



# NSW Housing Construction Acceleration Plan

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The NSW Housing Construction Acceleration Plan (HCAP) has been introduced to stimulate the construction of new homes by providing a reduction in duty on the purchase of new homes by people who are not first home buyers.

If you are buying a new home, you may be eligible for a reduction in the duty payable on the purchase. HCAP provides a purchaser of a new home with a value not exceeding \$600 000 with a 50 per cent reduction in duty.

There is no limit on the number of new homes a person may purchase under HCAP.

## Eligibility

A home is a building that may lawfully be used as a place of residence and is in the Chief Commissioner's opinion, a suitable building for use as a place of residence. A new home is a home that has not previously been occupied or sold as a place of residence, and includes a substantially renovated home.

Agreements for sale or transfers of a new home will be eligible for consideration under HCAP where they are entered into on or after 1 July 2009 and before 1 June 2010. If an application is approved, the amount of duty chargeable on the agreement for sale or transfer is reduced by 50 per cent.

If an eligible agreement for sale or transfer is aggregated with other dutiable transactions, and treated as a single dutiable transaction, the 50 per cent reduction is to be applied only to the duty that would be chargeable (in the absence of aggregation) on the eligible agreement for sale or transfer.

The agreement for sale or transfer must be for the whole of the land. If the land is a parcel of land on which two or more homes are built or being built, the agreement for sale or transfer must be for that part of the land that is an exclusive occupancy.

An agreement for sale or transfer is eligible if it is an agreement for sale or transfer for the acquisition of a new home that is complete and ready for occupation, or is an agreement for sale or transfer of land on which a new home is to be built before completion of the sale or transfer (an off the plan purchase).

An off the plan purchase will be eligible only if the agreement for sale states that it must be completed before 31 December 2011 or in any other case, the agreement for sale is completed before 31 December 2011. The Chief Commissioner does have the discretion to allow a later date for completion where the delay is caused by circumstances beyond the control of the parties.

## MORE INFORMATION



[www.osr.nsw.gov.au](http://www.osr.nsw.gov.au)

### OSR directory

**Duties** (Conveyances, mortgages, contracts)

**Phone:** 1300 139 814\*

**Fax:** (02) 9689 8280

**Email:** [duties@osr.nsw.gov.au](mailto:duties@osr.nsw.gov.au)

### Duties returns and gaming

(Hire of goods, parking space levy, insurance protection tax, gaming and racing)

**Phone:** 1300 139 817\*

**Fax:** (02) 9689 8200

**Email:** [returns@osr.nsw.gov.au](mailto:returns@osr.nsw.gov.au)

### Electronic Duties Return

**Phone:** 1300 308 863\*

**Fax:** (02) 9689 6305

**Email:** [edr@osr.nsw.gov.au](mailto:edr@osr.nsw.gov.au)



### Payments and post:

GPO Box 4042  
Sydney NSW 2001

DX 456 Sydney



### OSR offices:

**Parramatta** (Head Office)  
Cnr Hunter and Marsden Street

### Newcastle

Level 2, 97 Scott Street  
(counter services only)

### Wollongong

Level 6, 90 Crown Street  
(counter services only)



Phone enquiries  
8.30 am – 5.00 pm, Mon. to Fri.

Counter services  
8.30 am – 4.30 pm, Mon. to Fri.

\*Interstate clients please call (02) 9689 6200.  
Help in community languages is available.

Office of State Revenue: ISO 9001 – Quality Certified  
**Department of Finance & Services**

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## Ineligible transactions

- A transfer made on or after 1 July 2009 that is in conformity with an agreement for sale or transfer entered into prior to 1 July 2009 will not be eligible.
- An agreement for sale or transfer of a new home is not eligible if it replaces an agreement for sale or transfer made before 1 July 2009 that was for substantially the same property.
- An agreement for sale or transfer will not be eligible if the agreement for sale or transfer is eligible under the First Home Plus scheme or the transferee, or any of the transferees, is eligible for, or has been paid, a grant under the *First Home Owner Grant Act 2000* in respect of the new home.
- An agreement for sale or transfer will not be eligible if the new home or the land on which the new home is located, or is to be built, is intended to be used, or made available for use, for any purpose that is not ancillary to the use and occupation of the land for residential purposes (eg for a commercial, industrial or professional purpose).

## Payment of duty

Duty is payable within three months of the date that the agreement for sale or transfer is first executed.

For an off the plan purchase, duty must be paid within three months of:

- the completion of the agreement for sale, or
- the assignment of the whole or any part of the purchasers' interest under the agreement for sale, or
- the expiration of 12 months after the date of the agreement for sale,

whichever occurs first.

## How to apply

Submit your HCAP application together with your agreement for sale or transfer for stamping by OSR. A separate application must be submitted for each transferee.

Where an application is for an off the plan purchase, Declaration for 'Off the Plan' Purchases form (ODA 014) must be completed.

Both these forms can be printed from [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au)

## HCAP – homes example calculation

Purchase price (\$)	Usual duty (\$)	HCAP duty (\$)	Savings (\$)
250 000	7 240	3 620	3 620
300 000	8 990	4 495	4 495
350 000	11 240	5 620	5 620
400 000	13 490	6 745	6 745
450 000	15 740	7 870	7 870
500 000	17 990	8 995	8 995
550 000	20 240	10 120	10 120
600 000	22 490	11 245	11 245