

# Buildstart

## Guide to the application

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### 1. Introduction

Buildstart was introduced by the Northern Territory Government on 27 October 2008, and extended on 19 May 2009 to stimulate the construction of more housing in the Territory. Buildstart provides a \$14 000 grant to non-first home buyers and investors including companies and trusts, that sign a contract to build or purchase a new house, sign a contract to purchase a new unit, or commence construction of a new house as an owner builder between 27 October 2008 to 31 December 2009 inclusive.

The scheme complements the Commonwealth's First Home Owner Boost scheme which is in addition to the \$7000 First Home Owner Grant provided by the Territory. It also complements the Government's HOMESTART NT scheme announced in the 2009-10 Budget.

The Buildstart grant is not means tested but the purchase price for a new house or unit is capped at \$1 000 000 (including the land), and the construction cost for a new house (excluding land) is capped at \$700 000. It is not a requirement for the applicant to occupy the home nor is the scheme limited to one grant. That is, if you purchase or build two new houses with separate certificates of title, you are entitled to two grants.

The scheme does not apply to Governments, government authorities and recipients of government funded housing programs (excluding the HOMESTART NT scheme).

This guide explains the eligibility criteria for the grant, requirements for lodging applications, obligations of applicants and related matters. If you are unsure about any aspect concerning your eligibility, it is important that you contact the Territory Revenue Office (TRO) for clarification before proceeding with your application.

Reference is made in this guide to guidelines issued by the Commissioner of Territory Revenue. These can be accessed from TRO's website [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au).

### 2. Explanation of terms used

#### ***Contract to build***

A comprehensive building contract where a builder agrees to build a house from the time it starts to when it is finished and ready for occupation.

#### ***New house or unit***

A house or unit that has not been previously occupied as residence or sold including off-the-plan purchases.

The building must be able to be lawfully used as, and be suitable for, a place of residence (i.e. sheds and dongas are not new houses). For further information on whether a building qualifies as a 'house' or 'unit', refer to Commissioner's Guideline CG-HI-006: Meaning of a 'home'.

A unit is not a new unit if it is, or will be, subject to a management agreement or lease for the unit to be made available for short term accommodation. A 'dependent unit' (commonly referred to as a 'granny flat') within the meaning of the Northern Territory Planning Scheme is not a house or unit for the purpose of Buildstart.

#### ***Owner builder***

An owner of land who builds a house, or has a house built on the land, without entering into a contract to build. However, an owner builder does not include a registered building practitioner within the meaning of the *Building Act* in relation to houses built for sale.

## **Unit**

A unit is generally regarded as a residence that is attached to another but does not include a duplex. For the purpose of Buildstart, a duplex is regarded as a house.

## **Terms contract**

A contract of sale of land where the purchaser has to make two (2) or more payments (excluding the deposit) to the vendor after the contract is signed by the parties. Generally, the purchaser will be in possession of the land under the contract, but cannot be registered on the title until final payment is made to the vendor.

## **TRO**

The Territory Revenue Office.

### **3. Eligibility criteria**

To be eligible for the Buildstart grant:

#### **Criteria One**

Applicants must not be eligible to receive the First Home Owner Grant in relation to the purchase of the house or unit or construction of the house.

#### **Criteria Two**

Applicants must have:

- (i) executed a **contract to purchase** a new house or unit (see the definition of 'New house or unit at section 2 of the Guide to the application) for a consideration not exceeding \$1 000 000 including the land; or
- (ii) executed a **contract to build** a house for a cost not exceeding \$700 000 (excluding land); or
- (iii) as an **owner builder**, commenced construction (laying of foundations) of a house (excluding land) for a cost that will not exceed \$700 000,

between 27 October 2008 and 31 December 2009 inclusive.

Applicants are not eligible for the grant if the contract replaces a contract made before 27 October 2008 for the same or a substantially similar house or unit.

#### **Criteria Three**

In the case of:

- (i) a **contract to build a house**, construction (laying of foundations) must commence within twenty six (26) weeks of the date the contract was executed and must state that construction will be completed within eighteen (18) months of that date;

If the contract does not state that construction will be completed within eighteen (18) months of commencement, you are entitled to the grant if the house is completed within this period but the grant will not be paid until then (see 'When the grant will be paid' below).

- (ii) **owner builders**, construction must be completed within eighteen (18) months of commencement; or
- (iii) a contract to purchase a unit '**off-the-plan**', the contract must specify that the purchase will be completed by:
  - 31 December 2010 if the contract was entered into between 27 October 2008 and 30 June 2009 inclusive; or
  - 30 June 2011 if the contract was entered into between 1 July 2009 and 31 December 2009 inclusive.

If the contract does not specify a purchase completion date, you are still eligible for the grant if the purchase is actually completed within the relevant timeframes but the grant will not be paid until then (see 'When the grant will be paid' below).

Construction is completed when the building is ready for occupation as a place of residence (generally when an occupancy permit is issued). A purchase is completed when you are entitled to possession of the property and if you are to obtain registered title to the property, when the necessary steps are taken. This generally occurs at settlement.

#### **Criteria Four**

- (i) It must be the first grant in relation to the property.

### **4. When the grant will be paid**

The date the grant is paid depends on whether you are purchasing or building a house or unit. The table on the next page details the earliest dates that the grant will be paid for the various transaction types. Payment will be made by electronic funds transfer to your nominated bank account, generally within five (5) business days of lodging the application, providing the application is fully completed and all supporting information (see section 5 of the guide to the application) is provided.

For the purchase of a new house or unit, the grant can be made available for settlement by arrangement with your conveyancer or solicitor. In such circumstances, your conveyancer/solicitor must complete section 6 of the application form. The grant will be deposited to the trust account of your conveyancer within five (5) business days of the scheduled settlement date or lodgement of the application form together with relevant supporting information, whichever is the later.

## Type of transaction

Purchase of a new house or unit	When your name is registered on the title, or if a terms contract, when you have taken possession of the property and purchase instalments of at least \$14 000 have been paid; or At settlement by arrangement with your conveyancer or solicitor.
Contract to build	If the contract states that construction will be completed within eighteen (18) months of commencement, when builders progress payments (excluding the deposit) totalling at least \$14 000 have been paid; or If the contract does not state that construction will be completed within eighteen (18) months of commencement, when construction has been completed.
Owner builder	When you have completed construction of the house.

## 5. Where to lodge your application and supporting information

Applications are to be made to TRO – refer to the contact details at section 10.

The information required in support of your application depends on whether you are purchasing a new house or unit or building a new house. The following table details the information required for the various transaction types.

The supporting information must be either an original or certified copy, which is a true copy of an original document that has been sighted by an acceptable person\* and noted as follows: 'I certify that I have sighted the original document and this is a true copy of it'. The certification must have the certifier's name, title, registration number (where applicable) and be signed and dated.

\*An acceptable person is a Commissioner for Oaths, Member of Parliament, legal practitioner, a person holding office under the *Supreme Court Act* or *Justice Act*, conveyancing agent or real estate agent licensed under the Agents Licensing Act, police officer, bank employee, Justice of the Peace (JP) or a public servant.

### Information Required

#### Type of transaction

Purchase of a new house or unit	The exchanged contract of sale dated and signed by all parties. If a terms contract, evidence of payment of purchase instalments (excluding the deposit) totalling at least \$14 000. Evidence such as a declaration by the vendor that the property is a new house or unit (see the definition in the Guide to the application). Statutory declaration forms ( <a href="#">F-HI-006</a> for company vendors and <a href="#">F-HI-007</a> for individual vendors) are available from the TRO website <a href="http://www.revenue.nt.gov.au">www.revenue.nt.gov.au</a> .
Contract to build	The contract to build, dated and signed by all parties. If the contract states a construction completion date of eighteen (18) months from commencement of construction, evidence that: <ul style="list-style-type: none"><li>o progress payments (excluding the deposit) of at least \$14 000 have been paid to the builder; and</li><li>o construction commenced within twenty six (26) weeks of executing the contract if not stated in the contract. A declaration from the builder will generally suffice.</li></ul> If the contract does not state that construction will be completed within eighteen (18) months of construction commencement, evidence that construction: <ul style="list-style-type: none"><li>o commenced within twenty six (26) weeks of executing the contract if not stated in the contract; and</li><li>o was completed within eighteen (18) months of commencement.</li></ul> This could be a declaration from the builder.
Owner builder	Evidence: <ul style="list-style-type: none"><li>o of the date that construction commenced (eg. invoice for laying of the foundations etc.);</li><li>o that building costs of at least \$14 000 have been incurred, excluding your own labour costs; and</li><li>o of the date that construction was completed and that the house is suitable for occupation as a residence.</li></ul> If the house is in a building area, an occupancy permit issued under the <i>Building Act</i> will suffice for both requirements. If the house is outside of a building area, refer to Commissioner's Guideline CG-HI-006 or contact TRO for the evidentiary requirements.

## 6. Requirement to repay the grant and payment of interest

Applicants that have received the grant and do not satisfy any of the eligibility requirements must notify TRO and repay the grant within thirty (30) days of the date they became ineligible for the grant. If the grant is not repaid within this period, interest is payable in the manner provided for in Part 5 of the *Taxation Administration Act*, from the date it was required to be repaid, to the date it is paid.

## 7. Discretion to vary eligibility criteria

In special circumstances, TRO may approve a longer time to commence or complete construction of a house or to complete an 'off-the-plan' purchase of a residence. Should a longer period be required, written applications should be made to TRO detailing the circumstances why the required timeframe could not be met.

## 8. Compliance investigations

TRO conducts enquiries to confirm that applicants satisfy the eligibility for the grant. Significant penalties and possible prosecution action may apply if these enquiries demonstrate that an applicant has made a false application or has not complied with the conditions of the grant.

## 9. Other home incentive schemes

The Territory Government has a number of schemes to assist home ownership, including a stamp duty principal place of residence rebate and loans for low to middle income earners. Further details of these schemes can be accessed on the TRO website [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au).

## 10. Contact details

For further information, contact TRO:

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

Phone: 1300 305 353

Fax: (08) 8999 5577

Website: [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au)

Email: [ntrevenue.ntt@nt.gov.au](mailto:ntrevenue.ntt@nt.gov.au)

### Office hours:

9.00 am to 4.00 pm Monday to Friday

9.00 am to 2.00 pm the last Tuesday of each month

# Buildstart

## Application form

**Office use only**

Application reference

Date lodged

**Note:**

- The Buildstart grant 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](http://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 to the application 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 TRO for clarification.
- There are significant penalties for making false statements, as well as possible prosecution action.

### SECTION 1 ELIGIBILITY CRITERIA

- Eligibility for the grant is determined at the date the contract for the purchase or construction of the property is entered into or for an owner-builder, the date construction (laying of foundations) commenced.
- All persons that are or will be the owner(s) of the residence must be applicants.

Answer 'Yes', 'No' or 'N/A' (not applicable) as the case requires. Indicate with a

**Eligibility checklist**

	Yes	No	N/A
1. Are the applicants eligible to receive the First Home Owner Grant in relation to the purchase or construction of the residence?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Did you:			
(a) execute a <b>contract to purchase</b> a new house or unit for a consideration not exceeding \$1 000 000 including the land; or	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) execute a <b>contract to build</b> a house for a cost not exceeding \$700 000; or	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(c) as an <b>owner builder</b> , commence construction (laying of foundations) of a house for a cost that did not exceed \$700 000, between 27 October 2008 and 31 December 2009 inclusive?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. In the case of contracts referred to in Eligibility Criteria Two:			
(a) does the contract replace another contract executed before 27 October 2008 for the same or a substantially similar house or unit; or	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) is there a separate agreement, arrangement or undertaking, whether express or implied that will result in the applicants paying a consideration or construction cost in excess of the amounts referred to in that criterion.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. In the case of a <b>contract to build</b> a new house, will/has building commenced within twenty six (26) weeks of date of execution of the contract?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. In the case of a <b>contract to build</b> a new house or for an owner builder, will/has construction been completed with eighteen (18) months of construction commencing?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. In the case of a purchase of a new unit, will it be used be used for short term accommodation (eg. holiday or serviced apartments etc) under a management agreement or a lease?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Determination of eligibility**

If your answers to all relevant questions fall within shaded boxes, you may be entitled to receive the Buildstart grant, subject to the decision being made by the TRO. If you are eligible for the grant, you may also be eligible for the stamp duty Principal Place of Residence Rebate. Please contact TRO or visit our website at [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au) for more information.

## SECTION 2 APPLICANT DETAILS

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	Street no.					Street no.				
	Street name					Street name				
	Suburb/town					Suburb/town				
	State                      Postcode					State                      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?

- |   |  |
|---|--|
| <input type="checkbox"/> Purchase of a new house/unit | <input type="checkbox"/> Contract to build a new house |
| <input type="checkbox"/> Purchase 'off-the-plan'      | <input type="checkbox"/> Owner builder                 |

### Intended use of property

- Owner/occupier                       Rental

## SECTION 4 PAYMENT DETAILS

The Buildstart grant will be paid by electronic funds transfer into the account nominated below.

For the purchase of a new house or unit, the grant may be made available for settlement by depositing it to the trust account of your solicitor or conveyancer. If you choose this method, the account details below must be those of the trust account of your conveyancer/solicitor. Your conveyancer/solicitor must also complete section 6 below. For further details, see section 4 of the guide to the application.

**Important:** If you require the grant for settlement, sufficient time must be allowed for TRO to process your application and make the payment to the trust account of your conveyancer/solicitor. If a fully completed application is provided together with relevant supporting information (see section 5 of the guide to the application) TRO will deposit the grant to the trust account of your conveyancer/solicitor within 5 business days of receipt of the application or the settlement date, whichever is the later.

The Buildstart grant will be paid by electronic funds transfer into the account nominated below.

Name of bank

Full name of account

Account BSB

Account number

## SECTION 5 ACKNOWLEDGEMENTS, AUTHORISATIONS AND DECLARATION

I/We do solemnly and sincerely declare as follows:

1. I/We have read and understood the guide to the application to this application
2. I/We understand that all the statements set out in the guide to the application are incorporated into and shall be read as one with this declaration;
3. I/We am/are an eligible person who is/are entitled to the Buildstart grant;
4. I/We acknowledge and agree that if I/we am/are ineligible for the grant or do not satisfy a condition for its payment, I/we must notify TRO in writing within thirty (30) days of that event and repay the grant.
5. I/We acknowledge and agree that if I/we do not comply with item 4, that I/we must pay interest as detailed in Part 5 of the *Taxation Administration Act* from the date it was due to be repaid to the date it was repaid.
6. I/We authorise TRO to access and exchange information about me to verify my eligibility for the Buildstart grant with my conveyancer/solicitor, other state, territory and Australian Government agencies, and commercial organisations.

I/We make this solemn declaration by virtue of the *Oaths Act* conscientiously believing the statements contained in this declaration to be true in every particular

**Warning:** A person willfully making a false statement in a declaration is liable under the *Oaths Act* to a penalty of \$2,000 or imprisonment for 12 months, or both.

### Applicant 1

Name

Signature

Date

### Applicant 2

Name

Signature

Date

## SECTION 6 UNDERTAKING OF CONVEYANCER/SOLICITOR

This section is to be completed by the purchaser's conveyancer/solicitor for the grant (in relation to the purchase of a new house or unit) to be made available for settlement.

Title	<input type="text"/>	
Full Name of Conveyancer/ Solicitor	<input type="text"/>	
Name of Firm	<input type="text"/>	
Postal Address	<input type="text"/>	
Telephone	<input type="text"/>	Facsimile <input type="text"/>
Email address	<input type="text"/>	
Settlement Date	<input type="text"/>	

1. I act for the purchaser in relation to the settlement of the contract for the purchase of the property described in this application form (Contract).
2. I am the holder of a current:
  - (a) conveyancing agents licence under the *Agents Licensing Act*, or
  - (b) practising certificate within the meaning of the *Legal Profession Act*.
3. The Contract is scheduled to settle on the settlement date specified above (Settlement Date).
4. I agree for the Buildstart grant to be paid to my trust account described in Section 4.
5. I undertake to hold the Buildstart grant in trust for the Northern Territory of Australia (Territory Revenue Office) in my/my firm's trust account and not to release the grant except for the purpose of settlement of the Contract or as required under Clause 6 following.
6. If settlement is not effected on or before the Settlement Date or within thirty (30) days after the Settlement Date (Settlement Period), I agree to repay the amount of the Buildstart grant to TRO not later than seven (7) days after the last day of the Settlement Period.

Name in Full	<input type="text"/>
Signature	<input type="text"/>
Date	<input type="text"/>