



New South Wales

First Home Buyer Legislation Amendment Bill 2023

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are—

- (a) to amend the *Duties Act 1997*—
 - (i) to require a person to reside in a home as the person’s principal place of residence for a continuous period of at least 12 months to be eligible for a duty exemption or concession, and
 - (ii) to revise values for property to be eligible for the purposes of the First Home Buyers Assistance Scheme, and
- (b) to amend the *Property Tax (First Home Buyer Choice) Act 2022* to prevent a person making an election to pay property tax rather than stamp duty on a transfer of land occurring on or after 1 July 2023, and
- (c) to amend the *First Home Owner Grant and Shared Equity Act 2000* to require first home buyers to reside in the home as their principal place of residence for a continuous period of at least 12 months to be eligible for a First Home Owner Grant.

Outline of provisions

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Schedule 1 Duties Act 1997 No 123

Schedule 1[1] amends various residence requirements under the *Duties Act 1997* to require a person to reside in a home as the person's principal place of residence for a continuous period of at least 12 months to be eligible for a duty exemption or concession.

Schedule 1[2] provides that to be an eligible agreement or transfer for the purposes of the First Home Buyers Assistance Scheme, a property having a private dwelling built on it must have a dutiable value of less than \$1,000,000, rather than \$800,000 as is currently the case. **Schedule 1[4] and [6]** make consequential amendments.

Schedule 1[3] provides that to be exempt from the payment of duty under the First Home Buyers Assistance Scheme in relation to an eligible agreement or transfer, a property having a private dwelling built on it must have a dutiable value of less than \$800,000, rather than \$650,000 as is currently the case. **Schedule 1[5]** makes a consequential amendment.

Schedule 1[7] inserts a transitional provision to make clear to which agreements or transfers the proposed amendments to the *Duties Act 1997* apply.

Schedule 2 Property Tax (First Home Buyer Choice) Act 2022 No 60

Schedule 2 prevents a person making an election to pay property tax rather than stamp duty on a transfer of land occurring on or after 1 July 2023, unless the transfer conforms with an agreement for sale or transfer entered into before 1 July 2023.

Schedule 3 First Home Owner Grant and Shared Equity Act 2000 No 21

Schedule 3 requires first home buyers to reside in the home as their principal place of residence for a continuous period of at least 12 months to be eligible for a First Home Owner Grant.



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New South Wales

First Home Buyer Legislation Amendment Bill 2023

No. , 2023

A Bill for

An Act to amend various Acts that contain schemes to assist first home buyers in relation to eligibility to participate in the schemes; and for other purposes.

Tabling copy

The Legislature of New South Wales enacts—

1

1 Name of Act

2

This Act is the *First Home Buyer Legislation Amendment Act 2023*.

3

2 Commencement

4

This Act commences on 1 July 2023.

5

Schedule 1	Duties Act 1997 No 123	1
[1]	Sections 49A(1B), 76(1), 76A(1) and 278(5)	2
	Omit “6 months” wherever occurring. Insert instead “12 months”.	3
[2]	Section 74 Eligible agreements or transfers	4
	Omit “\$800,000” from section 74(3)(a). Insert instead “\$1,000,000”.	5
[3]	Section 78A Duty payable if application approved	6
	Omit “\$650,000” from section 78A(1)(a). Insert instead “\$800,000”.	7
[4]	Section 78A(2)	8
	Omit the formula. Insert instead—	9
	$N - \left(\frac{\$1,000,000 - V}{\$200,000} \times D \right)$	
[5]	Section 78A(2), definition of “D”	10
	Omit “\$650,000”. Insert instead “\$800,000”.	11
[6]	Section 78A(2), note	12
	Omit “\$800,000”. Insert instead “\$1,000,000”.	13
[7]	Schedule 1 Savings, transitional and other provisions	14
	Insert at the end of the schedule, with appropriate part and clause numbering—	15
Part	Provisions consequent on enactment of First Home Buyer Legislation Amendment Act 2023	16
		17
	Definition	18
	In this part—	19
	<i>amending Act</i> means the <i>First Home Buyer Legislation Amendment Act 2023</i> .	20
	Amendments made by amending Act	21
	(1) The amendments made by the amending Act apply to the following—	22
	(a) agreements for sale or transfer entered into on or after 1 July 2023,	23
	(b) transfers that occur on or after 1 July 2023, other than transfers made in conformity with an agreement for sale or transfer entered into before 1 July 2023.	24 25 26
	(2) An agreement for sale or transfer entered into on or after 1 July 2023 is taken, for the purposes of subclause (1), to have been entered into before 1 July 2023 if the agreement replaces an agreement entered into before 1 July 2023 for substantially the same property.	27 28 29 30
	(3) The Act, as in force immediately before being amended by the amending Act, continues to apply to transfers and agreements for sale or transfer, other than those referred to in subclause (1).	31 32 33

Schedule 3	First Home Owner Grant and Shared Equity Act	1
	2000 No 21	2
	Sections 12(1)(b) and (3)(b) and 20(1)(b)	3
	Omit “6 months” wherever occurring. Insert instead “12 months”.	4