

**DUTIES AMENDMENT (SENIOR'S PRINCIPAL PLACE OF RESIDENCE DUTY EXEMPTION) BILL 2011**

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**Second Reading**

**The Hon. GREG PEARCE** (Minister for Finance and Services, and Minister for the Illawarra) [12.32 p.m.]: I move:

That this bill be now read a second time.

This bill delivers on yet another of our commitments under the Government's 100 Day Action Plan: to extend the empty-nester transfer duty concession to individuals aged 55 years or over. The concession, described in the bill as the "senior's principal place of residence exemption", provides that individuals aged 55 years or over will pay zero transfer duty if they are selling an existing property and buying a newly constructed home costing up to \$600,000. The empty-nester concession applies to new home or off-the-plan purchases entered into between 1 July 2011 and 30 June 2012. To be eligible the person must sell his or her existing home and reside in the new home for a continuous 12-month period. This will enable seniors to move from their current home into a new home that better meets their changes in lifestyle. It will also free-up family homes for those looking to get into the housing market or needing to move to a larger home.

Reducing the age threshold from 65 to 55 acknowledges that many people are planning for retirement well before they are 65, and that this includes changes in lifestyle and home location, such as downsizing from the family home to a smaller house or unit. As with the existing over-65 scheme, seniors over 55 must have owned and occupied a home in New South Wales within the last 12 months and must occupy the new home for a continuous period of at least 12 months. This will save up to \$22,490 for seniors relocating to a new home. The scheme will encourage new home construction and will help to rebuild a strong New South Wales economy. I commend the bill to the House.