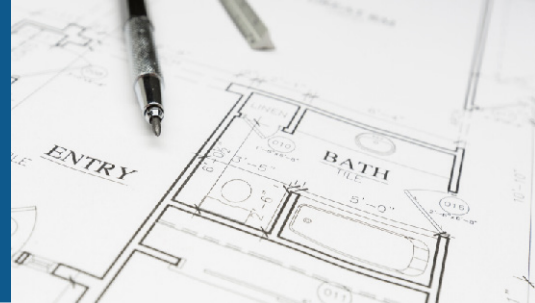


# HomeBuilder Grant

## Guidelines



The Australian Government's HomeBuilder Grant was announced on 4 June 2020 and is available in accordance with the *First Home and Housing Construction Grants (Miscellaneous) Amendment Act 2020*.

### What is the HomeBuilder Grant?

The HomeBuilder Grant of \$25,000 is available to eligible owner-occupier(s) (including first home buyers) who build a new home, substantially renovate an existing home, or buy an off the plan/new home, where the contract is signed between 4 June 2020 and 31 December 2020 inclusive.

- ▶ HomeBuilder Grants are not taxable.
- ▶ The HomeBuilder Grant is subject to provisions of the National Partnership Agreement between the South Australian Government and the Commonwealth Government.

### What is the HomeBuilder Grant amount?

The HomeBuilder Grant is \$25,000 for building a new home, substantially renovating an existing home, or buying an off the plan/new home. Funding for the HomeBuilder Grant is provided by the Australian Government with an arrangement for the South Australian Government to administer applications and payments for the HomeBuilder Grant.

Subject to the eligibility criteria set out below, only one HomeBuilder Grant is payable for each property, even if the property changes ownership.

### What if I'm rebuilding my home that was destroyed in the 2019-20 South Australian Bushfires?

If your home was destroyed in the 2019-20 South Australian Bushfires, and you are rebuilding on your existing land, your application will be considered as a substantial renovation.

Property must be located within an area affected by the bushfires in the Local Government Areas of Adelaide Hills, Kangaroo Island, Mount Barker, Murray Bridge, Mid-Murray, Yorke Peninsula and Kingston District.

### Eligibility: the applicant(s)

#### All applicant(s) must:

- ▶ be a natural person (not a company or trust);
- ▶ be at least 18 years of age at time of entering the eligible transaction;
- ▶ be an Australian citizen at the time of application (permanent residents are not eligible for the HomeBuilder Grant);
- ▶ not have previously received the HomeBuilder Grant in any other Australian state or territory;
- ▶ meet the following income tests for the full financial year of either 2018-19 or 2019-20:
  - ▶ individual applicant: taxable income of less than \$125,000; or
  - ▶ couples: combined taxable income of less than \$200,000.
- ▶ own the land at the time a contract is entered into to build, buy or substantially renovate your home, or become the owner of the land on completion of the contract to build or buy the home.

Couples must be a legally married couple, a couple in a registered relationship (as defined in the *Relationships Register Act 2016 (SA)*), or a *de facto* couple living in a genuine domestic relationship. More information can be found at the website [sa.gov.au/bdm](http://sa.gov.au/bdm) or by contacting 131 882.

Applicants may be eligible for the temporary HomeBuilder Grant as well as the South Australian Government's First Home Owner Grant for the same transaction, if the applicant(s) meet the eligibility criteria for both Grants. The eligibility criteria for the First Home Owner Grant can be found at: [www.revenuesa.sa.gov.au/grants-and-concessions/first-home-owners](http://www.revenuesa.sa.gov.au/grants-and-concessions/first-home-owners).

HomeBuilder Grants are provided for properties that are owner-occupied. Investment properties are not eligible. Eligible owner-occupier(s) must be listed on the property's certificate of title. The HomeBuilder Grant is not intended for properties where a tenant lives at a property owned by somebody else, or where a person lives in a dwelling that they own and that is situated on land owned by somebody else (such as in lend-lease communities and/or retirement villages).

### Eligibility: the home

#### The home must:

- ▶ be located in South Australia;
- ▶ be fixed to your land;
- ▶ be able to be lawfully used as a place of residence; and
- ▶ be a suitable building for use as a place of residence.

### Eligibility: the contract

- ▶ you must enter into a contract to build, buy or renovate between 4 June 2020 and 31 December 2020 (inclusive);
- ▶ for an off the plan/new home purchase a sales contract rather than a building contract is eligible, but must meet the other eligibility criteria. Construction can have commenced prior to the date of the sales contract, however commencement must be on or after 4 June 2020.
- ▶ the building work undertaken on your home must be undertaken by a person who currently holds a relevant licence as required under the *Building Work Contractors Act 1995* (but not an owner builder) and held that licence on 4 June 2020;
- ▶ no applicant is able to perform work under the contract, whether they are paid or not;
- ▶ contracts must be made at arm's length;
- ▶ contract prices must be at market rates and cannot be artificially inflated or deflated; and
- ▶ contracts cannot replace a previous transaction entered into before 4 June 2020 that is for the same or substantially similar home (or the same or substantially similar renovation) and is between substantially, or benefits substantially, the same parties.

More information: [revenuesa.sa.gov.au/HomeBuilder](http://revenuesa.sa.gov.au/HomeBuilder)

homebuildergrant@sa.gov.au | (08) 8226 3750 (select option 4)

## Eligibility: the value of the property and the transaction

Transaction and market value limits apply as set out in the table below. Values are calculated as at the transaction date and are GST inclusive.

Transaction type	Transaction value limits
Contract to build (house and land package)	Consideration for the full house and land contract must be \$750,000 or less.
Contract to build on land you already own	<p>Combined consideration for the building contract and the market value of the land must be \$750,000 or less.</p> <p>Where the land you already own is primary production land and the proposed house site (including a reasonable area around the house, often known as curtilage) does not have a separate title, an independent market valuation by a Registered Valuer will be accepted in assessing the market value of the proposed house site land.</p>
Substantial Renovation.  See the <i>Eligibility – substantial renovations</i> section below	<p>Consideration for the contract must be between \$150,000 and \$750,000 inclusive.</p> <p>Market value of the land (including the home) on the date the contract is signed is no more than \$1,500,000.</p> <p>Where the home that you are renovating or knocking down and rebuilding is on primary production land and is not on a separate title, an independent market valuation of the land relating to the house site (including the home and a reasonable area around the home, often known as curtilage) by a Registered Valuer will be accepted.</p>
Contract to purchase an off the plan/new home	Consideration for the contract must be \$750,000 or less.

Your property will be valued according to Information Circular No: 102 "Valuations of land, interests in land and land holder interests" ([www.revenuesa.sa.gov.au/info\\_circulars/IC\\_102.pdf](http://www.revenuesa.sa.gov.au/info_circulars/IC_102.pdf)). You should also refer to Information Circular No: 64 "Calculation of Market Value - Comprehensive Home Building Contract" ([www.revenuesa.sa.gov.au/info\\_circulars/IC\\_104.pdf](http://www.revenuesa.sa.gov.au/info_circulars/IC_104.pdf)), for guidance on how your property will be valued.

### What happens if there is a change in transaction value?

If the value of your transaction changes from the amount you have declared on your application, and the new value causes you to breach the above limits, you must notify RevenueSA within 14 days of the date you become aware of the change.

If you have already been paid the HomeBuilder Grant and the transaction value exceeds the above limits, you will be required to pay back the HomeBuilder Grant.

## Eligibility: substantial renovations

### Substantial renovations can be either:

- ▶ making a considerable change to your home; or
- ▶ demolishing your home and building a new home on the land.

### Substantial renovations are taken to mean that the renovation will:

- ▶ substantially alter the existing dwelling (although this need not involve removal or replacement of foundations, external walls, interior supporting walls, floors, roof or staircases); and

- ▶ improve the accessibility, safety or liveability of the home (or land by building a new home).

### Given these requirements, a substantial renovation does not generally include:

- ▶ stand-alone granny flats, swimming pools, tennis courts, and structures not connected to the building such as outdoor spas, saunas, sheds or stand-alone garages; or
- ▶ renovations that are primarily cosmetic in purpose such as landscaping, painting or recarpeting.

### What do I need for a substantial renovation enquiry to be considered?

For consideration, a submission needs to be provided that outlines in detail what your entire renovation involves and a complete cost breakdown of the particular items that are included in the renovation. You must provide a copy of the building contract or quote that specifies the scope of construction work to be performed. Submissions requesting our position on individual items are unable to be considered.

## Timing

### New build

To qualify for the HomeBuilder Grant, building your home must commence no later than 6 months after signing the building contract. Building is taken to have commenced when site works including excavation for the approved building works to the top of the base level is complete. Commencement must be supported by evidence such as a statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.

### Substantial renovations

The renovation of your home must commence no later than 6 months after signing the building contract. Building is taken to have commenced when the works under the renovation contract commence.

Commencement must be supported by evidence such as a statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.

### Off the plan/new home

Building of the home must have commenced on or after 4 June 2020 and no later than 6 months after signing the sales contract. Building is taken to have commenced when site works including excavation for the approved building works to the top of the base level is complete. Commencement must be supported by evidence such as a statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.

### Extension of time frame to commence building

Effective 23 November 2020, the Commissioner of State Taxation has exercised her discretion to extend the construction commencement timeframe to begin within 6 months of the date of the contract. Construction is taken to have commenced when site works including excavation for the approved building works is complete.

Commencement must be supported by evidence such as a statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.

No further extensions are available.

### Do the footings of my build need to be poured within 6 months of signing my building contract?

No, building is taken to commence when the site works including excavation for the approved building works to the top of the base level is complete within 6 months of the building contract being signed by the applicant and the builder.

## Residency requirements

To qualify for the HomeBuilder Grant, you (and any other applicant to your HomeBuilder Grant application) **must retain ownership of the property and occupy it as your principal place of residence for a continuous period of at least 6 months;** and

### for a new build:

- ▶ commence the above period of occupation within 12 months of the date of construction completing, or

### for a substantial renovation:

- ▶ commence the above period of occupation immediately on completion of the renovation, or

### for the purchase of a new home or an off the plan home:

- ▶ commence the above period of occupation within 12 months of being listed on the certificate of title for the home.

### Meaning of principal place of residence

Principal place of residence has been the subject of case law and is taken to be the place at which you usually eat and sleep the majority of the time and in any case more than at any other place. Leaving personal property at a vacant residence does not meet these conditions.

### What should you do if you cannot meet the above residency requirements?

You must notify RevenueSA and repay the HomeBuilder Grant within 14 days of the date you become aware you cannot meet the residency requirements. Checks that residency requirements have been met are routinely made by RevenueSA.

If you have genuine difficulties or complications in meeting the residency requirements please contact RevenueSA to discuss your situation. Where there are good reasons to do so, the Commissioner has the discretion to:

- ▶ extend the 12 month period in which you must commence occupying your home; or
- ▶ reduce the 6 month period for which you must occupy your home.

### Where can I find more information?

More information in regard to the HomeBuilder Grant can be found in the following Commonwealth publications:

- ▶ [HomeBuilder fact sheet](#); or
- ▶ [HomeBuilder frequently asked questions](#).

### How do I apply?

You can complete and lodge your application, including uploading your supporting documents, via the online portal [www.firsthome.gov.au/homebuilder/sa/](http://www.firsthome.gov.au/homebuilder/sa/)

To log into the portal, you will need a current email address. Your email address will allow you to login to the portal and we will use your email address for all our communication with you about your application.

If you are not able to lodge your application online, you can complete a hard copy application form and email it to [homebuildergrant@sa.gov.au](mailto:homebuildergrant@sa.gov.au) or post it to:

RevenueSA, GPO Box 1353, Adelaide SA 5001

To avoid delays in processing your application, please ensure all the required documents are included at the time you lodge your application.

For first home buyers, information in regard to how to apply for the First Home Owner Grant can be found at: [www.revenuesa.sa.gov.au/grants-and-concessions/first-home-owners/how-to-apply-for-fhog](http://www.revenuesa.sa.gov.au/grants-and-concessions/first-home-owners/how-to-apply-for-fhog).

Applications must be submitted no later than 31 December 2020.

### What documentation will I need to provide?

See the table on the following page for what documentation you will need to provide.

### Can my financial institution apply on my behalf?

You may authorise a financial institution (that is an **approved agent**) to send your application in (by email or post) on your behalf. If your financial institution sends your application in, it remains your responsibility to ensure the information provided is accurate.

We will then communicate with your financial institution regarding your application.

### When will I know if my application is successful?

RevenueSA will write to applicant(s) advising whether their application has been approved or declined.

If you have not commenced construction when you apply and you meet all of the other eligibility criteria you may be provided conditional approval and will need to provide evidence that construction has commenced within 6 months of the signing of the contract in order to receive final approval and payment.

### When will payment be made?

The HomeBuilder Grant will only be paid to eligible applicant(s) once RevenueSA is satisfied that you meet all the eligibility criteria.

When the HomeBuilder Grant will be paid will also depend on whether your application relates to a new build, a substantial renovation or an off the plan/new home contract:

- ▶ *for new builds*, the HomeBuilder Grant will be paid after construction has commenced and evidence is submitted which shows that the first progress payment has been made to the builder;
- ▶ *for substantial renovations*, the HomeBuilder Grant will be paid after construction has commenced and evidence is submitted showing payments of a least \$150,000 of the contract price have been made to the builder;
- ▶ *for off the plan/new home contracts*, the HomeBuilder Grant will be paid after evidence is submitted showing that the property has been registered in your name on the certificate of title.

### How will payment be made?

The HomeBuilder Grant will be paid into your nominated financial institution account when all eligibility criteria have been met. This account must be an Australian account (e.g. a savings account, a loan account, a debit account).

### What can I do if my application is not approved?

You may lodge an objection if your HomeBuilder Grant application is declined and you do not agree with the Commissioner's decision. Objections must be lodged within sixty (60) days of the date on the letter advising you of the decision. Before lodging an objection, please refer to the Objections and Appeals page.

### What should I do if I do not think I should have received the HomeBuilder Grant?

If you think that you should not have received a HomeBuilder Grant, you must contact RevenueSA to discuss the situation and repay the funds you received. Depending on your circumstances, a payment arrangement may be available to repay the funds.

### Who audits the payment of the HomeBuilder Grant?

RevenueSA audits all HomeBuilder Grant applications for compliance with the eligibility and residency criteria. Should RevenueSA contact you during an audit, it is a condition of receiving the HomeBuilder Grant that you must provide all information requested.

You must advise RevenueSA within fourteen (14) days if you cease to

use the property as your principal place of residence.

You may be required to repay the HomeBuilder Grant, the First Home Owner Grant (if applicable) and any penalties imposed if:

- ▶ you do not provide all the information requested by RevenueSA during an investigation;
- ▶ you provide false or misleading information to RevenueSA; or
- ▶ RevenueSA finds you should not have received the HomeBuilder Grant or you did not meet the principal place of residence requirements.

## What documentation will I need to provide?

Evidence required for	Dwelling category	Eligibility condition(s) for HomeBuilder	Evidentiary requirements
Applicant(s)	All	<ul style="list-style-type: none"> <li>▶ Citizenship</li> <li>▶ Age (at least 18) at time of entering the eligible transaction</li> <li>▶ Natural person</li> </ul>	<p>Proof of identification:</p> <ul style="list-style-type: none"> <li>▶ A copy of your Australian birth certificate, current Australian passport or Australian citizenship certificate.</li> <li>▶ A form of photo identification, such as an Australian driver's licence or South Australian Proof of Age card (not needed if you have provided a copy of your Australian passport).</li> <li>▶ Evidence of a change of name (e.g. change of name certificate, statutory declaration) if the name on any of the documents presented is different to the name of the applicant.</li> </ul>
Income	All	<p>Income caps met:</p> <ul style="list-style-type: none"> <li>▶ Less than \$125,000 for individual; or</li> <li>▶ Less than \$200,000 for a couple</li> </ul>	<ul style="list-style-type: none"> <li>▶ A copy of the ATO 2018-19 or 2019-20 Notice of Assessment for all applicants.</li> <li>▶ For couples, each applicant should supply a notice for the same year.</li> </ul> <p><b>You must black out (redact) your tax file number(s) before you upload your notice(s) of assessment.</b></p>
Builder	All	<ul style="list-style-type: none"> <li>▶ The builder must be licensed/registered on or before 4 June 2020</li> </ul>	<ul style="list-style-type: none"> <li>▶ A copy of the builder's valid licence/ registration</li> </ul>
Property value	New build	<ul style="list-style-type: none"> <li>▶ Property value (house and land) does not exceed \$750,000.</li> </ul>	<ul style="list-style-type: none"> <li>▶ If house and land purchased on or after 4 June 2020: <ul style="list-style-type: none"> <li>▶ a copy of the relevant house and land contract(s)</li> </ul> </li> <li>▶ If land purchased prior to 4 June 2020: <ul style="list-style-type: none"> <li>▶ a copy of the land acquisition contract; and</li> <li>▶ a copy of the building contract; and</li> <li>▶ a copy of the certificate of title (if available)</li> </ul> </li> </ul>
	Substantial renovations	<ul style="list-style-type: none"> <li>▶ Building contract value is between \$150,000 and \$750,000; and</li> <li>▶ Property value (house and land) pre-renovation does not exceed \$1.5 million.</li> </ul>	<ul style="list-style-type: none"> <li>▶ A copy of the building contract; and</li> <li>▶ A copy of the certificate of title (if available)</li> </ul>
	Off the plan/new home	<ul style="list-style-type: none"> <li>▶ Property value does not exceed \$750,000</li> </ul>	<ul style="list-style-type: none"> <li>▶ A copy of the sales contract</li> </ul>
Commencement of build	New build	<ul style="list-style-type: none"> <li>▶ Construction to commence within 6 months of contract date</li> <li>▶ Evidence payment milestones have been met</li> </ul>	<ul style="list-style-type: none"> <li>▶ Building contract;</li> <li>▶ First progress invoice (including variations);</li> <li>▶ Land purchase contract if land purchased prior to 4 June 2020.</li> <li>▶ Statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.</li> </ul>
	Substantial renovation	<ul style="list-style-type: none"> <li>▶ Construction to commence within 6 months of contract date</li> <li>▶ HomeBuilder Grant to be paid following at least \$150,000 paid for renovation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Renovation contract</li> <li>▶ The date of first invoice (excluding deposit); and</li> <li>▶ Copies of payment receipts demonstrating that at least \$150,000 of the renovation contract has been paid to the registered/licensed builder under the contract.</li> <li>▶ Statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work.</li> </ul>
	Off the plan/new home	<ul style="list-style-type: none"> <li>▶ Construction to commence within 6 months of contract date</li> <li>▶ Evidence payment milestones have been met</li> </ul>	<ul style="list-style-type: none"> <li>▶ Purchase contract;</li> <li>▶ Evidence that building commenced on or after 4 June 2020 (Statutory declaration from the builder or a mandatory notification form which is used to notify local councils of stages of work);</li> <li>▶ Evidence of registration of property title in the applicant(s) name and practical completion form from builder.</li> </ul>