

Duty benefits for first home owners with families

The Victorian Government requires people to pay duty when they buy real estate or enter into mortgage agreements. If you are a first home owner with a family, you may be eligible for a full or partial exemption or refund of duty. The eligibility conditions and the benefits, which apply to contracts entered into on or after 1 July 1998 and before 1 July 2002, are set out below.

WHAT DUTY BENEFITS ARE AVAILABLE?

Transfer/conveyance benefit

- Full exemption or refund of duty is available where the value of the house and land does not exceed \$115,000.
- Partial exemption is available, on a reducing scale, where the value of the house and land exceeds \$115,000 but is less than \$165,000.
- No benefit is available where the value of the house and land purchased is \$165,000 or more.

Mortgage benefit

If you are eligible for the transfer/conveyance benefits, you may also apply for a benefit of duty on a mortgage over that property. The mortgage benefit available is the duty payable on a mortgage up to the value of your property. *For example*, if the property is valued at \$100,000 but the mortgage is \$120,000, only \$100,000 of the mortgage will be exempt from duty. Duty is payable on the remaining \$20,000.

WHAT HOMES QUALIFY?

A new or existing fixed home (house or flat) anywhere in Victoria, provided it is complete, is ready for occupancy and you intend to live in it as your principal place of residence.

HOW TO APPLY

Complete the application form and send it, with all relevant documentation (see section H), to the State Revenue Office.

ELIGIBILITY REQUIREMENTS

There are important conditions which must be met before you can receive these duty benefits. These requirements are:

Dependent children requirements

To be eligible under this scheme you **must**:

- have one or more dependent children under 18 years of age at the date of the Contract of Sale; and
- have the child/children living with you.

Note: You may still be eligible if a child becomes your dependant within 11 months from the date you started building your home or the date of the Contract of Sale.

Income requirements

To be eligible for a duty benefit your *combined taxable* income in the financial year in which you signed the Contract of Sale should not exceed:

- \$39,000 a year and you have one (1) dependent child; or
- \$40,000 a year and you have two (2) or more dependent children.

Note: The income requirement is applied strictly and no discretion exists to waive this requirement.

Property value requirement

Total value of house and land *must* be less than \$165,000.

Other requirements

To be eligible, you also **must**:

- have entered into a Contract of Sale for the purchase of a house and land or signed a building contract to build a house on your vacant land, on or after 1 July 1998. If you are an owner builder, use the date on which the foundations of your home were started instead of the contract date; and
- be a natural person (benefits are not available to companies, and the like); and
- be a genuine purchaser at market value; and
- intend to live in the home as your principal place of residence; and
- not have previously owned, either solely or jointly, property anywhere in Australia, which was used as your principal place of residence; and
- not have previously received a benefit under the *Stamps Act 1958* or *Duties Act 2000* in relation to purchasing a home under this scheme.

Note: If you wish to apply for a refund of duty, you must do so within three (3) years of the payment of duty.

IMPORTANT INFORMATION

- Please ensure you have read this guide carefully, *then* complete the application form.
- This application form is for one (1) or two (2) applicants. If there are more than two (2) applicants, additional forms **must** be completed, signed by **all** applicants and submitted together.
Enclose **all** relevant documents listed in section H.

Application form - benefits for first home owners with families

To: Document Assessing
State Revenue Office
GPO Box 4376
MELBOURNE VIC 3001

Note:

- Please print in all sections of this form

Please indicate as applicable

SECTION A – PERSONAL DETAILS

Applicant 1

Surname	First name	Second name	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Present residential address			
<input type="text"/>			
		State	Postcode
		<input type="text"/>	<input type="text"/>
Home telephone number	Work telephone number	Male	Female
(<input type="text"/>) <input type="text"/>	(<input type="text"/>) <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>

Applicant 2

Surname	First name	Second name	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Present residential address			
<input type="text"/>			
		State	Postcode
		<input type="text"/>	<input type="text"/>
Home telephone number	Work telephone number	Male	Female
(<input type="text"/>) <input type="text"/>	(<input type="text"/>) <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other person(s)

If any person(s) other than the named applicant(s) is a transferee(s), state the reason(s)

Do you have a spouse who is not included in this application?

No Yes If Yes, please state reasons why below

SECTION B – DEPENDENT CHILDREN

Do you have any dependent children under the age of 18 years currently living with you? Yes No If No, the applicants are not eligible for this duty concession.

If yes, state the number of children , and attach copies of their birth certificates.

SECTION C – DETAILS OF PROPERTY PURCHASED AND AMOUNT BORROWED FROM BANK OR LENDER

Address of property purchased

Certificate of title

Volume

Folio

Conveyance

Book

Number

Date of Contract of Sale

D D M M Y Y Y Y

Contract price

 \$

Amount borrowed from bank or lending institution

 \$

SECTION D – INCOME DETAILS OF EACH APPLICANT (TO BE COMPLETED BY THE APPLICANT(S))

My total Taxable Income (from all sources) for the financial year (ie. from 1 July to 30 June) in which I signed the contract of sale is estimated at:

Applicant 1

\$

Applicant 2

\$

Note: Taxable income includes:

- wages, overtime, bonuses;
- rental income, monies earned on interest bearing accounts; and
- any other taxable income as defined by the *Income Tax Assessment Act*, such as; Sole Parent Pension, New Start Allowance, Job Search Allowance, Widow Allowance, Sickness Allowance, Mature Age Allowance, Partner Allowance, Additional Parenting Allowance, etc.

This does not include family payments.

SECTION E – PURCHASE FROM RELATED PARTIES

Was the property purchased from related parties?

Applicant 1

Yes No

Applicant 2

Yes No

Note: If yes, please attach a completed Real Property Value Declaration and/or a Letter of Appraisal from a local estate agent, and proof of payment of purchase price.

SECTION F – OTHER ELIGIBILITY REQUIREMENTS

Please indicate as applicable

	Applicant 1		Applicant 2	
• Do you intend to reside in the purchased property as your principal place of residence?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Have you submitted all relevant documents in support of your application?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Have you received the First Home Buyers benefit pursuant to the <i>Stamps Act 1958</i> or the First Home Owner benefit pursuant to the <i>Duties Act 2000</i> either alone or together with any other person or person(s)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
• Have you previously owned a house anywhere in Australia as your principal place of residence?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

SECTION G - STATUTORY DECLARATION

Important notes:

- The State Revenue Office Victoria, as part of its role in administering Victorian taxes and duties, conducts regular investigations to ensure clients are complying with the relevant Acts.
- The penalty of \$1,000 or imprisonment for six (6) months may be imposed on person(s) making a false or misleading declaration. (Section 57 of the *Taxation Administration Act 1997*.)
- An additional penalty of double the amount of stamp duty may also be imposed. (Section 64 of the *Duties Act 2000*.)

Note: all relevant evidence should be maintained by the applicant(s) for a period of at least five (5) years.

I do solemnly and sincerely declare that the particulars set out in this application are true and correct in every detail and I make it in the belief that a person making a false declaration is liable to the penalties for perjury.

Applicant 1

Declared at in the State of Victoria,

Signature of Applicant 1

by

on this day

of the month

Signature of witness Y Y Y Y

Before me*

Full name

Qualification of witness

Address

State Postcode

Applicant 2

Declared at in the State of Victoria,

Signature of Applicant 2

by

on this day

of the month

Signature of witness Y Y Y Y

Before me*

Full name

Qualification of witness

Address

State Postcode

*A person empowered under section 107A(1) of the *Evidence Act 1958* to witness the signing of a statutory declaration.

SECTION H - DOCUMENTS REQUIRED

If the attached application form is not fully completed or relevant documents are not enclosed, your application will be returned to you for re-submission.

Are you applying for an exemption? Yes If Yes, refer to Part A. No

Are you applying for a refund? Yes If Yes, refer to Part B. No

Part A - Applying for an exemption

If you are applying for an exemption, the following documents must be provided:

Have you purchased an existing home? If yes, please ensure you have enclosed all the following documents:

- The original signed and dated Transfer of Land; and
- The vendor's Goods Statutory Declaration or Statement, whichever is applicable; and
- A copy of the signed and dated Contract of Sale; and
- Copy(ies) of the birth certificate(s) of your dependent children.

OR

Have you purchased a partially completed home? If yes, please ensure you have enclosed all the following documents:

- The original signed and dated Transfer of Land; and
- The vendor's Goods Statutory Declaration or Statement, whichever is applicable; and
- The Land and Building Packages Statutory Declaration or the Refurbished Lots Statutory Declaration, whichever is applicable; and
- A copy of the signed and dated Contract of Sale; and
- A copy of the Certificate of Occupancy; and
- Copy(ies) of the birth certificate(s) of your dependent children.

OR

Have you bought vacant land and engaged a contractor to build your home? If yes, please ensure you have enclosed all of the following documents:

- The original signed and dated Transfer of Land or Certificate of Title if you already own the land.
- The vendor's Goods Statutory Declaration or Statement, whichever is applicable; and
- A copy of the signed and dated Contract of Sale; and
- A copy of the Certificate of Occupancy; and
- A copy of the signed and dated Building Contract; and
- Copy(ies) of the birth certificate(s) of your dependent children.

OR

Do you own vacant land and are you an owner builder? If yes, please ensure you have enclosed all the following documents:

- Certificate of Title as proof of ownership; and
- A copy of the Certificate of Occupancy; and
- A statement itemising all expenses, including the cost of all sub-contracted labour and the date the building of the house started; and
- Copy(ies) of the birth certificate(s) of your dependent children.

AND

If you are applying for a mortgage benefit, please ensure you also enclose the following:

- All the original signed and dated mortgage documents; and
- If the mortgage documents do not state the amount borrowed, please provide a **statement** from your lending authority confirming the amount borrowed.

Part B - Applying for a refund

If you are applying for a refund of duty already paid, you must do so within three (3) years from the date the duty was paid and you must produce the following:

- a photocopy of the **stamped transfer** and the **original counterpart mortgage documents**, showing the amount and the date the duty was paid on each document, and the respective Victorian Land Titles Office dealing numbers; and
- a copy of the signed and dated Contract of Sale; and
- the income details must be completed as specified in section D of the attached application; or the relevant Notice of Assessment from the Australian Taxation Office for each applicant, for the financial year in which you signed your Contract of Sale; and
- Certificate of Occupancy, if applicable ; and
- Building Contract, if applicable; and
- A statement itemising all expenses, including the costs of all sub-contracted labour and the date the building of the house started, if applicable; and
- Copy(ies) of the birth certificate(s) of your dependent children.

By correspondence

Document Assessing, State Revenue Office, GPO Box 4376, MELBOURNE VIC 3001
or DX 22090 Melbourne

In person

State Revenue Office, Level 2, 121 Exhibition Street, Melbourne

Internet

www.sro.vic.gov.au

Telephone

13 2161

Email

sro@sro.vic.gov.au

Facsimile

03 9628 0899