



HomeBuilder FAQs

HomeBuilder provides eligible owner-occupiers (including first home buyers) with a grant to build a new home or substantially renovate an existing home. HomeBuilder assists the residential construction sector by encouraging the commencement of new home builds and substantial renovations.

A \$25,000 grant is available for eligible contracts signed between 4 June 2020 and 31 December 2020 (inclusive). A \$15,000 grant is available for eligible contracts signed between 1 January 2021 and 31 March 2021 (inclusive).

On 17 April 2021, the timeframe to commence construction was extended from six months to 18 months from the date an eligible contract was signed.

Applications for HomeBuilder closed on midnight, 14 April 2021.

Application process

Can I still apply for HomeBuilder?

No. Applications for HomeBuilder closed at midnight, Wednesday 14 April 2021. Applications cannot be submitted after this date.

If you have questions about your submitted HomeBuilder application, please contact your State or Territory Revenue Office.

If you have already lodged an application for HomeBuilder, you must submit all outstanding documentation to your State or Territory Revenue Office by no later than 30 April 2023 in order to satisfy the eligibility requirements for the grant. However, it is strongly recommended that you submit all supporting documentation as soon as possible to enable the relevant Revenue Office to review and process it.

I didn't apply for HomeBuilder because I didn't think I would be able to commence construction within six-months. Can I now apply for HomeBuilder, as I believe I will meet the new 18 month construction commencement requirement?

No. State and Territory Revenue Offices cannot accept applications after 14 April 2021.

The extension of the construction commencement deadline only applies to *existing* applicants. The extension is intended to assist those who, but for circumstances outside of their control, had every intention of starting construction within six months and submitted an application accordingly.

I signed a building contract before 31 December 2020 and applied for the HomeBuilder grant. When I found out that I wasn't going to be able to start construction within six months, I signed a second building contract. Can my first contract still be considered for the purposes of the HomeBuilder grant?

Generally, a second contract to build the same or substantially similar home, would not be eligible to receive the HomeBuilder grant. If your unique circumstances mean that your State has agreed to consider a revised contract, your application will need to be assessed on the most recently dated contract.

For further information, please contact your State or Territory Revenue Office.

What happens if my application has been rejected but, with the change to the construction commencement, it would now be eligible?

States and Territories will revisit HomeBuilder applications that have been denied on the basis of the six month construction commencement requirement not being met. This process will vary amongst jurisdictions and you should contact your State or Territory Revenue Office or consult their website for further information.

Who can apply for HomeBuilder?

Who can apply for HomeBuilder depends on who is, or will be, on the certificate of title. Please see the FAQ "What happens if more than one person is listed on the title" below and see your State or Territory Revenue Office's website for further information.

Please note that you can only apply as an individual or as a couple (provided they meet the definition of a 'couple' in your State or Territory – please see FAQ below).

What grant amount will I receive?

If you have signed an eligible contract between 4 June 2020 and 31 December 2020 (inclusive), and you have met all other eligibility criteria, you may be eligible to receive a \$25,000 grant.

If you sign an eligible contract between 1 January 2021 and 31 March 2021 and you have met all other eligibility criteria, you may be eligible to receive a \$15,000 grant.

When will the grant be paid?

Timing of payment for the HomeBuilder Grant depends on whether your application relates to a new build, substantial renovation or off-the-plan / new home purchase:

- New builds: grants will be paid after the foundations have been laid and the first progress payment has been made to your builder.
- Substantial renovations: grants will be paid after construction has commenced and at least \$150,000 of the contract price has been paid in respect of the renovation.
- Off-the-plan / new home purchases: grants will be paid after the applicant(s) name is registered on the title.

In Tasmania, the timing of the grant payment may be different in certain circumstances and you should refer to the State Revenue Office of Tasmania website for further information.

Will the grant be pre-approved?

The HomeBuilder grant may be pre-approved in some States and Territories. Please see your State or Territory Revenue Office's website for further information.

How long will it take for my application to be processed?

The fastest way to have your application processed is to apply online (if your State accepts electronic applications) and to provide all necessary supporting documentation at the time you lodge your application. Your supporting documents need to demonstrate that you meet all eligibility criteria. The time it takes each Revenue Office to process your claim will also depend on the volume of applications received.

Who pays HomeBuilder and who receives it?

The relevant State or Territory Revenue Office will distribute the grant directly to the applicant.

Is the HomeBuilder grant taxed?

No – HomeBuilder will not be taxed in the hands of the owner-occupier. This is consistent with existing State and Territory First Home Owner Grant programmes.

What documentation will I need to provide?

The State or Territory Revenue Office will require certain documents to process your application. More information on the documentation you will need to provide is available through the relevant State or Territory Revenue Office website.

What proof do I need to provide to show that I reside or intend to reside at the property?

Information on evidentiary requirements to show that you reside or intend to reside at the property is available on the relevant State Revenue Office's website.

What happens if there is a change in circumstance and I'm no longer eligible?

If your circumstances change after you have applied for HomeBuilder but have not yet received the payment, and no longer meet the eligibility criteria, you will need to notify your State or Territory Revenue Office immediately.

Eligibility criteria – applicants

Who can apply for HomeBuilder?

To access HomeBuilder, owner-occupier applicants must:

- be a natural person (not a company or trust);
- be aged 18 years or older on the contract date;
- be an Australian citizen at the time of application;
- be below one of the following two income caps:
 - \$125,000 per annum for an individual applicant based on their 2018-19 or 2019-20 taxable income; or
 - \$200,000 per annum for a couple based on their combined 2018-19 or 2019-20 taxable income.
- enter into a contract from:
 - *For the \$25,000 grant:* 4 June 2020 up to 31 December 2020 (inclusive) to either:
 - : build a new home as a principal place of residence, where the property value (i.e. house and land) does not exceed \$750,000;
 - : substantially renovate an existing home as a principal place of residence, where the renovation contract is greater than \$150,000 and does not exceed \$750,000, and where the value of the existing property (i.e. house and land, before renovation) does not exceed \$1.5 million; or
 - : purchase an off-the-plan / new home as a principal place of residence where the contract price does not exceed \$750,000 and construction had not commenced prior to 4 June 2020.
 - *For the \$15,000 grant:* 1 January 2021 up to 31 March 2021 (inclusive) to either:
 - : build a new home as a principal place of residence, where the property value (i.e. house and land) does not exceed: \$950,000 if the dwelling is in New South Wales; \$850,000 if the dwelling is in Victoria; or \$750,000 in all other States;
 - : substantially renovate an existing home as a principal place of residence, where the renovation contract is greater than \$150,000 and does not exceed \$750,000, and where the value of the existing property (i.e. house and land, before renovation) does not exceed \$1.5 million; or
 - : purchase an off-the-plan / new home as a principal place of residence where construction had not commenced prior to 4 June 2020 and the contract price does not exceed: \$950,000 if the dwelling is in New South Wales; \$850,000 if the dwelling is in Victoria; or \$750,000 in all other States.

What is an owner-occupier?

An owner-occupier is the registered proprietor of the land at which they reside (and this property is their principal place of residency). The owner-occupier must also be a natural person (not a company or trust) and must also meet the other eligibility criteria of the program.

How is “principal place of residency” defined?

This will be determined by the relevant State or Territory Revenue Office.

Does/do the applicant/s have to be listed on the title?

Yes. However, when the applicant(s) needs to be registered on the title for the property will depend on the type of contract they enter into:

- For contracts to build, generally you must be registered on the title as owner of the land by no later than the laying of foundations when the first progress payment is made. However, there may be some timing differences between the jurisdictions, and you should check the website of the relevant Revenue Office for further information.
- For substantial renovations, you must be registered on the title as owner of the property at the time that you enter into the contract for renovation works.
- For off the plan / new homes, you must be registered on the title as owner of the property when the building is completed and you are entitled to take possession of the home.

An individual who has only lodged a caveat on the title is not eligible for HomeBuilder (they are not the owner-occupier).

What happens if more than one person is listed on the title?

If more than one person is listed on the title as the registered proprietors they must jointly apply for the HomeBuilder grant as a couple (provided they meet the definition of a ‘couple’ in their State or Territory – please see FAQ below). A property is only eligible for one HomeBuilder grant.

What is the definition of ‘couple’?

This will be determined by the relevant State or Territory authority. Generally, and as implemented under the Commonwealth’s First Home Loan Deposit Scheme, this would include couples that are legally married, in a registered domestic relationship or those living as a couple on a genuine domestic basis. However, advice on this can be found on the website of your relevant State or Territory authority.

Note: some States may use the term ‘spouse’.

My partner and I jointly own our home. I am an Australian citizen, but my partner is not. Are we eligible for HomeBuilder?

No. If two people are listed on the title as registered proprietors they must apply for HomeBuilder as a couple, and both applicants must meet the eligibility criteria of the program. The HomeBuilder program is only open to Australian citizens.

How will my income be assessed?

The income caps will be assessed against your taxable income and based on your 2018-19 or 2019-20 Australian tax return (it is at the applicant’s discretion to determine which tax return to include as part of the application process). HomeBuilder is subject to the following two income caps:

- \$125,000 per annum for an individual applicant based on the individual's 2018-19 or 2019-20 taxable income; or
- \$200,000 per annum for a couple based on the couple's combined 2018-19 or 2019-20 taxable income.

How do I prove my taxable income?

Taxable income is shown on your notice of assessment. The notice of assessment is issued by the Australian Taxation Office once your tax return for an income year is processed and this can be used to demonstrate your taxable income. Please ensure you redact your Tax File Number before submitting the notice of assessment with your application.

Note: Taxable income is your gross income less allowable deductions and represents the amount of income you pay tax on. More information on taxable income can be found at <https://www.ato.gov.au/individuals/income-and-deductions/>

What if I don't lodge a tax return?

If you didn't earn any income or you earned below the tax free threshold you may be able to lodge a 'nil tax return' or a 'non lodgement advice' to the Australian Taxation Office. Evidence of a nil tax return or non-lodgement advice is appropriate evidence of your income in the relevant financial year. Additional information on requirements for lodging a tax return is available on the Australian Taxation Office website: <https://www.ato.gov.au/Calculators-and-tools/Do-I-need-to-lodge-a-tax-return/>

Does the tax return have to match the name on the building contract and land title?

Yes, the applicant(s) must be the person(s) who is/are listed on the title of the property as the registered proprietor(s), and the notice of assessment. For couples where both are listed on the title, only one person needs to be on the building contract.

Is there a limit to how many people can access HomeBuilder?

HomeBuilder is an uncapped, time-limited grant for any Australian citizen(s) who meet(s) the eligibility criteria. However, an applicant can only receive the HomeBuilder grant once and a property is only eligible for one HomeBuilder grant.

Can I apply for both the HomeBuilder grant and other housing grants offered by my State?

Your eligibility for other home buyer grants and programs will not affect your eligibility for HomeBuilder.

I am not a first home buyer – can I access HomeBuilder?

Yes. Provided you meet the eligibility criteria, you can apply for HomeBuilder. However, HomeBuilder is not available for investment properties or to owner-builders.

Eligibility criteria – contracts

What is the contract price cap (for new builds and renovations)?

For eligible contracts signed between 4 June 2020 and 31 December 2020 (inclusive), a national dwelling price cap of \$750,000 will apply for new home builds. This means that the value of new builds (house and land), house and land packages, and off-the-plan / new home purchases must not exceed \$750,000.

For eligible contracts signed between 1 January 2021 and 31 March 2021 (inclusive), a dwelling price cap of \$950,000 will apply to new home builds in New South Wales, \$850,000 will apply to new home builds in Victoria, and \$750,000 will continue to apply to all other States and Territories.

For substantial renovations, a building contract price range of between \$150,000 and \$750,000 will apply and the total value of your property before renovation must not exceed \$1.5 million. This applies to all eligible contracts signed between 4 June 2020 and 31 March 2021 (inclusive).

Contract values listed are GST inclusive.

How do I determine the value of my property?

In determining the value of your property, the States and Territories may consider evidence such as a recent contract of sale for the property, a rates notice that identifies the Capital Improved Value, or a bank or independent valuation.

The Commonwealth is supportive of the States and Territories adopting a practical approach to valuing farm properties which may, for example, require the value of the 'house and curtilage' area or the replacement cost value of the house/dwelling only. The Commonwealth has provided the States and Territories with discretion to determine how farming land is valued and approaches may vary between jurisdictions.

For further information, please see your State or Territory Revenue Office's website.

What type of contracts are eligible under HomeBuilder?

HomeBuilder is available for contracts signed between 4 June 2020 and 31 March 2021 (inclusive).

For new builds and substantial renovations, the relevant contract is the building contract.

For developer projects, including off-the-plan builds, the contract is the sales contract, where construction commences on or after 4 June 2020.

What is meant by “commencement of construction”?

On 17 April 2021, the Government announced it would extend the construction commencement requirement from six months to 18 months for all applications (i.e. for all contracts signed 4 June 2020 - 31 March 2021 inclusive).

When construction is considered to have commenced will depend on the type of contract that you enter into, and the State in which you are applying for HomeBuilder:

- For new builds, commencement of construction in some jurisdictions will be as early as commencement of excavation and site preparation works; in other jurisdictions commencement occurs at the point of laying the slab.
- For a substantial renovation, commencement of construction is when the works under the renovation contract commence.
- For an off-the-plan build, commencement of construction may be site preparation stage (including excavation of the site) or the laying of the foundations or laying of a slab for a carpark (whichever is earlier).

For further information, please refer to the website of your State or Territory Revenue Office.

Who needs to undertake the construction?

Construction must be undertaken by a registered or licenced building service ‘contractor’ (depending on the State or Territory) who is named as a builder on the building licence or permit.

For contracts entered into from 4 June 2020 to 28 November 2020 (inclusive), the licenced or registered builder must have held their licence or registration prior to 4 June 2020.

For contracts entered into from 29 November 2020 to 31 March 2021 (inclusive), the licenced or registered builder must have held their licence or registration prior to 29 November 2020.

What is the definition of an owner-builder?

A licensed or registered builder cannot undertake building or substantial renovation work on their own property. An owner-builder is intended to mean a person who is the registered or licensed builder and who takes legal responsibility for domestic building work carried out on their own land/property. For further information about definitions of an owner-builder, please see your State or Territory Revenue Office’s website.

My mother’s cousin is a builder. Can they help me build my new house under HomeBuilder?

It is expected that, in negotiating the contract, the parties must deal with each other at arm’s length. This means the contract must be made by two parties acting freely and independently of each other, and without offering favour for some special relationship, such as being a relative. The terms of the contract should be commercially reasonable and the contract price should not be inflated compared to the fair market price. The State or Territory Revenue Office may require certain documents to process your application in this regard.

What happens if construction is delayed due to an issue with development approvals or other unforeseen circumstance? Can I apply for an extension?

For all contracts signed between 4 June 2020 and 31 March 2021 (inclusive), construction pursuant to the contract must commence within 18 months of the contract date. States and Territories do not have discretion to provide an extension to this timeframe.

New builds

What types of dwellings are eligible under HomeBuilder?

Houses (including house and land packages) and apartments (including off-the-plan) may be eligible for HomeBuilder – provided the applicant meets the eligibility criteria, including that the owner-occupier must contract to build a new dwelling or substantially renovate their existing dwelling.

I already own land but haven't signed a contract to build a new house – am I still eligible?

Yes, if you meet the following criteria:

- If you own a property (house and land), and knock the house down to rebuild – this will be counted as a substantial renovation, and therefore subject to the renovation price range of \$150,000 to \$750,000 provided the value of the existing property (i.e. house and land, before renovation) does not exceed \$1.5 million;
- *If the contract is signed between 4 June 2020 and 31 December 2020:* If you own vacant land (either before or after 4 June 2020) and then build a new home, the total value of the land and new build cannot exceed \$750,000; or
- *If the contract is signed between 1 January 2021 and 31 March 2021:* If you own vacant land (either before or after 4 June 2020) and then build a new home, the total value of the land and new build cannot exceed \$950,000 if the dwelling is in NSW, \$850,000 in Victoria or \$750,000 for other States..

I want to build a new home in a land lease community. Is my property eligible for HomeBuilder?

No. HomeBuilder is not intended for properties where the applicant does not own the property (both dwelling and land) – such as where a tenant lives at a property owned by somebody else, or where a person lives in a dwelling that they own and that is situated on land owned by somebody else (such as in land-lease communities). To be eligible for HomeBuilder, the eligible owner-occupier(s) must be listed on the property's title as the registered proprietor. The owner-occupier must also be a natural person (not a company or trust) and meet the other eligibility criteria of the program.

What if I want to buy a recently built home that has never been lived in before? (E.g. spec build)

A home that has started construction before 4 June, does not qualify for HomeBuilder.

However, where construction commences on or after 4 June 2020 and no later than 18 months after the contract is signed and provided the contract is signed between 4 June 2020 and 31 March 2021, then a HomeBuilder grant may be payable if your home is considered a 'new home' and meets all other eligibility criteria. Please see your State and Territory Revenue Office's website for further information on the definition of a 'new home.'

What if I want to buy an off-the-plan apartment or townhouse?

Off-the-plan apartments or town houses are eligible for HomeBuilder.

Where construction of an off-the-plan dwelling commenced on or after 4 June 2020, the property purchase may be eligible for HomeBuilder if:

- the sales contract is signed between 4 June 2020 and 31 March 2021 (inclusive), and
- construction commences on or after 4 June 2020 and no later than 18 months after the contract is signed.

Therefore, if construction of an off-the-plan dwelling commences on or after 4 June 2020, the property purchase may be eligible for HomeBuilder even if the contract is signed after construction commences (provided the contract is signed on or before 31 March 2021).

However, if construction on the dwelling commenced before 4 June 2020, then it does not qualify for HomeBuilder.

You must also be registered on the title as the owner of the property by no later than 30 April 2023.

Substantial renovations

What renovations are eligible?

To be eligible for HomeBuilder, renovations must substantially alter the existing dwelling, and:

- the renovation contract must be between \$150,000 and \$750,000,
- the value of your existing property (i.e. house and land, before renovation) must not exceed \$1.5 million.

To be substantial, the renovation need not involve removal or replacement of foundations, external walls, interior supporting walls, floors, roof or staircases. However, it should improve the accessibility or safety or liveability of the property. How accessibility and liveability requirements are assessed for renovations is a matter for States and Territories.

Examples of works that would not qualify include: standalone granny flats, swimming pools, tennis courts, and structures that are not connected to the property (i.e. outdoor spas and saunas, sheds or standalone garages).

What if a renovation contract includes works that are eligible and ineligible? E.g. the contract covers eligible substantial renovations to the existing dwelling and ineligible landscaping and outdoor works?

The State or Territory Revenue Office must be satisfied that at least \$150,000 worth of renovations is being used to improve the accessibility or safety or liveability of the dwelling.

Is landscaping considered a substantial renovation?

Substantial renovations are not expected to include renovations that are primarily cosmetic in purpose, such as landscaping. A renovation must substantially alter the existing dwelling (please refer to the FAQ 'What renovations are eligible?').

What happens if an applicant has multiple contracts for renovations (totalling more than \$150,000)?

HomeBuilder can only be used for one contract per applicant and once per property. For renovations, the building contract must be valued between \$150,000 and \$750,000.

Are knock-down rebuilds considered "renovations"?

As long as the knock-down occurs on or after 4 June 2020, knock-down rebuilds are considered substantial renovations for the purposes of HomeBuilder. For further information, please see your State or Territory Revenue Office's website.

I would like to renovate my investment property – would it be eligible for HomeBuilder?

Investment properties are not eligible for HomeBuilder. However, if you move into the property as your principal place of residence immediately following the renovation and satisfy all of the eligibility criteria, you may receive the grant.

What if I renovate my house and then want to sell? Is there a limit on how long I need to live there?

Yes. In determining whether a property is an applicant's principal place of residence, the applicant(s) will be required to reside in the property for a minimum of six months from when the certificate of occupancy or final inspection certificate is issued (for new builds), the substantial renovations are completed or from when registered on title (for off-the-plan / new home purchases). However, there may be some timing differences between the jurisdictions, and you should check the website of the relevant Revenue Office for further information.

Are granny flats eligible for HomeBuilder?

Standalone granny flats are not eligible for HomeBuilder. For more information, please refer to the FAQ 'What renovations are eligible?'

Integrity Measures

What integrity measures is the Government implementing?

HomeBuilder eligibility criteria have been carefully designed to maximise support for the residential construction sector, ensure integrity, and manage demand for the program – which is uncapped and demand driven.

Owner-builders and those seeking to either renovate or build an investment property are ineligible for HomeBuilder. This is an important integrity measure to ensure that HomeBuilder only supports high quality, safe construction by a licensed or registered builder (depending on the State or Territory) that is at arm's length to the buyer, and to maximise the impact on employment in the residential construction sector as it recovers from the Coronavirus crisis.

The renovation works must be to improve the accessibility or safety or liveability of the dwelling. It cannot be for standalone granny flats, swimming pools, tennis courts, and structures

that are not connected to the property (i.e. outdoor spas and saunas, sheds or standalone garages).

In addition, any building contract entered into must be at arm's length. This means the contract must be made by two parties independently of each other and without some special relationship, such as being a relative. The terms of the contract should be commercially reasonable and the contract price should not be inflated compared to the fair market price.