

Agreement in Principle

Mr JOHN AQUILINA (Riverstone—Parliamentary Secretary) [12.29 p.m.]: I move:

That this bill be now agreed to in principle.

This year's budget introduces measures to get more houses built, to improve supply, and to make it easier for New South Wales families to realise their dreams of home ownership. Under the New South Wales Home Builders Bonus initiative, from 1 July 2010 the Keneally Government will cut stamp duty to zero for purchases of homes worth up to \$600,000 bought off the plan in the pre-construction stage. Homebuyers can save up to \$22,490—money that goes straight back into the pockets of New South Wales families.

The Home Builders Bonus initiative represents a \$140 million investment in the New South Wales property sector. Furthermore, for purchases of homes worth up to \$600,000 that are under construction or newly completed, stamp duty will be reduced by 25 per cent. That is a saving of up to \$5,623. First home buyers will also benefit from the New South Wales Home Builders Bonus, with total benefits of up to \$29,490 giving young families an important head start. Following consultation with industry, some minor changes are proposed to the Duties Act 1997 to make further provisions in relation to the Home Builders Bonus.

The Duties Amendment (NSW Home Builders Bonus) Bill 2010 introduces minor, technical amendments that will ensure the scheme operates as intended. First, the bill removes completion date provisions for off-the-plan purchases. This will allow sufficient time for necessary developer application and finance approvals. It will remove any timing distortions for projects and allow flexibility in construction schedules. Secondly, in the case of a vendor that has acquired a development from the original builder or developer of the home or building, when not more than 25 per cent of the building work had been completed and construction has not re-commenced at the time of purchase, it will continue to be eligible for the New South Wales Home Builders Bonus.

Thirdly, in the case of multi-building developments on a common foundation, after the initial tower has been built, the off-the-plan exemption will continue to be available for subsequent buildings. The Home Builders Bonus will be delivered alongside our historic planning reforms. They are part of the Keneally Government's plans to energise the New South Wales housing and construction sector. I commend the bill to the House.