

Revenue Ruling

First Home Owner Grant Act 2000

FHOG001

FIRST HOME OWNER BOOST

Ruling

The First Home Owners Boost was announced by the Australian Government on 14 October 2008 and was extended in the Commonwealth Budget on 12 May 2009.

The First Home Owners Boost provides an additional \$7000 to first home buyers purchasing an established home and an additional \$14 000 to first home buyers purchasing a newly constructed home before 30 September 2009.

From 1 October 2009 to 31 December 2009, the Boost halved to \$3500 for established homes and to \$7000 for new homes.

New homes being built under a building contract

In addition, to be eligible to receive the Boost in relation to contracts to build a home:

- ▶ construction must commence within 26 weeks of the date of the contract; and
- ▶ the contract must specify a completion date for building work within 18 months of the date of construction commencing, or construction must be completed within 18 months of the construction commencing.

In limited circumstances, the Commissioner may approve an extension to the commencement date where the delay was outside the control of the applicant(s) and could not have been foreseen at the time of entering into the contract. An indefinite extension will not be granted and requests for an extension must include a reasonable estimate as to when construction will commence.

If an extension is granted but building does not commence within the extended time approved by the Commissioner, a further request for an extension will need to be made.

A request for an extension to the commencement date will only be considered once an application for the First Home Owner Grant has been received, and each request for extension will be considered on a case by case basis.

The following list (non-exhaustive) provides factors that are likely to be considered favourably:

- ▶ delays in the registration and release of a new subdivision of land;
- ▶ delays in obtaining council approvals;
- ▶ inclement weather, provided that disruption caused is substantial;
- ▶ industrial disputes;
- ▶ natural disasters; and
- ▶ any specific project delays.

Requests for extension should be forwarded in writing to the Commissioner and the following documents should be included in support of the request:

- ▶ a letter from the applicant(s) requesting an extension stating the reason for the delay and providing the applicant(s):
 - full name(s);
 - purchase property address, and
 - UIN (if known).
- ▶ a copy of the fully executed contract to build; and
- ▶ a letter from the relevant third party (e.g. builder, developer, local council or private surveyor) that clearly states the nature of the delays and the actual or anticipated dates foundations were/or are to be laid.

Further Information

Further information can be obtained from RevenueSA.

Location	RevenueSA State Administration Centre 200 Victoria Square East ADELAIDE SA 5000
Postal	Commissioner of State Taxation RevenueSA GPO Box 1353 ADELAIDE SA 5001
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Facsimile	(08) 8226 3737
Email	fhog.support@sa.gov.au
Website	www.revenuesa.sa.gov.au

History

This Revenue Ruling is effective from 30 April 2010.

This is the first Revenue Ruling issued on this topic.

Mike Walker
COMMISSIONER OF STATE TAXATION

30 April 2010