

TASMANIA

**TAXATION AND GRANTS LEGISLATION
(HOUSING CONSTRUCTION AMENDMENTS)
BILL 2017**

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**TAXATION AND GRANTS LEGISLATION
(HOUSING CONSTRUCTION AMENDMENTS)
BILL 2017**

This Public Bill originated in the House of Assembly, and, having this day passed, is now ready for presentation to the Legislative Council for its concurrence.

SHANE DONNELLY, *Clerk of the House*
1 June 2017

*(Brought in by the Treasurer, the Honourable Peter Carl
Gutwein)*

A BILL FOR

**An Act to amend the *Duties Act 2001* and the *First Home
Owner Grant Act 2000***

Be it enacted by Her Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

PART 1 – PRELIMINARY

1. Short title

This Act may be cited as the *Taxation and
Grants Legislation (Housing Construction
Amendments) Act 2017*.

2. Commencement

This Act –

*Taxation and Grants Legislation (Housing Construction
Amendments) Act 2017*
Act No. of

s. 2

Part 1 – Preliminary

- (a) commences on 1 July 2017 if it receives the Royal Assent on or before that day;
or
- (b) is taken to have commenced on 1 July 2017 if it receives the Royal Assent after that day.

*Taxation and Grants Legislation (Housing Construction
Amendments) Act 2017*
Act No. of

Part 2 – Duties Act 2001 Amended

s. 3

PART 2 – DUTIES ACT 2001 AMENDED

3. Principal Act

In this Part, the *Duties Act 2001** is referred to as the Principal Act.

4. Section 19 amended (What is the consideration for the transfer of dutiable property?)

Section 19 of the Principal Act is amended by omitting subsection (2) and substituting the following subsections:

- (2) If, as part of an arrangement involving a dutiable transaction over dutiable property agreed by an agreement for sale (the *relevant agreement*) –
 - (a) the transferor or an associated person of the transferor effects improvements (the *relevant improvements*) to the dutiable property after the relevant agreement was entered into; and
 - (b) the relevant improvements –
 - (i) involve the construction on the dutiable property of a single home (other than a flat, home unit or

*No. 15 of 2001

*Taxation and Grants Legislation (Housing Construction
Amendments) Act 2017*
Act No. of

s. 4

Part 2 – Duties Act 2001 Amended

other similar building)
that –

(A) may be lawfully
occupied as a
place of residence;
and

(B) is intended for
occupation as a
place of residence;
and

(ii) are, or will be, work
within the meaning of the
Building Act 2016; and

(c) there is not, at the time of the
relevant agreement, a building on
the dutiable property that may be
lawfully occupied as a place of
residence –

the consideration for the dutiable
transaction does not include the
consideration relating to the relevant
improvements performed on the dutiable
property after the relevant agreement but
before the dutiable transaction.

(3) For the purposes of subsection (2), the
following do not constitute
improvements in relation to a dutiable
property:

(a) works that are –

*Taxation and Grants Legislation (Housing Construction
Amendments) Act 2017*
Act No. of

Part 2 – Duties Act 2001 Amended

s. 4

(i) necessary for, or related to, preparation of the site, on which a single home is to be constructed on the dutiable property, to enable the construction to occur; and

(ii) preliminary to the construction of the single home –

including but not limited to works consisting of excavation (other than excavation for the purposes of enabling footings for the single home to be established), levelling of land or the removal of vegetation;

(b) underground infrastructure, and the installation of underground infrastructure, on the dutiable property, including but not limited to underground infrastructure for the purposes of the provision of electricity, water, sewerage or telecommunications services.

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Amendments) Act 2017*
Act No. of

s. 5

Part 3 – First Home Owner Grant Act 2000 Amended

**PART 3 – FIRST HOME OWNER GRANT ACT 2000
AMENDED**

5. Principal Act

In this Part, the *First Home Owner Grant Act 2000** is referred to as the Principal Act.

6. Section 18 amended (Amount of grant)

Section 18(2) of the Principal Act is amended as follows:

- (a) by inserting the following paragraph after paragraph (ad):
 - (ae) if the first home owner grant relates to an eligible transaction that satisfies section 18E, the amount is \$20 000; or
- (b) by omitting from paragraph (b) “section 18A, 18B, 18C or 18D” and substituting “section 18A, 18B, 18C, 18D or 18E”.

7. Section 18E inserted

After section 18D of the Principal Act, the following section is inserted in Division 5:

*No. 19 of 2000

*Taxation and Grants Legislation (Housing Construction
Amendments) Act 2017*
Act No. of

Part 3 – First Home Owner Grant Act 2000 Amended

s. 7

18E. Conditions on increase in grant

- (1) An eligible transaction satisfies this section if –
 - (a) the commencement date of the eligible transaction is on or after 1 July 2017 but before 1 July 2018; and
 - (b) the eligible transaction is completed in accordance with section 13(5) within 24 months after the commencement date of the eligible transaction.
- (2) If satisfied there are good reasons to do so and if a request by the applicant is made before a decision on the application has been varied or reversed under section 23, the Commissioner may extend the period referred to in subsection (1) for the eligible transaction to be completed, even though the period has expired.
- (3) Despite subsection (1), an eligible transaction does not satisfy this section if the Commissioner considers that the eligible transaction replaces a transaction, entered into before 1 July 2017, that is for the same property and that is between substantially, or that benefits substantially, the same parties.

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Amendments) Act 2017*
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s. 7

Part 3 – First Home Owner Grant Act 2000 Amended

(4) For the avoidance of doubt, a payment of \$20 000 that –

(a) was made in anticipation of the *Taxation and Grants Legislation (Housing Construction Amendments) Act 2017* commencing; and

(b) was made on or after 1 July 2017 but before the *Taxation and Grants Legislation (Housing Construction Amendments) Act 2017* commenced –

is taken to be a first home owner grant payment, for the purposes of this Act, made in relation to an eligible transaction to which this section, as amended by that Act, applies.

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Amendments) Act 2017*
Act No. of

Part 4 – Concluding Provision

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PART 4 – CONCLUDING PROVISION

8. Repeal of Act

This Act is repealed on the three hundred and sixty fifth day from the day on which this Act commences or is taken to commence.