

2013

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

DUTIES (DUTY DEFERRAL) AMENDMENT BILL 2013

EXPLANATORY STATEMENT

**Presented by
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Duties (Duty Deferral) Amendment Bill 2013

Summary

The *Duties (Duty Deferral) Amendment Bill 2013* amends the *Duties Act 1999*.

Overview

Part 2.6A of the *Duties Act 1999* (the Duties Act) allows for the deferral of conveyance duty to eligible persons. An eligible person includes an eligible home buyer under the Home Buyer Concession Scheme (HBCS), or an eligible applicant for the First Home Owner Grant (FHOG). An eligible person must also be purchasing an eligible property, being a property priced at or below the relevant HBCS property value threshold.

As part of the Government's housing affordability measures, amendments are being made to the *First Home Owner Grant Act 2000* which will take effect from 1 September 2013. These amendments will retarget the grant to new and substantially renovated properties only.

As an unintended consequence of retargeting the FHOG to only new or substantially renovated properties, access to the Duty Deferral Scheme to first home buyers who purchase an established property is removed.

This Bill makes minor amendments to the Duties Act, which will ensure that applicants who would have otherwise been eligible for duty deferral on the purchase of an established property, via the FHOG, retain access to the deferral Scheme.

This amendment ensures that targeted assistance to first home buyers of established properties is continued, by allowing eligible applicants to defer payment of conveyance duty.

Commencement Date

The amendments will be taken to have commenced on 1 September 2013.

Details of the Duties (Duty Deferral) Amendment Bill 2013

Clause 1 – Name of Act

This is a technical clause that provides the title of the Act. The name of the Act is the *Duties (Duty Deferral) Amendment Act 2013*.

Clause 2 – Commencement

This Act is taken to have commenced on 1 September 2013.

Clause 3 – Legislation Amended

This is a technical clause stating that the legislation being amended is the *Duties Act 1999*.

Clause 4 – Definitions – pt 2.6A; Section 75AA, definition of *eligible person*, new paragraph (c)

This clause amends the definition of an ‘eligible person’ for the Duty Deferral Scheme, and ensures that applicants who would have otherwise been eligible for duty deferral on the purchase of an established property, via the First Home Owner Grant, retain access to deferred duty.