

2009

THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Treasurer)

First Home Owner Grant Amendment Bill 2009

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First Home Owner Grant Amendment Bill 2009

A Bill for

An Act to amend the *First Home Owner Grant Act 2000*

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1 Name of Act

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

2 Commencement

This Act commences on the day after its notification day.

Note The naming and commencement provisions automatically commence on the notification day (see Legislation Act, s 75 (1)).

3 Legislation amended

This Act amends the *First Home Owner Grant Act 2000*.

**4 Amount of grant
New section 18 (2) to (4)**

insert

- (2) However, this section does not apply if section 24B (Amount of grant—certain eligible transactions) applies.
- (3) Subsection (2) is a law to which the Legislation Act, section 88 (Repeal does not end effect of transitional laws etc) applies.
- (4) Subsections (2) and (3) and this subsection expire on 1 July 2013.

**5 Conditions generally
Section 21 (2) (b)**

substitute

- (b) to repay the grant or part of the grant within a period stated in the condition.

6 New division 2.5A

insert

Division 2.5A Amount of grant—certain eligible transactions

24A Definitions—div 2.5A

(1) In this division:

comprehensive home building contract—see section 13 (7).

contract for an ‘off-the-plan’ purchase, of a new home, means a contract for the purchase of the home on a proposed lot in an unregistered plan of a subdivision of land.

contract for the purchase of a home—see section 13 (7).

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cwlth).

new home means a home that has not been previously occupied or sold as a place of residence, and includes a substantially renovated home and a home built to replace demolished premises.

owner-builder—see section 13 (7).

(2) For this division, a home is a *substantially renovated home* if—

(a) the sale of the home is, under the GST Act, a taxable supply as a sale of new residential premises within the meaning of that Act, section 40-75 (1) (b) (Meaning of *new residential premises*); and

(b) the home, as renovated, has not previously been occupied or sold as a place of residence.

- 1 (3) For this division, a home is a *home built to replace demolished*
2 *premises* if—
- 3 (a) for an eligible transaction that is a contract for the purchase of
4 a home—the sale of the home is, under the GST Act, a taxable
5 supply as a sale of new residential premises within the meaning
6 of that Act, section 40-75 (1) (c); and
- 7 (b) for an eligible transaction that is a comprehensive home
8 building contract for a home or the building of a home by an
9 owner-builder—the home is, under the GST Act, new
10 residential premises within the meaning of that Act,
11 section 40-75 (1) (c); and
- 12 (c) the home, as built to replace the demolished premises, has not
13 previously been occupied or sold as a place of residence; and
- 14 (d) the owner of the home did not occupy the demolished premises
15 as a place of residence before they were demolished.
- 16 **24B Amount of grant—certain eligible transactions**
- 17 (1) The amount of the first home owner grant in relation to an eligible
18 transaction is \$7 000 plus—
- 19 (a) if the eligible transaction qualifies for the first home owner
20 boost for new homes under section 24C—\$14 000; or
- 21 (b) if the eligible transaction qualifies for the first home owner
22 boost for established homes under section 24D—\$7 000.

- (2) However, if the consideration for the eligible transaction is less than or equal to the amount of the first home owner grant in relation to the transaction, the maximum amount of the first home owner grant is the consideration for the transaction.

Example

Sarah's parents sold a home they owned in the ACT to her for \$10 000. The contract for the purchase is an eligible transaction, and the transaction qualifies for the first home owner boost for established homes. Instead of being paid a grant of \$14 000, Sarah is paid a grant of \$10 000.

Note An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).

24C First home owner boost for new homes

- (1) An eligible transaction that is a contract for the purchase of a new home (other than a contract for an 'off-the-plan' purchase of a new home) qualifies for the first home owner boost for new homes if the contract is made on or after 14 October 2008 and on or before 30 June 2009, or a later date prescribed by regulation.
- (2) Also, an eligible transaction that is a contract for an 'off-the-plan' purchase of a new home qualifies for the first home owner boost for new homes—
- (a) if the contract is made on or after 14 October 2008 and on or before 30 June 2009, or a later date prescribed by regulation; and
- (b) if—
- (i) the contract includes a provision to the effect that the eligible transaction must be completed before 1 January 2011; or

- 1 (ii) the eligible transaction is completed before
2 1 January 2011, or a later date the commissioner allows if
3 satisfied on reasonable grounds that there are exceptional
4 circumstances that prevented completion before
5 1 January 2011.

6 **Example—exceptional circumstances**

7 the builder becomes bankrupt before the eligible transaction is
8 completed

9 *Note* An example is part of the Act, is not exhaustive and may
10 extend, but does not limit, the meaning of the provision in
11 which it appears (see Legislation Act, s 126 and s 132).

- 12 (3) Also, an eligible transaction that is a comprehensive home building
13 contract for a new home qualifies for the first home owner boost for
14 new homes—

15 (a) if the contract is made on or after 14 October 2008 and on or
16 before 30 June 2009, or a later date prescribed by regulation;
17 and

18 (b) if the laying of the foundations for the home begins within
19 26 weeks after the day the contract is made, or any longer
20 period the commissioner allows if satisfied on reasonable
21 grounds that there are exceptional circumstances that prevented
22 the laying of the foundations within the 26 weeks; and

23 (c) if—

24 (i) the contract includes a provision to the effect that the
25 building work must be completed within 18 months after
26 the day the laying of the foundations for the home begins;
27 or

- 1 (ii) the building work is completed within 18 months after
2 the day the laying of the foundations for the home begins,
3 or any longer period the commissioner allows if satisfied
4 on reasonable grounds that there are exceptional
5 circumstances that prevented the completion within the
6 18 months.
- 7 (4) Also, an eligible transaction that is the building of a new home by
8 an owner-builder qualifies for the first home owner boost for new
9 homes if—
- 10 (a) the commencement date of the eligible transaction is on or
11 after 14 October 2008 and on or before 30 June 2009, or a later
12 date prescribed by regulation; and
- 13 (b) the transaction is completed within 18 months after the
14 commencement date, or any longer period the commissioner
15 allows if satisfied on reasonable grounds that there are
16 exceptional circumstances that prevented the completion
17 within the 18 months.
- 18 (5) However, an eligible transaction that is a contract does not qualify
19 for the first home owner boost for new homes if the commissioner is
20 satisfied that—
- 21 (a) the contract replaces a contract made before 14 October 2008;
22 and
- 23 (b) the replaced contract was—
- 24 (i) a contract for the purchase of the same home; or
- 25 (ii) a comprehensive home building contract to build the
26 same or a substantially similar home.

- 1 **24D First home owner boost for established homes**
- 2 (1) An eligible transaction qualifies for the first home owner boost for
- 3 established homes if—
- 4 (a) the eligible transaction is a contract for the purchase of a home;
- 5 and
- 6 (b) the home is not a new home; and
- 7 (c) the contract is made on or after 14 October 2008 and on or
- 8 before 30 June 2009, or a later date prescribed by regulation.
- 9 (2) However, an eligible transaction that is a contract for the purchase
- 10 of a home does not qualify for the first home owner boost for
- 11 established homes if the commissioner is satisfied that—
- 12 (a) the contract replaces a contract made before 14 October 2008;
- 13 and
- 14 (b) the replaced contract was a contract for the purchase of the
- 15 same home.
- 16 **24E Validating payment of grants for certain eligible**
- 17 **transactions**
- 18 The payment of an amount as a first home owner grant before the
- 19 day this division commences, and anything done under this Act or
- 20 the *Taxation Administration Act 1999* in relation to the grant, is
- 21 validated to the extent that it would have been valid if this Act (as
- 22 amended by the *First Home Owner Grant Amendment Act 2009*)
- 23 had been in force when the payment was made or the thing was
- 24 done.
- 25 **24F Transitional regulations**
- 26 (1) A regulation may prescribe transitional matters necessary or
- 27 convenient to be prescribed because of the enactment of the *First*
- 28 *Home Owner Grant Amendment Act 2009*.

(2) A regulation may modify this division (including in relation to another territory law) to make provision in relation to anything that, in the Executive's opinion, is not, or is not adequately or appropriately, dealt with in this division.

(3) A regulation under subsection (2) has effect despite anything else in this Act or another territory law.

24G Transitional effect—Legislation Act, s 88

This division (other than section 24F) is a law to which the Legislation Act, section 88 (Repeal does not end effect of transitional laws etc) applies.

24H Expiry—div 2.5A etc

This division and the following definitions in the dictionary expire on 1 July 2013:

- *comprehensive home building contract*
- *contract for an 'off-the-plan' purchase*
- *contract for the purchase of a home*
- *GST Act*
- *home built to replace demolished premises*
- *new home*
- *owner-builder*
- *substantially renovated home.*

7 Dictionary, new definitions

insert

comprehensive home building contract, for division 2.5A (Amount of grant—certain eligible transactions)—see section 13 (7).

contract for an 'off-the-plan' purchase, of a new home, for division 2.5A (Amount of grant—certain eligible transactions)—see section 24A (1).

- 1 ***contract for the purchase of a home***, for division 2.5A (Amount of
2 grant—certain eligible transactions)—see section 13 (7).
- 3 ***GST Act*** for division 2.5A (Amount of grant—certain eligible
4 transactions)—see section 24A (1).
- 5 ***home built to replace demolished premises***, for division 2.5A
6 (Amount of grant—certain eligible transactions)—see
7 section 24A (3).
- 8 ***new home***, for division 2.5A (Amount of grant—certain eligible
9 transactions)—see section 24A (1).
- 10 ***owner-builder***, for division 2.5A (Amount of grant—certain eligible
11 transactions)—see section 13 (7).
- 12 ***substantially renovated home***, for division 2.5A (Amount of
13 grant—certain eligible transactions)—see section 24A (2).

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 2009.

2 Notification

Notified under the Legislation Act on 2009.

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

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