

Question on Notice

No. 439

Asked on 5 June 2013

MR HOLSWICH ASKED THE TREASURER AND MINISTER FOR TRADE (MR NICHOLLS)—

QUESTION:

What is the Newman Government doing to support families in Pine Rivers to purchase their own home and, in particular, how is it supporting first home buyers?

ANSWER:

The Government has reinstated the principal place of residence transfer duty concession (home concession), providing assistance of up to \$7,175 for eligible homebuyers, ensuring that people buying their own home, such as families in Pine Rivers, do not pay as much duty as investors. In the first nine months of reinstatement, approximately 34,000 home concessions have been claimed.

First home buyers do not pay any transfer duty on homes valued up to \$500,000 and can access concessional duty rates for homes valued between \$500,000 and \$550,000. Under the concessional rates first home buyers can pay up to \$15,925 less than a non-first home buyer paying the standard rate of duty.

To provide a boost to the construction sector, while making it easier for people to buy a home, the Great Start Grant (previously known as the First Home Owner Construction Grant) provides \$15,000 for first home buyers who buy or build a new home.

To increase awareness and uptake of the grant the Government launched a new website and exciting new advertising campaign, aimed at promoting the advantages of the grant.

The table below provides the number of grant payments made each month and a cumulative total, which demonstrates how the number of monthly payments has increased since the grant was first introduced as momentum builds, and eligibility criteria are satisfied.

The ramp up in the number of payments partly reflects, for contracts to build a home, applicants not being eligible to receive payment until either completion of construction or, in the case of applicants applying through a financial institution, until the first draw down of funds has occurred.

Great Start Grant Payments, Monthly and Cumulative¹

	Monthly	Cumulative
October 2012	24	24
November 2012	86	110
December 2012	91	201
January 2013	135	336
February 2013	202	538
March 2013	242	780
April 2013	303	1,083
May 2013	320	1,403

¹ Note - Correct as at 29 May 2013

PPR Concessions Claimed, Monthly and Cumulative²

	Monthly	Cumulative
July 2012	4,728	4,728
August 2012	3,770	8,498
September 2012	3,465	11,963
October 2012	4,062	16,025
November 2012	3,953	19,978
December 2012	3,017	22,995
January 2013	3,417	26,412
February 2013	3,799	30,211
March 2013	3,795	34,006

² Note - More recent data is incomplete due to lags between the date of a transaction and lodgement with OSR and therefore is not included.