NSW stamp duty for new homes under $800K eliminated temporarily

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Stamp duty can add a substantial amount to the price of buying a property. That can be as much as, or even more than, five per cent of the purchase value, depending on where you are buying.

The NSW government has temporarily axed stamp duty for new homes under $800,000, as a way to support first home buyers and the construction industry.

NSW Premier Gladys Berejiklian recently announced that the NSW government will temporarily remove stamp duty on newly built homes valued at under $800,000 and will raise the threshold for stamp duty on vacant land from $350,000 to $400,000 from 1 August 2020 for a period of 12 months.

In NSW, a stamp duty concession is available for eligible first home buyers. For properties valued up to $650,000 the stamp duty is waived and there is concessionary relief for properties valued up to $800,000. These rates will continue to apply for established homes however first buyers of new homes and vacant land will get the benefit of the new changes.

The changes are expected to support approximately 6,000 first home buyers while boosting construction and creating jobs amid the COVID-19 crisis. First home buyers already face significant difficulties when entering the market. In the face of joblessness, lower incomes and a slow economy these issues are only heightened.

In addition, the NSW government will also continue to offer a $10,000 First Home Owner Grant, which is available to people buying a new first home valued no more than $600,000, or buying land and building a new first home with a combined value of $750,000 in total. This means an eligible first home buyer could potentially save approximately $32,335 when buying their first home.

More Information

Please contact our property law team at Matthews Folbigg Lawyers on 9635 7966 if you would like advice or assistance.

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