



Stamp Duty Principal Place of Residence Rebate (PPRR)

Guide to the application

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1. Introduction

This guide explains the eligibility criteria for the stamp duty Principal Place of Residence Rebate (PPRR) under the *Stamp Duty Act*, the lodgement requirements for applications and the obligations of applicants. Please read it carefully before completing the application form. The guide is for your ongoing reference and should not be lodged with your application.

Reference is made in the guide to Commissioner's Guidelines, which have been issued to provide further clarification on the eligibility criteria and related matters. Commissioner's Guidelines can be accessed from the Territory Revenue Office's (TRO) website at www.revenue.nt.gov.au.

2. Purpose of the PPRR

The PPRR was introduced on 20 August 2002 to assist persons that have previously owned a *home* in Australia to acquire (either by purchase or gift) a *home*, or land to construct a home, by providing reduction of the stamp duty otherwise payable. The scheme is not means tested nor is there any limit on the purchase price or construction cost of the home.

A separate concession is available to first home owners. For information on the First Home Owner Concession (FHOC), please contact the TRO or visit our website at www.revenue.nt.gov.au.

3. Key terms

- **Home**

A home is a building that is affixed to land, including a relocated house or a transportable home that is affixed to land, where that building may lawfully be used as a place of residence and the Commissioner of Territory Revenue is satisfied that it is a suitable building for use as a place of residence.

Where it is clear from the application, supporting information such as the sale agreement or building contract, building permit, plans and specifications and other available information, that the building is or will be a residential building such as a house, home unit, town house or flat that is built to the appropriate standards, the building will be presumed to be a 'home' for the purpose of the PPRR.

However, where it is not clear that the building is a home (for example, where the title to the land indicates that the only improvement on the land is a shed), the applicant must provide evidence to show that the building may lawfully be used and is suitable for use as a place of residence. For further information on whether a building qualifies as a 'home', refer to Commissioner's Guideline *CG-HI-006: Meaning of a 'home'*.

- **'Off-the-plan' home**

A contract for the purchase of a *home* on a proposed lot in an unregistered plan of a subdivision.

As there is no *home* on the land when the contract is executed, the rebate is applied on the same basis as the acquisition of land on which a *home* is to be constructed. That is, subject to the discretion in point 6 over the page, construction must be completed and occupation commenced within three (3) years of the contract being executed (signed) or exchanged.

- **Principal place of residence**

The *home* you primarily reside in.

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The most important characteristic of a person's principal place of residence is that the person is living in that residence on an ongoing or permanent basis as the person's settled or usual abode. Where the occupation is transient, temporary or of a passing nature, or the occupation is for some other purpose, such as for the purpose of renovating the home for sale, then this is not sufficient to establish occupation as a principal place of residence.

For further information on the meaning of 'occupy' and 'principal place of residence', refer to Commissioner's Guideline CG-HI-005: *Principal place of residence*.

4. Amount of the PPRR

For contracts entered into on or after 20 June 2005, the PPRR is a reduction of up to \$2500 of the stamp duty payable. For contracts entered into from 20 August 2002 until 19 June 2005, the PPRR is a reduction of up to \$1500 of the duty payable.

5. Eligibility criteria

Persons who acquire a *home*, or land on which a *home* is to be built, are eligible for the PPRR where they meet each of the following criteria. The eligibility criteria is determined at the date the purchase contract is entered into (that is, when it is signed or the contract is exchanged).

Criterion 1 – Natural persons

Applicants must be **natural persons** – that is, not a company or a trust.

Criterion 2 – Acquiring property in own right

Applicants **must be** acquiring the property in **their own right**, not in any other capacity such as an agent or trustee.

However, a guardian acquiring a *home*, or land to construct a *home*, for a person with a legal disability may apply for the PPRR on behalf of that person. This should be clearly stated on the application form. Furthermore, proof of the guardian's lawful appointment is also required when lodging the application form.

Criterion 3 – Acquiring the whole of the land

Except for a purchase of land **with** the Chief Executive Officer (Housing) (CEO Housing) under a housing assistance scheme, such as HOMESTART NT, applicants **must be acquiring the whole of the land** on which the *home* is or will be built. That is, a person is ineligible for the PPRR if they already own an interest in the property or they are only (except for a purchase with the CEO Housing) acquiring a part interest in the property.

Criterion 4 – Not first home

It must not be the applicant's first home in Australia (that is, it is their 2nd, 3rd, etc.).

Criterion 5 – Residency requirements

All applicants must occupy the home as their **principal place of residence for a continuous period of at least six (6) months** commencing:

- **for an existing home**, within twelve (12) months after the date the contract was entered into, **or**
- **for a home that is to be constructed on the land** including a *home* purchased *off-the-plan*, the earlier of:
 - (i) three (3) years after the purchase contract was entered into; **or**
 - (ii) one (1) year of the *home* being built.

6. Discretion to exempt or vary the residency requirements

The time in which a person is to occupy the *home* as their *principal place of residence* can be extended where there are special reasons to do so, such as where the home is being purchased *off-the-plan* and will not be built within the requisite period.

In addition, where there are at least two (2) persons acquiring the *home* or land on which a *home* is to be built, some of them may be exempted from complying with the requirement to occupy the *home* as their *principal place of residence* provided that at least one (1) of the persons meets that residency requirement.

Similarly, the six (6) month occupancy period may be reduced (but not waived entirely) where there are special reasons to do so, such as an unexpected transfer arising from the person's employment.

For further information on the circumstances when these discretions will be exercised, see Commissioner's Guideline CG-HI-003: *Commissioner's discretion to exempt or vary compliance with the eligibility*.

Applicants seeking an exemption from the residency requirements should make a written application to TRO at the time of lodgement of the contract for stamping, or as soon as they become aware that they cannot comply with these requirements.

Applicants seeking an extension to commence occupation or a reduction in the period of continuous occupation should also make a written application to TRO as soon as they become aware they can not comply with these requirements.

7. Satisfying the 'intention to build' requirement

Where the property is vacant land, the person(s) acquiring the land must supply TRO with supporting information to verify that a home will be built on the land. Appropriate supporting information is a building contract entered into with a builder, approved building plans or a building permit, or alternatively, proof that construction has started, such as invoices, finance approval and plans. If evidence cannot be produced at the time of stamping of the contract, applicants are required to pay the full amount of duty and apply for refund (see point 10 below) when the evidence is available.

For the purchase of an *off-the-plan home*, the contract will be accepted as prima facie evidence the construction of a home.

8. Failure to build or occupy

A person who has received the PPRR must notify TRO in writing within 30 days after the date that it first became apparent they would fail to comply with the residency requirements. Failure to make the required notification is an offence for which a maximum penalty of 50 penalty units (currently \$6500) is provided.

Where a person fails to occupy, or build and occupy, as required, duty will be reassessed as if the person were not eligible for the PPRR. Accordingly, the person will need to pay the amount previously claimed as the PPRR. Interest and penalty tax may be included in the reassessment where the parties failed to notify TRO of their failure to comply with the residency requirements within the required 30 day period.

However, a reassessment will not be made where there are special reasons not to, such as where the failure to occupy arises from the death of the person who acquired the land.

9. Procedure for applying for PPRR

Applicants for the PPRR should submit the application form when lodging the contract for assessment of duty with TRO. The contracts are generally lodged by the applicant's appointed conveyancer, who in some cases are authorised by TRO to self assess the contracts.

Where an applicant is intending to build a home on the land, evidence (refer to point 7 above) to that effect must be provided to obtain the PPRR, otherwise they must apply for a refund (see point 10 below) when the evidence becomes available.

10. Refunds

Where the applicant cannot satisfy the intent to build requirement, or did not apply for the PPRR at the time the contract was lodged for stamping, the full amount of duty is payable.

A refund of the amount of the PPRR can be made **within five (5) years after the date of issue of the assessment** upon lodgement of the application form, the original stamped contract evidencing the purchase of the property and where applicable, evidence to support that a home has or is to be built on the land (refer to 7 above).

11. Compliance investigations

TRO conducts inquiries using different sources of information to confirm whether applicants are eligible for the PPRR and have satisfied the residency requirements.

Interest, penalty tax and possible prosecution action may apply if these inquiries demonstrate that an applicant has made a false application or has not notified TRO that they have not complied with the residency requirements.

12. Other home incentive schemes

The Territory Government has a number of schemes to assist home ownership, including a stamp duty first home owner concession and loans to low to middle income earners. Further information on these schemes can be accessed on the TRO website at www.revenue.nt.gov.au.

13. Contact details

For further information contact the Territory Revenue Office:

Level 4, Cavenagh House
38 Cavenagh Street, Darwin
GPO Box 154
DARWIN NT 0801

Phone: 1300 305 353
Fax: (08) 8999 6395
Website: www.revenue.nt.gov.au
Email: ntrevenue.ntt@nt.gov.au

Note:

The lodgement guide is for your ongoing reference and should not be lodged with your application form. Complete and submit the application form and retain the lodgement guide for future reference.

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Stamp Duty Principal Place of Residence Rebate Application Form

Note:

- The Principal Place of Residence Rebate **does not apply to first home owners**. For further information on first home owner incentives, please contact the Territory Revenue Office (TRO) or visit our website at www.revenue.nt.gov.au.
- This application will not be accepted unless fully completed in black or blue ink and all supporting evidence is provided.
- Before completing the application, read the guide carefully to ensure you meet the criteria and are aware of your obligations. If you are unsure of any aspect it is important that you contact the Territory Revenue Office (TRO) for clarification.
- There are significant penalties for making false statements, as well as possible prosecution.

SECTION 1 ELIGIBILITY CRITERIA

Note:

Eligibility for the rebate is determined at the date the contract for the acquisition of the property is entered into.

Indicate with a

Applicant eligibility

Yes **No**

- | | | |
|--|-----------------------|-----------------------|
| 1. Are all applicants natural persons (i.e. not a company)? | <input type="radio"/> | <input type="radio"/> |
| 2. Are all applicants acquiring the property in their own right? (that is, not as an agent, trustee or in any other capacity.) | <input type="radio"/> | <input type="radio"/> |
| 3. Are the applicants, or together with the Chief Executive (Housing), acquiring the whole of the property? | <input type="radio"/> | <input type="radio"/> |
| 4. Will the applicants be occupying the <i>home</i> as their <i>principal place of residence</i> for a continuous period of more than six (6) months commencing: | <input type="radio"/> | <input type="radio"/> |
| (a) in the case of an existing home, within twelve (12) months after signing or exchanging contracts for the acquisition of the <i>home</i> ; or | | |
| (b) in the case of land to build a <i>home</i> or an <i>off the plan</i> home, within the earlier of: | | |
| • twelve (12) months after completion of construction of the <i>home</i> ; or | | |
| • three (3) years after signing or exchanging contracts for the acquisition of the land or <i>home</i> . | | |

Note: The residency requirements may be varied. For further information, refer to item 6 of the Guide to this application.

Determination of eligibility

Subject to the discretion referred to in question 4, if you answered **yes** to all of the above questions, you may be entitled to receive the Principal Place of Residence Rebate, subject to the decision being made by the Commissioner of Territory Revenue. Please contact the TRO or visit our website at www.revenue.nt.gov.au for more information.

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SECTION 2 APPLICANT DETAILS

Note:

- It is essential that ALL applicants complete this section. An applicant is the person or persons who are acquiring the property (the purchaser).
- If there are more than two (2) applicants, please complete and attach an additional application form.

	Applicant 1 (primary contact)					Applicant 2				
Title	Mr	Mrs	Miss	Ms	Dr	Mr	Mrs	Miss	Ms	Dr
First name	<input type="text"/>					<input type="text"/>				
Middle name(s)	<input type="text"/>					<input type="text"/>				
Family name	<input type="text"/>					<input type="text"/>				
Date of birth (DD/MM/YYYY)	<input type="text" value=" / /"/>					<input type="text" value=" / /"/>				
Daytime telephone number	<input type="text" value="()"/>					<input type="text" value="()"/>				
Email address	<input type="text"/>					<input type="text"/>				
Current residential address	<input type="text" value="Street no."/>					<input type="text" value="Street no."/>				
	<input type="text" value="Street name"/>					<input type="text" value="Street name"/>				
	<input type="text" value="Suburb/town"/>					<input type="text" value="Suburb/town"/>				
	<input type="text" value="State"/>		<input type="text" value="Postcode"/>			<input type="text" value="State"/>		<input type="text" value="Postcode"/>		
Address for service of notices (if different to residential address)	<input type="text"/>					<input type="text"/>				
	<input type="text"/>					<input type="text"/>				

SECTION 3 PROPERTY AND TRANSACTION DETAILS

Address of property

Lot number	<input type="text"/>	Unit/street number	<input type="text"/>
Street name	<input type="text"/>	Suburb/town	<input type="text"/>
State	<input type="text"/>	Postcode	<input type="text"/>

Title reference

Volume Folio

If the current title is unavailable, please enter a parent title number.

Transaction details

What type of transaction does this application refer to?

- Existing home Home purchased off-the-plan Vacant land

SECTION 4 EXPECTED DATE OF OCCUPATION

Date of occupation

What date is it expected that all applicants will commence occupation of the *home* as their *principal place of residence*?

/	/
DD/MM/YYYY	

SECTION 5 PAYMENT DETAILS IF APPLYING FOR A REFUND OF STAMP DUTY

Complete this section only if you are seeking a refund of stamp duty already paid. For your convenience and speed of payment, please provide EFT details for the account into which you would like the refund to be paid.

Name of bank	<input type="text"/>
Full name of account	<input type="text"/>
Account BSB	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Account number	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

SECTION 6 ACKNOWLEDGEMENTS, AUTHORISATIONS AND DECLARATION

- I have read and understood the eligibility criteria contained in this application form and the guide to the application and accept that if the criteria are not met, I may not be entitled to receive or retain the rebate.
- I am aware that Territory Revenue Office (TRO) may conduct enquiries to determine my eligibility for the rebate.
- I authorise TRO to access information about me to verify my eligibility for the Principal Place of Residence Rebate with other state, territory and Australian Government agencies and commercial organisations as permitted by law.
- I am aware that if all of the applicants do not comply with the residency requirements referred to in question 4 of section 1 of this application as may be varied by TRO, I must notify TRO in writing within 30 days after the date it first became apparent that the requirements would not be complied with.
- I authorise TRO to address all correspondence in respect to this application to Applicant 1 at the address nominated by them.

I declare that the statements contained herein and supporting documentation provided are true and correct in every particular.

Warning: It is an offence under the *Taxation Administration Act* to provide information that you know is false or misleading (Maximum penalty 400 penalty units - currently \$52 000). If you are uncertain about your eligibility for the rebate, please contact TRO for clarification.

Applicant 1		Applicant 2	
Signature	<input type="text"/>	Signature	<input type="text"/>
Name	<input type="text"/>	Name	<input type="text"/>
Date	<input type="text"/>	Date	<input type="text"/>

Privacy statement

The information in this form is required to determine whether or not you are eligible for the stamp duty Principal Place of Residence Rebate. Any information you provide is on a voluntary basis but is needed to process your application. The information may be communicated to persons authorised under the *Taxation Administration Act*. You may review or correct any personal information provided by contacting TRO.

