



The First Home Buyer incentives look to be changing again in the coming months

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Australian College
of Professionals

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With a new Government generally comes new legislation and a new direction for the State. As such the direction of the new Premier is to revisit the incentives available for First Home Buyers.

Only in the last couple of months, ACOP's College Chronicle reviewed the First Home Buyers Choice initiative. It allowed a first home buyer to make a choice as to whether they pay transfer duty in full, apply for a concession or apply to have a yearly land tax applied in place of the one-off transfer duty lump sum.

Whilst we looked at the benefits of this scheme for those who were looking at owning their first property for a small amount of time, for example a five year period, it was the only scheme that would allow someone to purchase their first home over the \$800,000 price range without having to pay the full transfer duty upfront.

Now, the government has proposed that it will close off access to the First Home Buyer Choice (FHBC) scheme from 1 July 2023 for new applicants, while the existing first home buyers who opted in to the FHBC will have grandfathering provisions applied to their property tax choice. What these grandfathering provisions look like is at this moment unclear.

The legislation to be introduced will raise

the threshold for transfer duty exemptions that are already in place for first home buyers under the First Home Buyers Assistance Scheme from \$650,000 to \$800,000 and will increase the transfer duty concessions under that scheme from \$800,000 to \$1 million.

What this will mean is that more first home buyers will be able to take advantage of paying no transfer duty at all if they are able to purchase their first home under \$800,000 and will pay a reduced transfer duty when purchasing property up to \$1 million.

An interesting alteration to the current First Home Buyers Assistance scheme is around the residence requirement for those who apply for the Transfer duty exemption or concession. Currently, the residence rule is that the eligible purchasers MUST live in the property for at least 6 months in the first 12 months of purchase.

This requirement will now be increased to the purchasers having to reside in the premises for at least 12 months after purchase. This means that those looking to purchase their first home to live in for 6 months and then use it as an investment property will now have to wait for an extra 6 months before they can rent out the premises.

If the purchasers do not meet these requirements, NSW Revenue can require the purchasers to pay the duty they would have been liable for had they not been approved for the exemption or concession.

If the changes are approved through Parliament this week, we will see the changes come in to effect on the 1st July 2023. Watch this space.

Rosy Sullivan
Director | College Principal



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The poster features a circular inset image of three people (two men and one woman) looking at a laptop screen together. The background is white with blue and yellow accents.

Did you know???

Businesses with an aggregated turnover of less than \$50 million are entitled to claim a **120% deduction** for eligible expenditure, which includes external training courses delivered by a Registered Training Organisation (such as ACOP) in Australia.

This deduction is available until **30 June 2024**.

Now you know.....there is no better time to support your employees through training opportunities

From the office

And CPD is back on the road. Our trainer, Andy has been out at Orange and Dubbo conducting training for real estate and stock & station agents with the new CPD topics. We have also commenced running these classes in our Sydney CBD training rooms here at the College and also with webinars. It seems that the strata managers and the buyers agents are the super keen people wanting to get their CPD completed early this year. We love that.

There has been lots of activity at the College over the past week, as we are now offering Fee Free training (not just for traineeships) for the qualifications for real estate, mortgage broking, business administration and leadership & management. It is an amazing opportunity to get started on a career changing path, at absolutely no cost to the student or their employer.

Anthony and Priscilla attended the Greater Western Sydney Careers Market where over two days, they meet thousands of high school students wanting to chat about entering the real estate and strata sectors. It was a good sign for our industry that so many young people see this as a viable career option.

And yes, there has been cake at ACOP this past fortnight. It was Chanelle's birthday and we had a magnificent cake covered in Pokemon characters (yes, she has a Pokemon addiction). Some of the team who have been away on holidays have returned with wonderful adventure stories of their break and are ready to tackle the world of property and finance training again.....and perhaps a little welcome back to work cake (we never miss an opportunity to celebrate).

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