

Serial 318
First Home Owner Grant Amendment Bill 2001
Mr Reed

**A BILL
for
AN ACT**

to amend the *First Home Owner Grant Act*



NORTHERN TERRITORY OF AUSTRALIA
FIRST HOME OWNER GRANT AMENDMENT ACT 2001

No. of 2001

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NORTHERN TERRITORY OF AUSTRALIA

No. of 2001

AN ACT

to amend the *First Home Owner Grant Act*

[Assented to 2001]
[Second reading 2001]

The Legislative Assembly of the Northern Territory enacts as follows:

1. Short title

This Act may be cited as the *First Home Owner Grant Amendment Act 2001*.

2. Commencement

This Act is to be taken to have come into operation on 9 March 2001.

3. Principal Act

The *First Home Owner Grant Act* is in this Act referred to as the Principal Act.

4. New Division

Part 2 of the Principal Act is amended by inserting after Division 3 the following:

"Division 3A – Special eligible transactions

"13A. Definitions

"In this Division –

'new home' means a home in the Territory that has not been previously occupied or sold as a place of residence;

'plan of subdivision' means –

- (a) a plan of subdivision within the meaning of the *Land Title Act*;
- (b) a plan of survey within the meaning of the *Land Title Act*; or
- (c) a units plan within the meaning of the *Unit Titles Act*;

'registered' means recorded in the land register within the meaning of the *Land Title Act*;

'substantially renovated home' means a home in the Territory that –

- (a) is the subject of a contract for the purchase of the home and, on being sold under the contract, the sale of the home is, under the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth, a taxable supply as a sale of new residential premises as defined under section 40-75(1)(b) of that Act; and
- (b) has not, since being renovated, been occupied or sold as a place of residence.

"13B. Special eligible transactions

"(1) This section applies subject to section 13C.

"(2) A special eligible transaction is an eligible transaction that is –

- (a) a contract for the purchase of a new home;
- (b) a contract for the purchase of a substantially renovated home;
- (c) a comprehensive home building contract for a new home; or
- (d) the building of a new home by an owner builder if the eligible transaction is completed before 1 May 2003.

"(3) The commencement date of a special eligible transaction is to be between 9 March 2001 and 31 December 2001 (inclusive).

"13C. Exclusion of certain transactions

"(1) A contract for the purchase of a new home on a proposed lot on a plan of subdivision (whether the plan of subdivision is registered or not) is not a special eligible transaction unless –

- (a) the contract states the contract is to be completed before 1 May 2003; or
- (b) if the contract does not state a completion date – the contract is completed before 1 May 2003.

"(2) A comprehensive home building contract for a new home is not a special eligible transaction unless –

- (a) the building work starts within 16 weeks after the commencement date or any longer period the Commissioner allows; and
- (b) the contract states the contract must be completed within 1 year after the building work is started or, if the contract does not state a completion date, the contract is completed within 1 year after the building work is started.

"(3) For the purposes of subsection (2), building work starts when laying the foundations for the new home starts.

"(4) Subject to subsection (5), a contract for the purchase of a new home, a contract for the purchase of a substantially renovated home or a comprehensive home building contract to have a new home built is not a special eligible transaction if –

- (a) in the case of a contract to purchase a new home or a contract to purchase a substantially renovated home –
 - (i) the contract replaces a contract made before 9 March 2001 to purchase the same or a substantially similar home; or
 - (ii) the purchaser had an option to purchase the home granted before 9 March 2001 or the vendor had an option to require the purchaser to purchase the home granted before that date; or
- (b) in the case of a comprehensive home building contract to have a new home built –
 - (i) the contract replaces a contract made before 9 March 2001 to construct the same or a substantially similar home; or

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- (ii) either party had a right or option granted before 9 March 2001 to require the other party to enter into the contract.

"(5) The Commissioner may declare a contract for the purchase of a new home, a contract to purchase a substantially renovated home or a comprehensive home building contract to have a new home built to which subsection (4) would otherwise apply to be a special eligible transaction if the Commissioner is of the opinion that the contract does not have the effect of circumventing limitations on, or requirements affecting, eligibility for or entitlement to a first home owner grant imposed by or under this Act.

"13D. Amount of grant for special eligible transactions

"(1) The amount of a first home owner grant for a special eligible transaction is the lesser of the following:

- (a) the consideration for the transaction;
(b) \$14 000.

"(2) In determining the amount of a first home owner grant for a special eligible transaction, subsection (1) applies instead of and not in addition to section 18.

"13E. Expiry of Division

"This Division expires on 1 January 2002."
