# Property Law – State Budget

**Date :** July 10, 2017

**Property Law – Background**

The NSW Government has announced the introduction of a comprehensive housing affordability package with measures designed to improve housing affordability for first home buyers.

These changes are part of many announced following changes to State taxes and grants as part of the 2017 State Budget

**Changes**

In essence, from 1 July 2017:

- all stamp duty for first home buyers on existing and new homes up to $650,000 is abolished, while stamp duty discounts on properties up to the value of $800,000 will apply
- stamp duty charged on lenders' mortgage insurance is abolished (this is often required by banks to lend to first home buyers with limited deposits)
- a $10,000 First Home Owners Grant will be available to builders of new properties worth up to $750,000 and to purchasers of new properties worth up to $600,000.

(Note that the $5,000 New Home Grant Scheme which was available to all other buyers, including investors, will be closed)

Other changes made to improve the affordability of houses include:

- increasing foreign investor surcharge from 4% to 8% on stamp duty and 0.75% to 2% on land tax
- removing stamp duty concessions for investors purchasing off-the-plan
- committing $3b in infrastructure funding from government, councils and developers to accelerate the delivery of new housing
- fast-tracking approvals for well-designed terraces, townhouses, manor homes and dual occupancy by expanding complying development to include these dwelling types

**Property Lawyer Tips**

Our **property lawyer team** recommends all first home buyers and investors:

- review these property law changes
- seek the assistance of a property lawyer to understand the impacts of these property law changes

- contact a property lawyer to see whether you can benefit from these allowances
- raise any property law questions with a property lawyer
- discuss the possibility of any exceptions or exemptions to the legislation with a property lawyer

**Property Law – More Information**

Please call the leading commercial property lawyers in Parramatta, the **Matthews Folbigg Property Law Team** on **9635-7966** to speak with one of our commercial property lawyers if you require more information.