

HomeBuilder Grant: What You Need To Know

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On 4 June 2020, the Federal Government announced the HomeBuilder program to support jobs in the residential construction sector. The program is a time-limited grant, designed to boost activity in the housing industry after the Housing Industry Association warned it was bracing for a potential drop of 50% for new builds in the second half of 2020.

The key points of the program are as follows:

1. A grant of \$25,000 for all eligible owner-occupiers (including first home buyers) to build a new home or substantially renovate an existing home where the contract is signed between 4 June 2020 and 31 December 2020.
2. The program will complement existing State and Territory First Home Owner Grant programs, stamp duty concessions and other grant schemes, as well as the Commonwealth's First Home Loan Deposit Scheme and First Home Super Saver Scheme.
3. The \$25,000 grant will be non-taxable, this is consistent with existing State and Territory First Home Owner Grant programs.
4. The program is only for owner-occupiers and not for investment properties or owner-builders.
5. The program is time-limited, but it is uncapped in terms of the number of participants and total funds available.

Eligibility

To be eligible for the grant, you must meet the following criteria:

- you are a natural person (not a company or trust);
- you are aged 18 years or older;
- you are an Australian citizen;
- your income must fall below one these two caps:
 1. \$125,000 per annum for an individual applicant based on your latest tax return (2018-19 or later); or
 2. \$200,000 per annum for a couple based on the latest tax returns for both (2018-19 or later);
- you enter into a building contract between 4 June 2020 and 31 December 2020 to either:
 1. build a new home as a principal place of residence, where the property value (house and land) does not exceed \$750,000; or
 2. substantially renovate your existing home as a principal place of residence, where the renovation contract is between \$150,000 and \$750,000, and where the value of your existing property does not exceed \$1.5 million;
- construction must commence within three months of the contract date.

Scope of Contracts

All dwelling types (house, apartment, house and land package, off-the-plan, etc) are eligible under HomeBuilder.

In relation to renovations, the purpose of the renovations must be for the improvement,



accessibility, liveability and safety of the property. This excludes building a tennis court, pool or shed for the renovation contract for eligibility purposes.

Application

You will be able to apply for HomeBuilder through your relevant State or Territory revenue office or equivalent authority. The Qld Government has not yet released any information on how to apply and we expect this will be available once they have signed the National Partnership Agreement. It is expected that you will need to provide the following at a minimum:

- proof of identity;
- a copy of the contract, dated and signed by you and the nominated registered or licenced builder;
- a copy of the builder's registration or licence (depending on the State you live in);
- a copy of your latest tax return (2018-19 or later) to demonstrate your eligibility against the income cap; and
- documents such as council approvals, building contracts or occupation certificates and evidence of land value.

More information on the documentation you will need to provide will become available through the relevant State or Territory authorities.

Some examples and frequently asked questions can be viewed via the links to the Treasury Fact Sheets below.

[HomeBuilder Fact Sheet](#)

[HomeBuilder FAQ's](#)

Should you have any questions regarding the program, please do not hesitate to contact us.

If you have any questions or would like more information, please contact our office:

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