



## First Home Owner Grant

*First Home Owner Grant Act 2000*

As at 3 October 2015

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### Introduction

If you are buying or building your first home, you may be eligible to apply for the First Home Owner Grant ('FHOG'). The FHOG scheme, which is administered by the Office of State Revenue, provides a one-off payment for eligible applications.

### General Information

As announced in the 2015/16 State Budget, from 3 October 2015, first home owners buying an established home will not be eligible for the FHOG for contracts signed on or after that date. However, contracts for the purchase of an established home dated from 25 September 2013 until 2 October 2015 will still be eligible to apply for the FHOG of up to \$3,000.

First home owners buying or building a new home are able to apply for a grant of up to \$10,000.

First home owners buying an established or new home, or building a new home, may be eligible for the First Home Owner Rate ('FHOR') of duty. Please refer to the [First Home Owner Rate of Duty](#) fact sheet for further information.

There are no income or assets tests to qualify for the FHOG.

The FHOG applies to new residential dwellings only and does not apply to established homes, vacant land, business premises, holiday houses or minor renovations to an existing home. Where a first home owner purchases a home that has undergone substantial renovations, they may be eligible to apply. Please refer to our [website](#) or contact the Office of State Revenue for more information on substantially renovated homes.

### How to Apply

Application forms can be obtained from an Approved Agent or from our [website](#). Most financial institutions are Approved Agents. A list of Approved Agents is available from our website.

An application for the FHOG and/or FHOR of duty can be made once a contract to purchase or build a home has been signed and dated by all parties to the contract and appropriately witnessed or, where the application is made as an owner-builder, when the foundations have been laid.

An application for the FHOG and/or FHOR of duty **must be made within 12 months of completion**<sup>1</sup> of the eligible transaction.

Applications may be lodged through an Approved Agent or with the Office of State Revenue.

If you are unsure where to lodge your form and are obtaining finance through a financial institution, please consult with them prior to lodgement to ensure that your form is sent to the correct place.

## Eligibility for the FHOG

To be eligible for the FHOG, applications must satisfy the following eligibility criteria:

- Each applicant must be a natural person (i.e. not a company or trust)<sup>2</sup>.
- Each applicant must be 18 years of age or over at the commencement date of the eligible transaction.<sup>3</sup>
- At least one of the applicants must be an Australian citizen or permanent resident at the time of making an application.
- Each applicant and/or their spouse<sup>4</sup> cannot have previously received a FHOG or FHOR of duty under this scheme.
- Each applicant and/or their spouse cannot have owned residential property anywhere in Australia before 1 July 2000.
- Each applicant and/or their spouse cannot have previously owned residential property anywhere in Australia on or after 1 July 2000 and occupied that property as a place of residence before 1 July 2004.
- Each applicant and/or their spouse cannot have previously owned residential property anywhere in Australia on or after 1 July 2000 and occupied that property as a place of residence for a continuous period of at least six months that began on or after 1 July 2004.
- Each applicant must occupy the home as their principal place of residence for a continuous period of at least six months, commencing within twelve months of completion of the eligible transaction.
- Each applicant must have entered into an eligible transaction on or after 1 July 2000. An eligible transaction is defined under section 14 of the *First Home Owner Grant Act 2000*, but is generally a contract for the purchase or construction of a home, or commencement of construction of a home as an owner builder.
- For eligible transactions commencing on or after 1 January 2010, the total value of the home must not exceed the cap amount. The cap amount is:
  - \$750,000 if the property is located south of the 26<sup>th</sup> parallel of south latitude, or
  - \$1,000,000 if located north of the 26<sup>th</sup> parallel of south latitude.

## Supporting Documentation

Each applicant and their spouse are required to submit proof of identity documents with an application for the FHOG. This will include evidence that at least one applicant is an Australian citizen or permanent resident.

Each application must be accompanied by documentary evidence of the eligible transaction. This may include a copy of the contract to purchase or build a home, or evidence of the costs incurred by an applicant to construct a home as an owner builder. In some cases the Commissioner may require a copy of a valuation of the home.

Please refer to the First Home Owner Grant Application Form and/or Pre-approval for First Home Owner Rate of Duty for details of the requirements.

## Residence Requirement

To be eligible for the FHOG and FHOR of duty, each applicant **must** occupy the home as their principal place of residence for a **continuous period of at least six months**, commencing **within twelve months of completion** of the eligible transaction.

If you are unable to satisfy the residence requirement you must notify the Commissioner in writing. Where you can clearly demonstrate good reasons for being unable to satisfy the residence requirements, that are unforeseen or beyond your control, the Commissioner may consider a written application to:

- reduce the time you are required to live in the home to a period of less than six months;
- extend the time allowed for you to commence residing in the home to a period of longer than twelve months; or
- where there are two or more joint applicants, exempt an applicant from the residence requirement.

An [application form to vary the residence requirements](#) is available from our website. The Commissioner will make a determination of the application and advise you whether you are required to repay the FHOG.

Notification of your inability to satisfy the residence requirement must be given **within 30 days** of the expiration of the required twelve month residency take-up period, or the date it becomes apparent you will not be able to fulfil the requirement (whichever is the earlier).

Failure to advise the Commissioner in writing may result in you being required to repay the FHOG with penalties, and also being ineligible for a future FHOG.

## Prosecution and Penalties

The Office of State Revenue conducts investigations and compliance checks to ensure that the FHOG is only given to those applicants who are entitled to receive it, and to ensure that applicants satisfy the residency requirements.

If you are found to have knowingly made false or misleading statements in connection with an application for a FHOG or FHOR, you may be prosecuted and penalties of up to \$20,000 may apply.

If you fail to reside in the property for six continuous months commencing within twelve months of completion of the eligible transaction, you may be required to repay the FHOG with penalties and other costs. This may also result in a duties tax liability as you may therefore not be eligible for the FHOR.

## Objections

Where you are dissatisfied with the Commissioner's decision on an application, you may lodge a formal objection against the decision. Further details are available at [www.finance.wa.gov.au](http://www.finance.wa.gov.au).

## First Home Owner Rate of Transfer Duty

A person who qualifies for a FHOG, or a person who *would* qualify for a FHOG had the transaction been an eligible transaction, or is an Indian Ocean Territory resident, may be entitled to a FHOR of duty on the transfer, or agreement to transfer (i.e. the contract for sale), in respect of the acquisition of the home or vacant land. For further information on the FHOR, please refer to the [First Home Owner Rate of Duty Fact Sheet](#).

## Further Information

Further information regarding the FHOG, including frequently asked questions, may be found at [www.finance.wa.gov.au](http://www.finance.wa.gov.au) or obtained by phoning the FHOG enquiry line on (08) 9262 1299.

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<sup>1</sup> Completion of the eligible transaction is when an applicant is entitled to possession of the home under the contract or the building is ready for occupation as a place of residence, and the applicant is registered on the Certificate of Title.

<sup>2</sup> The Commissioner may consider an application where it is held under a trust for a person with a legal disability.

<sup>3</sup> The Commissioner may consider an exemption from this requirement in certain cases.

<sup>4</sup> A spouse is someone to whom the applicant is legally married, or a de facto partner of 2 years or more, at the commencement date of the eligible transaction.

## Contact the Office of State Revenue

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<b>Office</b>	Office of State Revenue Plaza Level 200 St Georges Terrace PERTH WA 6000	<b>Telephone</b>	(08) 9262 1299
<b>Office hours</b>	8:00 am – 5:00 pm Monday to Friday	<b>Enquiry</b>	1300 363 211 (WA country STD callers only – local call charge)
<b>Postal</b>	Office of State Revenue GPO Box T1600 PERTH WA 6845	<b>Website</b>	<a href="http://www.osr.wa.gov.au/FhogEnquiry">www.osr.wa.gov.au/FhogEnquiry</a> <a href="http://www.finance.wa.gov.au">www.finance.wa.gov.au</a>

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**Note:** The information contained in this FHOG FACT SHEET is issued for guidance purposes only. It is not an exhaustive explanation of the provisions of the *First Home Owner Grant Act 2000*. Reference should be made to the Act for complete details.