

## Quick news

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**AUCTION SURGE** Last week's announcement that stamp duty concessions are to be scrapped has led to a spike in the number of auction properties sold, with 30 per cent exchanged by week's end.

Auctioneer Jason Andrew (pictured) said: "Doubling the stamp duty for upgraders in the current climate is nothing short of outrageous and will not be counterbalanced by the increases in grants."

Practically doubling the stamp duty for upgraders is nothing short of outrageous

- Jason Andrew

## Grant a boost to Coast area

THE northern Gold Coast region stands to be one of the biggest winners from the new \$10,000 Queensland Building Boost Grant unveiled in the State Budget.

The fast-growing region is home to several major residential communities, expecting to record an influx of new construction activity over the next six months.

Stockland Gold Coast and northern NSW regional manager Col Dutton said the building boost was great news for both new home buyers and the northern Gold Coast region, fuelling developments such as Ormeau Ridge at Ormeau, Upper Coomera, Highland Reserve, and Riverstone Crossing at Upper Coomera.



Col Dutton

"With an extra \$10,000 grant from the State Government, and \$17,000 for first home buyers, this region stands to be one of the biggest winners," Mr Dutton said.

"This latest grant offers potential buyers a similar opportunity (to the Federal Government grant introduced during the global financial crisis) that they will find simply too good to miss."

For more information visit [www.qldbuildingboost.com.au](http://www.qldbuildingboost.com.au)

# Buyers need all the facts

THERE has been much discussion and debate about the new Queensland Building Boost Grant of \$10,000 that will be made available as from August 1.

Those purchasing a new home in Queensland between August 1 and January 31 may be eligible for this grant if entering into a new contract to purchase a new home; entering into a building contract to have a new home built; or commencing building a new home as an owner builder.

The new grant is available to buyers and investors but is not automatic - there are other eligibility requirements that must be met, including:

- That the value of the property must be less than \$600,000.
- Occupancy requirements within 12 months of ownership.
- Certain time limits applying for construction of the new home to find out if you are eligible.

However, Despina Priala, principal of Priala Legal at Ashmore, says what has not yet been raised or discussed in detail is the change to stamp duty rates on purchasing homes.

"At the same time the Government is making available the



If you are considering buying a home, you should carefully consider the stamp duty changes

- Despina Priala

\$10,000 building boost grant to those who are eligible... the home concession stamp duty rate is being abolished," she said.

"What does this mean for those deciding whether to buy a new home in this current market?"

"The stamp duty home concession will end July 31.

"This is the stamp duty concession that people who are not first-home buyers receive when buying a home to live in as their principal place of residence.

"For example, if a couple were contemplating buying a home in

this market for, say \$500,000, to live in the home as their principal place of residence, the stamp duty payable would be \$8750.

"From August 1, the same transaction will cost... approximately \$15,525 in stamp duty.

"Even if the same home buyer was eligible for the \$10,000 building boost grant, most of this would be used towards payment of the additional stamp duty under this transaction.

"In other words, the buyer will not have an extra \$10,000 boost towards their new home."

Ms Priala said that, for those looking at buying investment property, as in the example above, the stamp duty payable after August 1 would actually be \$400 less than the amount payable prior to that.

However, unlike the home buyer in the above example, the investment buyer (if eligible) would be able to use the entire \$10,000 building boost grant for the purchase of their investment property.

"These changes that are due to apply as from August 1, certainly appear to favour the investor, not the home buyer," she said.

"If you are considering buying a home, you should carefully consider the stamp duty changes to help you make an informed decision about the timing of your purchase."

**A Queensland Building Boost Grant eligibility tester is available online at [www.budget.qld.gov.au/current-budget/tax-reform/qnhb-grant-decision-tree.shtml](http://www.budget.qld.gov.au/current-budget/tax-reform/qnhb-grant-decision-tree.shtml)**  
For more information, email Ms Priala at [despina@prialegal.com.au](mailto:despina@prialegal.com.au)