



New South Wales

## T R E A S U R E R

### MEDIA RELEASE

# Crackdown on first home buyer rorts

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The NSW Government is cracking down on fraudsters who rort first home owner grants, NSW Treasurer Eric Roozendaal said today.

“This is an important scheme to help get legitimate first home buyers into the property market – and if you abuse it, you’ll be caught,” Mr Roozendaal said.

Last financial year the OSR investigated 1,829 First Home Owner Grant applications, of which 400 were found not to have fulfilled eligibility requirements.

These applicants were collectively forced to pay back \$3.5 million in grant repayments and penalties.

It also investigated 620 First Home Plus applications, which resulted in the cancellation of 378 concessions valued at \$4.6 million including interest and penalties.

The Office of State Revenue’s compliance program ensures first home benefits only go to eligible applicants. The more serious cases are prosecuted. People caught abusing the scheme have included solicitors, real estate agents, a teacher, a police officer and a medical student, with subsequent penalties ranging up to nine months jail.

In the past two years investigations by OSR have resulted in 15 successful prosecutions for serious breaches of the first home benefits schemes. Prosecutions have resulted in a number of convictions, with fines, community service and even jail sentences.

The most recent case was heard last week, where a magistrate in Parramatta Local Court convicted an unemployed Revesby woman of five charges of fraudulently claiming the First Home Owner Grant and duty concessions for properties in Chester Hill and Punchbowl under different aliases. She received two concurrent 12-month suspended sentences with a good behaviour bond and ordered to pay \$7000 in fines and \$1765 in costs.

The most severe penalty handed down to date was a nine-month prison sentence, with a non-parole period of six-months.

Examples where grants have been recouped include where applicants have previously owned property, where they failed to reveal a spouse who had previously owned property and where they failed to occupy the property within the specified time period.

“The overwhelming majority of first home owners do the right thing and abide by the eligibility criteria,” Mr Roozendaal said. “However, there are a small number of people who try to abuse the system by applying for benefits they’re not entitled to.”

“Those people who are no longer eligible should not wait to get caught by OSR.

“Not only will the recipients be required to pay back the benefits, they could be ordered to pay an additional penalty of up to 100 per cent,” Mr Roozendaal said.