

Guideline

The First Home Owner Grant

First home owners buying or building a new home may be eligible for a \$10 000 or \$20 000 or \$30 000 First Home Owner Grant. The new home must not have been previously occupied or sold.

About the \$10 000, \$20 000 and \$30 000 grants

\$10 000 → The \$10 000 Grant is available for eligible transactions entered from 1 July 2024 onwards. Applicants for the \$10 000 Grant for eligible transactions must satisfy points 2 to 9 shown below in the general eligibility criteria. They are not required to meet the specific eligibility criteria shown on page 2.

\$30 000 → The \$30 000 Grant is available for eligible transactions between 1 April 2021 and 30 June 2024 inclusive and must satisfy all the general eligibility criteria (shown below) and the specific eligibility criteria shown on page 2.

\$20 000 → The \$20 000 Grant is available for eligible transactions between 1 July 2016 and 31 March 2021 inclusive and must satisfy all the general eligibility criteria (shown below) and the specific eligibility criteria shown on page 2.

General eligibility criteria

1. a) You are building your home through a registered builder; or
b) You are building your home as an owner builder (incl. relocating a moveable building); or
c) You are purchasing a home off the plan; or
d) You are purchasing a new home.
2. You are a natural person (not a company or trust);
3. You are at least 18 years or age;
4. You are an Australian citizen or permanent resident - for joint applications, only one applicant needs to meet this criterion;
5. You have not owned a home (or have a spouse who owned a home) in Australia before 1 July 2000;
6. You have not owned and occupied (or have a spouse who owned and occupied), for more than six months, a home in Australia after 1 July 2000;
7. If you are building your home or having a home built, you must occupy the home as your principal place of residence for a continuous period of at least six months commencing within 12 months of the date the occupancy certificate is issued for the property;
8. If you are purchasing your new home, you must occupy the home as your principal place of residence for a continuous period of at least six months commencing within 12 months of settlement;
9. You must not have previously received the First Home Owner Grant in Tasmania or any other Australian state or territory.

Specific eligibility criteria for the \$30 000 and \$20 000 grants

A. Building your home through a registered builder

- a) **\$30 000 grant:** you must enter into a contract to build your new home between 1 April 2021 and 30 June 2024 (inclusive) and complete the building of your home within 24 months of entering into the contract to build; or
\$20 000 grant: you must enter into a contract to build your new home between 1 July 2016 and 31 March 2021 (inclusive) and complete the building of your home within 24 months of entering into the contract to build.
- b) Building is taken to have been completed at the time an occupancy certificate is issued.

B. Building your own home as an owner builder (applies also if you are relocating a moveable building)

- a) **\$30 000 grant:** you must commence laying the foundations for your home between 1 April 2021 and 30 June 2024 (inclusive) and complete the building of your home with 24 months of commencing the laying of foundations; or
\$20 000 grant: you must commence laying the foundations for your home between 1 July 2016 and 31 March 2021 (inclusive) and complete the building of your home with 24 months of commencing the laying of foundations.
- b) If no foundations are being laid because of the nature of the building, please contact the State Revenue Office to determine the 'commencement of building' date.
- c) Building is taken to have been completed at the time an occupancy certificate is issued.
- d) **Relocating a moveable building?** A relocatable building is one that is fixed to land - but **not** a caravan or mobile home. You are required to satisfy the owner-builder criteria ('a' to 'c' shown above) for eligibility for the grant. For transactions from 31 October 2016 an additional eligibility criterion requires that moveable buildings must constitute a **new** moveable building (that is, a building that has not previously been used as a place of residence).

C. Purchasing an off-the-plan home

- a) **\$30 000 grant:** enter into a contract to purchase the home between 1 April 2021 and 30 June 2024 (inclusive); or
\$20 000 grant: enter into a contract to purchase the home between 1 July 2016 and 31 March 2021 (inclusive).
- b) Complete the building of your home within 24 months of entering into the contract to purchase the home. Building is taken to have been completed at the time an occupancy certificate is issued.

D. Purchasing a new home

- a) **\$30 000 grant:** enter into a contract to buy a newly built dwelling (that is, a dwelling that has not previously been occupied or sold as a place of residence) between 1 April 2021 and 30 June 2024 (inclusive).
- b) **\$20 000 grant:** enter into a contract to buy a newly built dwelling (that is, a dwelling that has not previously been occupied or sold as a place of residence) between 1 July 2016 and 31 March 2021 (inclusive).

General questions

I cannot meet the specified time-frame for the grants

If you do not meet the specified time frame for **completion**, you will be eligible only for a **\$10 000** grant. However, should you have good reasons for not completing building works within the specified time frame, you can apply to the Commissioner of State Revenue to exercise discretion to extend the period in which you were required to comply. For more information please refer to [First Home Owner Grant Commissioner's Discretions Guideline](#) or go to sro.tas.gov.au/resources/guidelines and select First Home Owner Grant.

What is meant by completion?

I am building: your home is considered 'completed' at the time an occupancy certificate is issued.

I am purchasing: the eligible transaction is considered 'completed' when the property is transferred on title to the new owner.

Which homes qualify?

To qualify for the Grant in Tasmania, the home you build must:

- be located in Tasmania;
- be fixed to your land; and
- meet local planning standards.

Each Australian state and territory has its own First Home Owner Grant legislation. If you are building your home in another State or Territory you need to apply for the Grant there. For those details, refer to [First Home](#) or go to firsthome.gov.au.

Do I have to live in the new home?

To qualify for the FHOG, you (and any other applicant to your grant application) must:

- move into the property for which you received the Grant within 12 months of the date of completion; and
- retain ownership of the property and occupy it for a continuous period of at least six (6) months as their principal place of residence.

This means that it is important that you and any other applicant both initially, and during the period, connect with the Property as your principal place of residence.

As your principal place of residence the property is the home in which you intend to stay on a long-term basis as your settled place of living rather than as a temporary or transient residence. This means that among other factors, the subject residence must be the place at which you usually eat and sleep. Leaving personal property at a vacant residence does not meet these conditions. In addition, enquiring about or advertising the property for rent or sale either before or during the 6 months occupancy period is not viewed favourably.

I can't meet the residency requirements

You must notify the State Revenue Office and repay the Grant within 14 days of the date you become aware you cannot meet the residency requirements. The SRO routinely checks that the residency requirements have been met. In exceptional circumstances (that is, those outside the control of the applicant) the Commissioner of State Revenue has the discretion to:

- extend the 12-month period in which you must commence occupying your home;
- reduce the six-month period for which you must occupy your home; or
- exclude one or more of the applicants (but not all applicants) from the requirement to comply with the residency requirement.

Requests to vary the period of occupancy cannot be considered after a decision has been made to recall the FHOG. For more details refer to the [First Home Owner Grant Commissioner's Discretion](#) or go to sro.tas.gov.au/resources/guidelines and select First Home Owner Grant.

The application process

How to apply for the First Home Owner Grant

Although the State Revenue Office administers the Grant scheme, you must lodge your application with either:

- your financial institution if they are approved agents; or
- through the [First Home Owner Grant portal](#).

Your financial institution will only process your application if you are borrowing funds with them. Check with your financial institution that they are an approved First Home Owner Grant agent. If applying through an approved agent, please check with that financial institution about the documentation required.

What will I need to provide with my application?

You need to supply the supporting documentation (including proof of identity in some cases) which are listed on the application form. These documents will need to be certified.

How will I know if I am eligible for the Grant after I've lodged my application?

You will receive a letter from the State Revenue Office advising whether your application has been approved or declined. This will happen within 10 business days of your application being lodged (with all the supporting documents including any related to investigations conducted by the State Revenue Office).

Payment of the Grant

How is the First Home Owner Grant payment made?

The State Revenue Office will make payment:

- as instructed by your financial institution; or
- according to the instructions you provide (if you apply through Service Tasmania, a solicitor or conveyancer).

When will the FHOG payment be made?

Building through a registered builder

If you are building a home through a registered builder, payment will be made following completion of the laying of the foundations if the home is financed, or on completion of a home that is not financed.

Building your own home

If you are building your own home as an owner builder, payment is usually made on receipt of an occupancy certificate, proof of completion or proof of construction for your home.

Purchasing a new home or a home off-the-plan

If you are purchasing a new home or an off-the-plan home which is financed, payment is usually made to your financial institution on settlement of your property.

If you lodged your application at Service Tasmania, payment will usually be made on your solicitor/conveyancer providing an undertaking, confirmation of settlement or when the title for the property transfers to your name.

What can I do if my application is not approved?

If your grant application is refused and you do not agree with the Commissioner's decision, you can lodge an objection. You must lodge the objection within 60 days of the date on the letter advising you of the decision. Before lodging an objection please refer to the [Objection, Reviews and Appeals Guideline](#) or go to sro.tas.gov.au/resources/guidelines.

I realise that I should not have received the Grant?

If for any reason you think that you should not have received the First Home Owner Grant, you must write to the State Revenue Office explaining why, and repay the funds you received. Depending on your circumstances a payment arrangement may be available to repay the funds.

Does Land Tax apply? _____

What is land tax and what is taxable?

Land tax is a State tax calculated on a property's actual usage and ownership as at 1 July each year, for example where the property is vacant land. Land tax does **not** normally apply to a property classified as an owner's Principal Residence Land (best described as the property where the owner ordinarily lives, eats and sleeps).

How do I have my property re-classified as Principal Residence Land?

To apply for the Principal Residence Land classification for your First Home Owner Grant property, please complete the [Principal Residence Land application](#) or go to tro.tas.gov.au/onlineform/prlapplication.

Important: Where your property is re-classified as Principal Residence Land, it is important to know that should you move out of your First Home Owner Grant property (and you have met the residency requirements set out on page 3 of this guideline), the property would no longer be your principal residence land and may become liable for land tax. Should the above example become your situation, please complete the [Notification of change in land use](#) form.

The form is also at www.tro.tas.gov.au/OnlineForm/ChangeInLandUseNotification.

For more details refer to [Land Tax](#) or go to sro.tas.gov.au/landtax.

Land Tax rebate for vacant land that is built on during the same financial year

Where a principal place of residence is built on vacant land owned as at 1 July of a financial year, a rebate up to the amount of the land tax paid can be claimed where the owner has not yet claimed principal residence on another property within the same financial year. To apply for the rebate, please use the [Principal Residence Land application](#) or go to www.tro.tas.gov.au/onlineform/prlapplication.

The State Revenue Office Audit Program _____

The State Revenue Office (SRO) audits **all** First Home Owner Grant applications for compliance with the eligibility and residency criteria. It is a condition of receiving the grant that, if we contact you as part of an audit, you must provide all the information requested.

The SRO also conducts regular audits of land tax accounts to ensure that properties are classified correctly. It is important that you advise the SRO within 30 days of ceasing to use your property as your principal place of residence.

You may be required to repay the FHOG and pay any tax together with any penalties imposed if:

- you do not provide all the information requested by the SRO during an investigation;
- you provide false or misleading information to the SRO; or
- the SRO finds you should not have received the grant or a Principal Residence Land classification.

More information and assistance

Email: fhogs@treasury.tas.gov.au

Mail: Commissioner of State Revenue
GPO Box 1374
HOBART TAS 7001

Telephone: (03) 6166 4400 or 1800 001 388
Weekdays 9:00am – 5:00pm

Website: sro.tas.gov.au/fhog