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CONNOLLY SUTHERS LAWYERS LEGAL ALERT THE NEW REGIONAL FIRST HOME OWNERS GRANT - WILL IT APPLY TO YOU?

The new Regional First Home Owners Grant

In a Queensland government ministerial media release on 27 May 2010, the Premier Anna Bligh announced the introduction of the new Regional First Home Owners Grant.

The new Regional First Home Owners Grant is intended to take pressure off south-east Queensland's rapid population growth and boost construction in Queensland's regional areas, by increasing the existing First Home Owners Grant for first home buyers who are constructing or purchasing a new home.

How much is the New Regional First Home Owners Grant?

The new Regional First Home Owners Grant is \$11,000.00. This includes the \$7,000.00 existing First Home Owners Grant and an additional \$4,000.00 regional bonus.

When does it commence?

The new Regional First Home Owners Grant commenced on 1 June 2010.

How do I know if I am eligible for the new Regional First Owners Grant?

To be eligible for the new Regional First Home Owners Grant you must satisfy the following criteria: -

1. You must be eligible for the existing \$7,000.00 First Home Owner Grant;
2. You must either construct or purchase a new home;
3. The home must be located in a "regional area" of Queensland; and
4. You must start construction of your new home, or purchase your new home, after 1 June 2010 and before 30 June 2011.

What are the eligibility criteria for the existing First Home Owners Grant?

The criteria for the existing First Home Owners Grant are as follows: -

1. You must be at least 18 years of age;
2. You must be an Australian citizen or permanent resident (or a joint applicant with someone who is);
3. The home you are purchasing or constructing must be valued at less than \$750,000.00;
4. You and your spouse must never have been paid the First Home Owners Grant previously;
5. You and your spouse must have not owned any residential property before 1 July 2000;

6. You and your spouse must not have resided in a residential property in Australia which you own since 1 July 2000; and
7. Within 12 months from the date that you purchase your new home, or construction of your new home is completed, you must move into the home and must continuously reside in the home for at least 6 months as your principal place of residence.

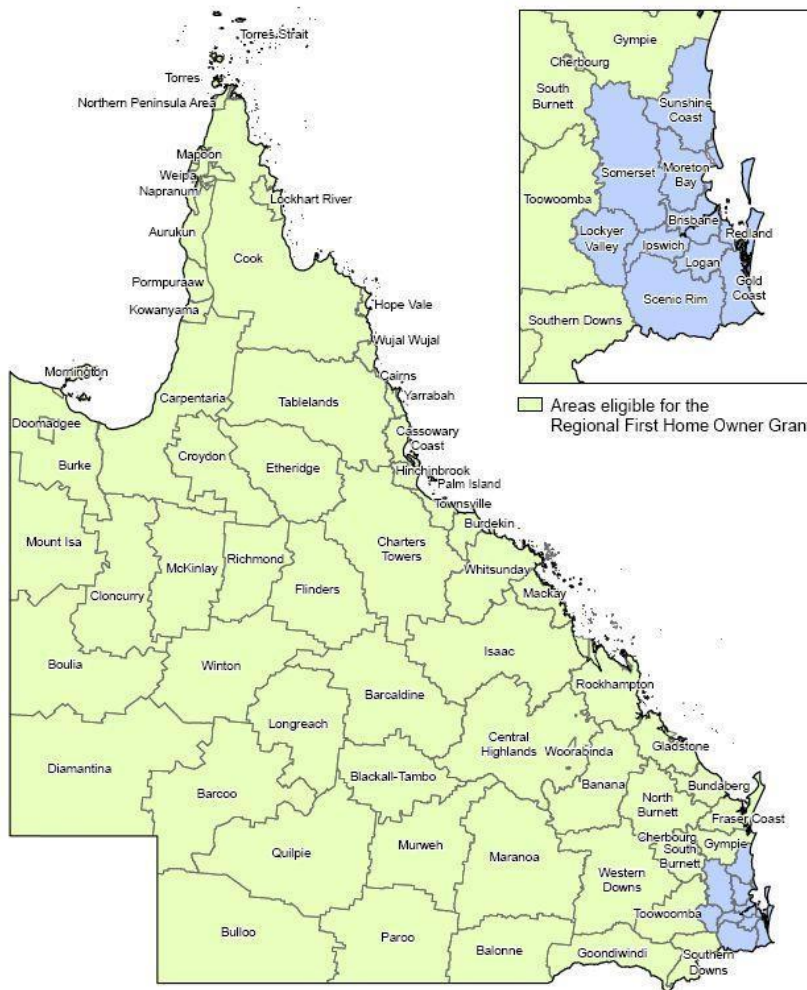
What is a regional area?

Regional areas are all areas in Queensland which are shown in green on the attached map of Queensland. The excluded areas are within the south-east Queensland region.

All Townsville regions are included in the classification of "regional area" for the purposes of the new Regional First Home Owners Grant.

If I am purchasing an established home (i.e. not constructing or purchasing a new home), will I still be entitled to the First Home Owners Grant?

If you are a first home buyer and are purchasing an existing home, then you will still be entitled to the existing First Home Owners Grant of \$7,000.00. However, you will not be entitled to the New Regional First Home Owners Grant, being the additional \$4,000.00.



How do I make the application?

The new Regional First Home Owners Grant is administered by the Office of State Revenue. The process is similar to that of the existing First Home Owners Grant. The relevant application forms are to be completed by you and lodged with the Office of State Revenue for processing.

It is usual for your bank to complete these forms on your behalf as part of the finance application when you are purchasing or constructing a new home. Your bank will usually lodge the forms on your behalf with the Office of State Revenue.

If you require more information about this important change in the law or would like to discuss any of the matters further, then please call Brendan Gaeta on 4771 5664 or email him at brendan.gaeta@connollysuthers.com.au.