act

This Act is the *First Home Owner Grant Amendment Act 2009*.

Clause 2 — Commencement

This Act commences on the day after its notification day.

Clause 3 — Legislation amended

This Act amends the *First Home Owner Grant Act 2000* (the FHOG Act).

Clause 4 — Amount of grant — certain eligible transactions

Section 24B (1) states the value of the first home owner grant payment in relation to an eligible transaction.

Section 24B (1) (a) identifies the sections of the FHOG Act that are eligible for the \$14,000 first home owner boost payments if they are an eligible transaction.

Section 24B (1) (b) identifies the sections of the FHOG Act that are eligible for the \$7,000 first home owner boost payment if they are an eligible transaction.

Section 24B (1) (c) inserts a new subsection to identify the section of the FHOG Act that would qualify for the \$7,000 reduced first home owner boost payment for an eligible transaction.

Section 24B (1) (d) inserts a new subsection to identify the section of the FHOG Act that would qualify for the \$3,500 reduced first home owner boost payment for an eligible transaction.

Clause 5 — First home owner boost for new homes

Section 24C (1) is a substitution that separates the various dates for when a contract for a new home is entered into. The date of the contract for a new home will determine the value of the first home owner boost payment.

Section 24C (2) separates the various contract dates for eligible transactions that are an 'off-the plan' purchase for a new home. There are three separate periods that have different completion dates. The date that a contract is entered into will determine the value of the first home owner boost payment.

Clause 6 Section 24C (3) (a) separates the dates for when contracts are entered into for an eligible transaction that is a comprehensive building contract. The date of the contract will determine the value of the first home owner boost payment.

Clause 7 Section 24C (4) (a) separates the dates for an eligible transaction that is the building of a new home by an owner builder. The date of the contract will determine the value of the first home owner boost payment.

Clause 8 First home owner boost for established homes

Section 24D (1) (c) separates the dates for an eligible transaction that is an established home. The date of the contract will determine the value of the first home owner boost payment.

Clause 9 *First Home Owner Grant Regulation 2008*, sections 3A and 3B

This clause removes from the regulations the extension of time to 30 September 2009 as this provision has been inserted into the Act. It also removes the extension of time for an ‘off the plan’ purchase agreement and the date for completion of an ‘off the plan’ purchase agreement from the regulations and inserts them into the Act.