



Office of State Revenue
NSW TREASURY

ABN: 77 456 270 638

First Home Owner Grant Revenue Ruling FHOG2

Shared Ownership Scheme

Preamble

1. The New South Wales Department of Housing is developing a shared ownership scheme. Under the scheme, public housing tenants who want to buy their homes from the Department, but cannot afford the total cost, can purchase a 75% interest, with the opportunity to purchase the remaining 25% at a later date.

2. Section 15 of the First Home Owner Grant Act 2000 ("the Act") requires all persons who will be an owner of the home on completion of the transaction to be an applicant. Section 8 of the Act requires each applicant to be a natural person.

3. On completion of a purchase under the shared ownership scheme, the Department of Housing (through the New South Wales Land and Housing Corporation established under the Housing Act 2001) will be an owner of the home.

The public housing tenant would therefore not be eligible for the grant.

4. Similar shared ownership schemes operate in other States, and purchasers under those schemes are eligible for the grant. This type of purchase is clearly intended to be eligible for the grant under principles outlined in the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations.

Ruling

5. The Treasurer has granted approval for the First Home Owner Grant Act 2000 to be administered on the basis that an interest in land held by the New South Wales Land and Housing Corporation is to be disregarded in determining eligibility for the grant of an agreement to purchase a home under a shared ownership scheme.

6. This Variation to Statute will operate with effect from 1 July 2002 and continue until appropriate amendments can be made to the Act.

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Chief Commissioner of State Revenue
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