

FACT SHEET

HomeBuilder Grants Bill 2020

- The HomeBuilder Grants Bill 2020 establishes the Australian Government's \$25 000 HomeBuilder Grant and the Tasmanian Government's \$20 000 Tasmanian HomeBuilder Grant.

HomeBuilder Grant

- The Australian Government's HomeBuilder Grant will provide \$25 000 to eligible persons to build a new home or substantially renovate an existing home, where the contract is signed between 4 June 2020 and 31 December 2020.
- To be eligible for the Australian Government's HomeBuilder Grant, owner-occupiers must:
 - be a natural person (not a company or trust);
 - be aged 18 years or older;
 - be an Australian citizen;
 - meet one of the following two income caps:
 - \$125 000 per annum for an individual applicant based on the 2018-19 tax return or later; or
 - \$200 000 per annum for a couple based on both 2018-19 tax returns or later;
 - enter into a building contract between 4 June 2020 and 31 December 2020 to either:
 - build a new home as a principal place of residence, where the property value does not exceed \$750 000; or
 - substantially renovate their existing home as a principal place of residence, where the renovation contract is between \$150 000 and \$750 000, and where the value of the existing property does not exceed \$1.5 million; and
 - commence construction no later than three months after the contract date, however, the Commissioner of State Revenue will have discretion to extend the construction deadline by up to three months where commencement is delayed due to unforeseen factors; and
 - be owner occupiers that live in the home for at least six consecutive months within the first 12 months of the home being built (unless a lesser period of residency is approved by the Commissioner if there are good reasons why the applicant cannot comply with the residency requirement).
- Spec homes built prior to 4 June 2020 will not meet the criteria for the grant. However, if a spec home build commences on or after 4 June 2020 it will be covered but the contract for sale needs to be entered into before 31 December 2020.
- Applications for the HomeBuilder Grant will be backdated to 4 June 2020 and must be submitted to the State Revenue Office by 31 December 2020.
- Owner-builders and those seeking to build a new home or renovate an existing home as an investment property are ineligible for the HomeBuilder Grant.

- Building works must be undertaken by a registered builder (that is registered as at 4 June 2020) and the building contract must be negotiated at arm's length.
- The renovation works must be to improve the accessibility, safety and liveability of the dwelling. It cannot be for additions to the property such as swimming pools, tennis courts, outdoor spas and saunas, sheds or garages (unconnected to the dwelling).
- Applicants can only receive this grant once and only one grant is available per eligible transaction.

Tasmanian HomeBuilder Grant

- The Tasmanian HomeBuilder Grant will provide an additional \$20 000 to eligible persons that build a new home.
- The eligibility criteria for the Tasmanian HomeBuilder Grant closely mirror the eligibility criteria for the Australian Government's HomeBuilder Grant. However, the grant will not apply to home renovations and construction must be completed within 18 months of commencing building.
- Applicants can only receive this grant once and only one grant is available per eligible transaction. Applicants will not be eligible for both the First Home Owner Grant and the Tasmanian Homebuilder Grant.

Administrative provisions

- The Bill contains standard administrative provisions that closely align with the administrative provisions of the First Home Owner Grant. These include provisions to:
 - prescribe the process for applications and the Commissioner of State Revenue's decisions on applications;
 - prescribe the process for taxpayer objections and appeals to the Commissioner's decisions;
 - provide powers of investigation to the Commissioner;
 - establish offences for the provision of false or misleading information;
 - enable the recovery of both grants where it was paid in error or on the basis of false or misleading information;
 - protect the confidentiality of applicant information;
 - establish timeframes for commencing proceedings for offences under the Act; and
 - protect State employees from personal liability.

Commencement

- The Bill commences on 4 June 2020.