

COMMISSIONER'S GUIDELINE
CG-HI-001:
First Home Owner Concession;
Senior, Pensioner and Carer Concession; and
Principal Place of Residence Rebate

Version	Issued	Dates of Effect	
		From:	To:
1	9 May 2005	3 May 2005	19 June 2005
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3	1 May 2007	1 May 2007	31 December 2007
4	2 January 2008	1 January 2008	5 May 2008
5	6 May 2008	6 May 2008	31 December 2009
6	18 December 2009	1 January 2010	3 May 2010
7	5 May 2010	4 May 2010	2 May 2011
8	3 May 2011	3 May 2011	Current

Purpose

1. This Guideline explains the eligibility criteria for the stamp duty first home owner concession; senior, pensioner and carer concession; and principal place of residence rebate (collectively 'the home incentive schemes') under the *Stamp Duty Act* (SDA).

Application of the home incentives schemes

2. The home incentive schemes may apply to a conveyance, whether by way of sale or gift, of land on which there is a home or on which a home will be built.
3. They may also apply to the grant or transfer of particular leases and subleases of land from the Commonwealth or Northern Territory on which there is a home or on which a home will be built,¹ including a registered lease or sublease granted under section 19 or 19A of the *Aboriginal Land Rights (Northern Territory) Act 1976* (Cth) that is for a term of 15 years or more and a sublease of these leases.
4. The concessions and rebate represent a reduction of the stamp duty payable on the dutiable value² of the property acquired. Only one of the concessions or rebate can apply to a transaction.
5. For further information on what is a 'home', refer to Commissioner's Guideline [CG-HI-006: Meaning of a 'home'](#).

¹ See the definition of 'conveyance' in section 88(1) of the SDA and section 5(2) of the *First Home Owner Grant Act*

² 'Dutiable value' is the greater of the consideration payable or the unencumbered value of the property including any GST payable on the transaction.

First Home Owner Concession (FHOC)

6. The FHOC is a concession of up to \$26 730. This represents the stamp duty payable on the first \$540 000 of the dutiable value of the property acquired.

Senior, Pensioner and Carer Concession (SPCC)

7. The SPCC is a concession of up to \$8500. This represents the stamp duty payable on the first \$263 190 of the dutiable value of the property acquired.

Principal Place of Residence Rebate (PPRR)

8. The PPRR is a concession of up to \$3500. This represents the stamp duty payable on the first \$143 330 of the dutiable value of the property acquired.

Common eligibility criteria

9. The following criteria are common to all the home incentive schemes. All applicants must:
 - (1) be individuals (natural persons) – that is, not a company³;
 - (2) not have a beneficial interest in the land prior to the transaction⁴;
 - (3) be acquiring the whole of the beneficial interest in the land on which the home is or will be built (i.e. it does not apply to partial acquisitions)⁵.

An exception to this criterion is for a purchase with the Chief Executive Officer (Housing) under the HOMESTART NT scheme.⁶ In these circumstances, purchasers remain eligible for the FHOC, SPCC or PPRR.
 - (4) not be acquiring the home or land as the trustee of a trust (an exception applies for a guardian purchasing a property for a person under a legal disability)⁷;
 - (5) be entitled to possession of the home or land within 12 months of the settlement date or the longer period approved by the Commissioner⁸;
 - (6) occupy the home as their principal place of residence for a continuous period of six months commencing:
 - (a) in the case of a purchase of a home (including off-the-plan), within 12 months after being entitled to possession of the home; or
 - (b) in the case of building a home, the **earlier** of:
 - (i) five years after being entitled to possession of the land; or
 - (ii) 12 months after construction is completed⁹.
10. Where there are special reasons, the Commissioner may:
 - (1) extend the period for taking possession of the home or land;
 - (2) extend the period for commencing occupation of the home;
 - (3) reduce the period for continuous occupation of the home; or
 - (4) exempt an applicant from the occupancy requirements¹⁰.
11. For further details, refer to Commissioner's Guideline [CG-HI-003](#): *Commissioner's discretion to exempt or vary compliance with the eligibility criteria*.

³ See sections 89(1)(a), 89A(1)(a) and 90(1)(a) of the SDA.

⁴ See sections 89(1)(f), 89A(1)(d) and 90(1)(c) of the SDA.

⁵ See sections 89(1)(g), 89A(1)(e) and 90(1)(d) of the SDA.

⁶ See sections 89(6), 89A(8) and 90(5) of the SDA.

⁷ See sections 89(1)(h), 89A(1)(f) and 90(1)(e) of the SDA.

⁸ See section 89(1)(k), 89A(1)(i) and 90(1)(g) of the SDA.

⁸ See the definition of 'period for occupancy' in section 88(1) and sections 89(1)(i), 89A(1)(g) and 90(1)(f) of the SDA.

¹⁰ See section 89(11) and (12), 89A(11) and (12) and 90(8) and (9) of the SDA.

12. Applicants for the FHOC and SPCC must also satisfy the additional criteria set out below.

Additional eligibility criteria for the FHOC

13. In addition to the common eligibility criteria described above, the following additional criteria must be satisfied for the FHOC:

- (1) At least one applicant must be:
 - (a) 18 years of age or more when the contract is entered into¹¹; and
 - (b) an Australian citizen or permanent resident¹² at the time the application is made¹³;
- (2) The applicants and/or their spouses/de facto partners¹⁴ must not have:
 - (a) previously received the FHOC or a corresponding concession under an earlier enactment¹⁵; and
 - (b) at any time held a relevant interest in residential property in Australia that they occupied as their residence¹⁶; and
- (3) When the contract was entered into, the dutiable value of the property did not exceed:
 - (a) \$750 000 for land on which there is a home (including an off-the-plan purchase); or
 - (b) \$385 000 for land on which a home is to be built (note: there is no limit on the subsequent cost of construction of the home)¹⁷.

14. The Commissioner may exempt an applicant from the requirement to be of a minimum age of 18 years if satisfied the applicant is genuinely purchasing the home for themselves.¹⁸ For further details, refer to Commissioner's Guideline [CG-HI-003](#): *Commissioner's discretion to exempt or vary compliance with the eligibility criteria*.

Additional eligibility criteria for the SPCC

15. In addition to the common eligibility criteria described above, applicants for the SPCC must satisfy the following additional criteria:

- (1) At the time the contract is entered into:
 - (a) at least one applicant must be:
 - (i) 60 years of age or more; or
 - (ii) hold an Northern Territory Pensioner and Carer Concession Card;¹⁹ and
 - (b) the dutiable value of the property does not exceed:
 - (i) \$750 000 for land on which there is a home (including an off-the-plan purchase); or
 - (ii) \$385 000 for land on which a home is to be built (note: there is no limit on the subsequent cost of construction of the home);²⁰ and
- (2) Applicants must not be eligible for the FHOC²¹.

¹¹ See section 89(1)(b) of the SDA.

¹² A permanent resident is the holder of a permanent visa within the meaning of section 30 of the *Migration Act 1958* (Cth) or a New Zealand citizen who holds a special category visa within the meaning of section 32 of that Act.

¹³ See section 89(1)(c) of the SDA, section 88(1) of the SDA and section 3 of the *First Home Owner Act*.

¹⁴ For further information on de facto partners, refer to Commissioner's Guideline CG-HI-004: *De facto relationships*

¹⁵ See section 89(1)(d) of the SDA.

¹⁶ See section 89(1)(e) of the SDA.

¹⁷ See section 89(1)(j) of the SDA.

¹⁸ See section 89(11) of the SDA.

¹⁹ See section 89A(1)(b) of the SDA.

²⁰ See section 89A(1)(h) of the SDA.

²¹ See section 89A(1)(c) of the SDA.

Satisfying the ‘intention to build’ requirement

16. Where the property is vacant land, the person(s) acquiring the land must supply the Territory Revenue Office (TRO) with supporting information to verify that a home will be built on the land. Details of this information are contained in the associated Guide to the relevant home incentive scheme application form and Commissioner’s Guideline [CG-HI-006](#): *Meaning of a ‘home’*.

Procedure for applying for the FHOC, SPCC or PPRR and supporting information

17. Applicants for the home incentive schemes must submit the appropriate application form (FHOC: [F-HI-002](#), SPCC: [F-HI-008](#) or PPRR: [F-HI-003](#)) and the supporting information referred to in the Guide to the application when lodging the instrument for assessment of duty with TRO or an Approved agent²².
18. When evidence of intention to build a home cannot be provided at the time of assessment, applicants can obtain a refund from TRO when the evidence is available (refer to the Guide to the application for further details).
19. For further information on lodging and paying duty on instruments, refer to Commissioner’s Guideline [CG-SD-001](#): *Document lodgement and payment periods* and [CG-SD-002](#): *Eligible conditional agreements – extension of time to lodge instrument and pay duty*. Refer to the *Stamp Duty Act* for the legislative basis for the FHOC, SPCC and PPRR.

Failure to comply with occupancy requirements

20. A person who has received the FHOC, SPCC or PPRR must notify TRO in writing within 30 days after it first became apparent that they would not satisfy the occupancy requirements. Failure to make the required notification is an offence with a maximum penalty of 50 penalty units (\$6650 at July 2010)²³.
21. In these circumstances, TRO is required to reassess the stamp duty payable as if they were not eligible for the FHOC, SPCC or PPRR²⁴. Accordingly, the person will need to pay the amount previously claimed, as well as interest and penalty tax (see Commissioner’s Guideline [CG-GEN-002](#): *Interest and penalty tax*).
22. Where there are special reasons not to, such as the death of an applicant or a natural disaster destroying the home, a reassessment will not be made.²⁵

Commissioner’s Guidelines

23. Commissioner’s Guideline [CG-GEN-001](#), which sets out information on the revenue publication system, is incorporated into and is to be read as one with this Guideline. All Circulars and Guidelines are available from TRO’s website.

²² Some conveyancers and solicitors are authorised to assess stamp duty on certain property purchases.

²³ See sections 89(3), 89A(3) and 90(3) of the SDA.

²⁴ See sections 89(4), 89A(6) and 90(4) of the SDA.

²⁵ See sections 89(4), 89A(7) and 90(4) of the SDA.

Date of effect

24. This version of the Guideline takes effect from 3 May 2011.



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