

# HomeBuilder

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 [revenue.nsw.gov.au/grants-schemes/homebuilder](https://revenue.nsw.gov.au/grants-schemes/homebuilder)

HomeBuilder Applications cannot be submitted until the online portal goes live.

HomeBuilder provides eligible owner occupiers with a grant of \$25,000 to build a new home, substantially renovate an existing home or buy an off the plan home/new home. A new home is one that has not previously been sold or occupied as a place of residence, (e.g. spec build) and where construction commenced on or after 4 June 2020.

## About HomeBuilder

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On 4 June 2020 the Australian Government announced HomeBuilder to provide eligible owner-occupiers (including first home buyers) with a grant of \$25,000 to build a new home, substantially renovate an existing home or buy an off the plan home/new home.

The eligible contract must be signed between 4 June 2020 and 31 December 2020 (inclusive). Construction need not commence prior to 31 December 2020, however, must commence within three months of the contract date. Further, construction cannot have commenced before 4 June 202.

The Australian Government HomeBuilder Grant is subject to the provisions of the National Partnership Agreement between the New South Wales Government and Australian Government.

HomeBuilder compliments Revenue NSW existing First Home Owner's Grant (New Home) Scheme and First Home Buyers Assistance Scheme.

## HomeBuilder Applications

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HomeBuilder applications are to be lodged via an online portal, which will be available on this webpage shortly.

The [application form](#) and [lodgement guide](#) are provided as a guide to assist in preparing your application for lodgement via the online portal.

Applications must be received by no later than 31 December 2020.

Applicant(s) can lodge their application in a multi-step process with the initial lodgement being after an eligible HomeBuilder contract has been entered into. Once commencement of construction and the payment eligibility requirements milestones have been met, any additional supporting documentation should be lodged via the online portal.

## **Eligibility criteria**

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### **Eligible applicants**

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HomeBuilder is available to individual applicants and couples who are or will be registered as the owner on the certificate of title. Each applicant must be:

- a natural person (not a company or trust)
- aged 18 years or older at the date of the contract
- an Australian citizen at the date of application.

You must:

- 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 off the plan contract to build or buy the new home.

Applicant(s) must be below one of the following two income caps

- \$125,000 per annum for an individual based on either your 2018-19 or 2019-20 taxable income, as shown on your notice of assessment issued by the Australian Taxation Office or
- \$200,000 per annum for a couple based on either your combined 2018-19 or 2019-20 taxable income, as shown on your notices of assessment issued by the Australian Taxation Office.

A couple is considered as two people that are legally married, in a registered domestic relationship, or living as a couple on a genuine domestic basis, excluding people related to each other, for example, siblings.

Each applicant must not have previously received the HomeBuilder Grant for any property owned individually or jointly with another person in any Australian State or Territory.

Each applicant must live in the home as their principal place of residence for a continuous period of at least six months on completion of construction, renovation or settlement.

Investment properties are excluded from HomeBuilder.

### **Eligible homes**

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The home must be:

- located in New South Wales
- fixed to your land

- suitable as a place of residence, and
- owned by you (both dwelling and land).

## Eligible contracts

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HomeBuilder is available for one of the following contracts signed between 4 June 2020 and 31 December 2020 (inclusive):

- *a comprehensive home building contract to build a new home* as your principal place of residence where the property value (house and land) does not exceed \$750,000 (inclusive of GST),
- *a contract with a registered builder to substantially renovate* your principal place of residence where the renovation contract is between \$150,000 and \$750,000 (inclusive of GST), and where the value of your existing house and land does not exceed \$1.5 million. If you own a property (house and land) and demolish the house to rebuild, or your home was destroyed during the 2019/20 NSW bushfires, these will be treated as a substantial renovation, subject to the same values,
- *a contract to purchase an off the plan home/new home* as your principal place of residence where the contract price does not exceed \$750,000 (inclusive of GST) and construction had not commenced prior to 4 June 2020.

In all cases, construction cannot have commenced before 4 June 2020.

Construction must be undertaken by a registered or licenced building service 'contractor' who is named as a builder on the building licence or permit.

Owner-builders are not eligible for HomeBuilder. An owner-builder means the person who is the registered or licenced builder and who takes legal responsibility for domestic building work carried out on their own land/property. Owner-builders therefore do not enter into an eligible HomeBuilder contract.

For off the plan home/new home contracts, construction can have commenced prior to the date of the sales contract, but not before 4 June 2020. You must also be registered on the certificate of title as the owner of the property by no later than 31 October 2022.

In negotiating the contract, the parties must deal with each other at arm's length. This means the contract must be made by two parties freely and independently of each other and without some special relationship, such as being a relative. The terms of the contract should be commercially reasonable, and the contract price should not be inflated or deflated compared to the fair market price.

If you have entered into a contract on or after 4 June 2020 that replaces a contract made prior to 4 June 2020 to build the same or substantially similar home, you may not be eligible to receive the HomeBuilder Grant.

Construction must commence within 3 months of the contract date. Where commencement is delayed due to unforeseen factors outside the control of the parties to the contract, a maximum extension of an additional 3 months may be provided.

When construction is considered to have commenced will depend on the type of contract that you enter into. Commencement of construction means:

<b>For new builds</b>	commencement excavation and site preparation works
<b>For a substantial renovation</b>	when the works under the renovation contract commence
<b>For an off-the-plan build</b>	commencement excavation and site preparation works

Where commencement is delayed due to unforeseen factors outside the control of the parties to the contract the applicant(s) can request a maximum extension of up to an additional 3 months by lodging a statement with supporting evidence for the Chief Commissioner to consider.

On application, the Chief Commissioner may consider exercising discretion in situations such as but not limited to the following:

- delays in obtaining council approvals;
- difficulties in obtaining construction materials and/or sub-contractors;
- inclement weather, where the disruption is substantial;
- health problems relating to, or the death of, a person critical to the commencement of the project;
- prolonged industrial disputes;
- natural disasters.

The Chief Commissioner is unlikely to exercise discretion in situations such as, but not limited to, the following;

- where an applicant does not undertake appropriate due diligence when entering into a contract, or makes deliberate and informed choices which make them ineligible without the exercise of the Chief Commissioner's discretion;
- where delay results from the builder contracting to undertake more work than they could be reasonably expected to complete in the relevant timeframe; or
- where construction is delayed because the land developer has set pre-development sales targets and insufficient blocks have been pre-sold in a subdivision.

## **Eligible substantial renovations**

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Substantial renovation can be either:

- substantially altering the existing dwelling, or
- demolishing your home and building a new home on the land.

To be considered substantial:

- the renovation does not need to involve the removal or replacement of foundations, external walls, interior supporting walls, floors, roof or staircases).
- However, it should improve the accessibility, safety or liveability of the property,

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.

## **Bushfire affected properties**

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If your home was destroyed in the 2019/20 NSW Bushfires, and you are rebuilding on your existing land, your application will be considered as a Substantial Renovation.

The 2019/20 NSW Bushfires are defined as:

- North Coast bushfires from 18 July 2019 onwards in a region as listed as a Natural Disaster Declaration by the Office of Emergency Management
- NSW bushfires from 31 August 2019 onwards in a region as listed as a Natural Disaster Declaration by the Office of Emergency Management

## **HomeBuilder payment**

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HomeBuilder will be paid once Revenue NSW is satisfied that you meet all the eligibility criteria. The timing of the payment of the Grant will depend on whether your application relates to:

- *A new build* – the Grant will be paid after foundations have been laid and the first progress payment has been made to the builder
- *A substantial renovation* – the Grant will be paid after construction has commenced and evidence is submitted showing payments of at least \$150,000 of the contract price have been made to the builder
- *An off the plan home/new home contract* – the Grant will be paid after evidence is submitted showing that the property has been registered in your name on the certificate of title. You must be registered on the certificate of title as the owner of the property by no later than 31 October 2022.

Homebuilder will be paid into your nominated account when all eligibility criteria have been met and all supporting documentation provided. This account must be an Australian cheque or savings account.

## **Residency requirement**

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To qualify for HomeBuilder, each applicant must:

- retain ownership of the property and occupy it as your principal place of residence for a continuous period of at least six (6) months; and
- commence the above period of occupation immediately on completion of construction, renovation or settlement.

A principal place of residence is considered to be the home you primarily reside in.

Where an applicant was a member of the permanent forces of the Australian Defence Force and the applicant was enrolled on the NSW electoral roll at the date of the eligible HomeBuilder contract, then the applicant is exempt from the residence requirement.

To receive the exemption, you must provide a document issued by the Australian Defence Force clearly showing your name and that you are a member of the permanent forces at the date of the eligible HomeBuilder contract.

An exemption will not be granted if the document is not provided.

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

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You must notify Revenue NSW and repay the HomeBuilder Grant within 14 days of the date you become aware you cannot meet the residency requirement.

Revenue NSW may require that applicants provide information to verify that they have met the residence requirement. Applicants should keep appropriate records that can demonstrate to Revenue NSW that the grant address was used as the principal place of residence.

If you have difficulties in meeting the residency requirement, please contact Revenue NSW to discuss your situation.

## Supporting documentation

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Dwelling category	Eligibility condition(s) for HomeBuilder	Supporting Documentation
All	<ul style="list-style-type: none"> <li>• Australian Citizen</li> <li>• 18 years or older</li> <li>• A natural person</li> </ul>	<ul style="list-style-type: none"> <li>• A copy of your birth certificate or current Australian passport, or Australian citizenship certificate.</li> <li>• Evidence of a change of name (e.g. change of name certificate, statutory declaration) is required if the name on any of the documents presented is different to the name of the applicant,</li> </ul>

Dwelling category	Eligibility condition(s) for HomeBuilder	Supporting Documentation
All	Income caps met: <ul style="list-style-type: none"> <li>• Below \$125,000 for individual, or</li> <li>• Below \$200,000 for a couple</li> </ul>	<ul style="list-style-type: none"> <li>• Copy of either the 2018-19 or 2019-20 Notice of Assessment issued by the Australian Taxation Office for each applicant, or evidence of nil tax return or non-lodgement advice if not required to lodge a tax return. You should remove or block out your Tax File Number (TFN)</li> </ul>
New build	Property value (house and land) does not exceed \$750 000.	<ul style="list-style-type: none"> <li>• Copy of the Certificate of title for the property</li> <li>• Copy of the comprehensive home building contract signed between 4 June 2020 and 31 December 2020.</li> <li>• Copy of the front and execution pages of the contract for sale of land if less than 12 months from date of your application. If more than 12 months a copy of valuation undertaken by a bank or licenced independent valuer.</li> <li>• Evidence showing that foundations have been laid and copies of both invoice/s &amp; receipt/s showing that first progress payment has been made to the builder under the contract</li> <li>• Copy of both invoice/s &amp; receipt/s showing that first progress payment has been made to the builder under the contract</li> <li>• Evidence of construction commencement (copy of the notice of commencement as required under the Environmental Planning &amp; Assessment Act)</li> <li>• If applicable, a statement confirming reasons for the delays in construction commencement with supporting evidence</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>• Copy of the Certificate of title for the property</li> <li>• Copy of the building contract for substantial renovations signed between 4 June 2020 and 31 December 2020</li> <li>• Copy of valuation from bank or licenced independent valuer to show the value of the property (house and land) within the three months before commencement of renovation;</li> <li>• Evidence of construction commencement, including first invoice issued for work carried out under the renovation contract and receipt/s to show that \$150,000 has been paid to the builder</li> <li>• If applicable, a statement confirming reasons for the delays in construction commencement with supporting evidence.</li> </ul>
Off the plan / new homes	Property value does not exceed \$750, 000	<ul style="list-style-type: none"> <li>• Copy of the Certificate of title for the property</li> <li>• Copy of the front &amp; execution pages of the sales contract for the purchase of an off the plan home/new home signed between 4 June 2020 and 31 December 2020</li> <li>• Evidence of construction commencement (copy of the notice of commencement as required under the Environmental Planning &amp; Assessment Act)</li> <li>• If applicable, a statement confirming reasons for the delays in construction commencement with supporting evidence</li> </ul>

## **Application outcome**

Revenue NSW will write to applicants advising whether their application has been approved or declined, generally within 15 working days of a complete application being received.

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

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You may lodge an objection if your HomeBuilder Grant application is declined and you do not agree with the Chief Commissioner's decision.

Objections must be lodged within 60 days of the date of the letter advising you of the decision and must include the reasons why you believe the decision is incorrect.

Objections cannot be made on the grounds of perceived fairness but should focus on the facts as to why you consider the decision is wrong, having regard to the HomeBuilder eligibility criteria. Objections should be emailed to [objection@revenue.nsw.gov.au](mailto:objection@revenue.nsw.gov.au)

## **More information**

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The Australian Government has provided an [information about HomeBuilder](#).

You can contact our HomeBuilder team:

- Email: [Home.builder@revenue.nsw.gov.au](mailto:Home.builder@revenue.nsw.gov.au)
- Phone: 1300 130 624 (8:30am to 5pm, Monday to Friday)

## **HomeBuilder Compliance**

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

You must advise Revenue NSW within 14 days if you cease to use the property as your principal place of residence within 6 months of completion of construction or settlement.

You may be required to repay HomeBuilder if:

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

## **Definitions**

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### **Applicant(s)**

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Each person whose name is or will be on the certificate of title must be an applicant for



the grant.

The HomeBuilder Grant is only available to individual applicants and couples. If you are the only person listed on the certificate of title as the owner of the property, you must apply as an individual applicant. If there is more than one person listed on the certificate of title, they must apply jointly as a couple, provided they meet the definition of a couple in the relevant State or Territory.

### **Arm's length**

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This means the contract must be made by two parties acting freely and independently of each other, and without offering favour as a result of some special relationship, such as being related to one another. The terms of the contract should be commercially reasonable, and the contract price should not be inflated compared to the fair market price.

### **Australian citizen**

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All applicant(s) must be Australian citizens.

### **Commencement of construction**

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In relation to a new home, commencement of construction will be commencement excavation and site preparation works

In relation to a substantial renovation, commencement of construction is when works under the renovation contract commence.

In relation to an off the plan purchase, commencement of construction will be commencement excavation and site preparation works

### **Couple**

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Two people that are legally married, in a registered domestic relationship, or living as a couple on a genuine domestic basis, excluding people related to each other, ie siblings.

### **Contract to build**

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A comprehensive building contract where a builder agrees to build a home, from commencement to completion of construction so that it is ready for occupation

### **Income cap**

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\$125,000 per annum for an individual or \$200,000 per annum for a couple based on either the 2018-19 or 2019-20 taxable income

### **New home**

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A contract for the purchase of a home that has not previously been sold or occupied as a place of residence and where construction commenced on or after 4 June 2020

## **Off the plan**

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A contract for the purchase of a home on a proposed lot in an unregistered plan of a subdivision of land, i.e. the purchase of a unit before it is built or before the strata plan is registered, and where construction commenced on or after 4 June 2020

## **Owner**

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The person or person(s) listed on the certificate of title of the freehold property.

## **Partner**

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A person is a partner of another if they are in a registered domestic relationship or living as a couple on a genuine domestic basis.

## **Principal place of residence**

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The home you primarily reside in.

## **Spouse**

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A person is a spouse of another if they are legally married to each other.

## **Substantial renovation**

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The renovation substantially alters the existing dwelling and improves the accessibility or safety or liveability of the property.

If you own a property (house & land) and knock the house down to rebuild this will be counted as a substantial renovation

Examples of renovation work that does not qualify includes, standalone granny flats, swimming pools, tennis courts, and structures that are not connected to the property (i.e. outdoor spas, saunas, sheds or standalone garages)

## **Value**

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In relation to a new build, off the plan home/new home the value of the property (i.e. house and land) cannot exceed \$750,000 (inclusive of GST)

In relation to a substantial renovation the value of the home (i.e. house and land) prior to renovation cannot exceed \$1.5 million