

AUSTRALIAN CAPITAL TERRITORY
TAXATION ADMINISTRATION ACT 1999
HOME BUYER CONCESSION SCHEME DETERMINATION
INSTRUMENT NO. 189 OF 2000

UNDER section 139 of the *Taxation Administration Act 1999*, I revoke on and from 1 July 2000, Determination No. 44 of 1999, made under section 139 of the *Taxation Administration Act 1999* and notified in ACT Gazette No. 11 dated 17 March 1999, and make the following determination:

COMMENCEMENT

1. This determination applies to:
 - a) a grant of a Crown lease, where granted on or after the 1 July 2000;
and
 - b) a transfer, or if the transfer is preceded by an agreement for transfer - that agreement - first executed or entered into on or after 1 July 2000.

DEFINITIONS

2. In this determination:

“the Act” means the *Duties Act 1999*.

“current income” means the **total income** earned during the week immediately preceding the date of the grant, transfer or agreement for transfer multiplied by 52, and includes any income which would have been earned had the person not been on **leave** from his or her normal employment.

“dependent child” has the same meaning as in the *Social Security Act 1991* (Cth).

“dutiable value” has the same meaning as in section 20 of **the Act**.

“eligible property” means an estate in fee simple or a Crown lease with a dwelling upon it and having a dutiable value of equal to or less than \$140,000 other than an **eligible vacant block**.

“eligible vacant block” means an estate in fee simple or a Crown lease without a dwelling upon it and having a dutiable value of equal to or less than \$70,000.

“leave” includes maternity leave, leave without pay, leave on half pay and leave while receiving workers’ compensation payments.

“relevant income threshold” means the income threshold amount with reference to the number of dependent children the applicants and spouse/s have as specified in the table below:

<u>Number of dependent children</u>	<u>Income threshold</u>
0	\$45,000
1	\$46,150
2	\$47,300
3	\$48,450
4	\$49,600
5 or more	\$50,750

“spouse” in relation to a person, has a different meaning from that in **the Act**. It includes a person who lives with the first-mentioned person -

- a) as his or her **spouse**, although not legally married to him or her; or
- b) in a homosexual relationship;

on a bona fide domestic basis.

“total income” means the total income earned from all sources and includes benefits from a salary packaging arrangement and income classified as “exempt income” under the *Income Tax Assessment Act 1997*.

ELIGIBLE HOME BUYER

3. “Eligible home buyer” means a person who provides written evidence to the Commissioner for Australian Capital Territory Revenue regarding all persons named in the grant, transfer or agreement for transfer of the **eligible property** or **eligible vacant block** as the grantee or transferee that:

- i) on the date of the grant, transfer or agreement for transfer, they together and their **spouses** had
 - a combined **current income** less than or equal to the **relevant income threshold**; and
 - a combined **total income** over the previous month less than or equal to one twelfth of the **relevant income threshold**; and
 - a combined **total income** over the previous 12 months less than or equal to the **relevant income threshold**;

and

- ii) at least one of the persons named in the grant, transfer or agreement for transfer of the eligible property as the grantee or transferee intends to occupy the subject property as their principal place of residence continuously for a period of not less than 12 months; and

- iii) they together and their **spouses** do not, either alone or jointly with another person or persons, hold a legal or equitable interest in land other than the subject property; and
- iv) they together and their **spouses** have not, either alone or jointly with another person or persons, held a legal or equitable interest in land other than the subject property in the 2 years preceding the date of the grant, transfer or agreement for transfer, except where a person is required to relinquish an interest in land by an order of a court as a consequence of a termination of a relationship between **spouses**; and
- v) under the transfer or grant they together are acquiring both the legal and beneficial interest in the property; and
- vi) on the date of the grant, transfer or agreement for transfer they had attained the age of 18 years.

DETERMINED AMOUNT

4. The determined amount of duty that is payable on the purchase of an **eligible property** or **eligible vacant block** or an undivided share of either by an **eligible home buyer** for the purpose of section 31 of **the Act** shall be:

For an eligible property:

- a) \$20 where the **dutiable value** of the **eligible property** does not exceed \$116,000; or
- b) the greater of:
 - \$20; or
 - \$14.23 for each \$100 or part thereof by which the **dutiable value** of the **eligible property** exceeds \$116,000.

For an eligible vacant block:

- a) \$20 where the **dutiable value** of the **eligible vacant block** does not exceed \$58,000; or
- b) the greater of:
 - \$20; or
 - \$10.54 for each \$100 or part thereof by which the **dutiable value** of the **eligible vacant block** exceeds \$58,000.

For one or more than one undivided share in the **eligible property** or **eligible vacant block** - the greater of \$20 or the duty calculated using the following formula:

$$\frac{A}{B} \times C$$

where:

- A = the number of undivided shares in the **eligible property** or **eligible vacant block** granted, transferred or agreed to be transferred to all persons named in the grant, transfer or agreement for transfer of the **eligible property** or **eligible vacant block** as the grantee or transferee.
- B = the total number of undivided shares in the **eligible property** or **eligible vacant block**.
- C = the duty payable upon a grant, transfer or agreement for transfer of the whole of the **eligible property** or **eligible vacant block**.

Date: 5 June 2000

Gary Humphries
Treasurer