

# STATE BUDGET

## 2023-24

**PETER MALINAUSKAS MP**  
PREMIER

**STEPHEN MULLIGHAN MP**  
TREASURER

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MINISTER FOR HOUSING AND URBAN DEVELOPMENT

### STAMP DUTY ABOLISHED FOR FIRST HOME BUYERS OF NEW HOMES

The 2023-24 State Budget abolishes stamp duty for first home buyers that purchase a new home valued up to \$650,000, or vacant land valued up to \$400,000 to build a new home, in a move designed to help more South Australians into home ownership while boosting supply of new homes in the housing market.

In addition, the budget retains the existing First Home Owner Grant (FHOG) and increases its property value cap from \$575,000 to \$650,000. The FHOG is available to eligible first home buyers who build or buy a new home.

Increasing the FHOG property value cap by \$75,000 reflects the significant increase in land and build costs and more closely aligns the FHOG with Adelaide's median house price of \$675,000.

Together, these measures mean eligible first home buyers who build or buy a new home valued up to \$650,000 will now receive up to almost \$30,000 in stamp duty relief as well as a FHOG payment of \$15,000, bringing total relief from the state government up to \$44,580.

It's estimated the measures, which will cost \$147.3 million over four years, will benefit 3,800 first home buyers a year.

By abolishing stamp duty for new builds only, and not increasing demand for existing homes, the government is encouraging the supply of new housing with the intention of also taking pressure off the tight rental market.

Encouraging new house builds is expected to provide important support to the building industry, which is starting to slow as the COVID stimulus spike wears off and higher interest rates slow demand.

It's part of a comprehensive \$474.7 million housing package which supports the delivery of 3,600 new homes over five years and reduces the cost of housing for around a

# STATE BUDGET

## 2023-24

further 14,000 new homes, including:

- Delivering the first substantial increase to public housing in a generation – building an additional 564 public homes and stopping the sale of 580 others;
- Fast tracking the single largest release of residential land in the state's history – more than 25,000 new blocks across the north and south;
- 700 additional affordable homes under the National Housing Accord;
- Developing 111-129 Franklin Street to deliver more than 130 social and affordable apartments;
- Delivering targeted reforms to rental laws including banning rent bidding;
- Delivering new housing developments through a new Office for Regional Housing in Renewal SA.

In further relief for first home buyers, the Malinauskas Government has also announced a new 2 per cent deposit home loan through HomeStart for first home buyers building a new home. The measure improves on the government's election commitment of 3 per cent.

A further \$1.7 million over 4 years from 2023-24 has been provided to extend the Aspire homelessness program for a further 12 months to 31 December 2024.

The program provides intensive case management for people who have experienced recurrent homelessness or are at risk of returning to homelessness.

The extension is expected to help a further 88 people. This is in addition to the broader support for homelessness provided by the Government.

### Quotes attributable to Peter Malinauskas

*Everyone deserves a home.*

*We've already announced the state's largest ever land release, significant reforms for renters and the first increase in public housing in a generation.*

*Now, we're taking the next step so that more people can own their own home. These reforms will slash almost \$45,000 off the cost of an average new home for a first homebuyer – making it easier for them to enter the market, and cheaper for them to pay their mortgage.*

*Importantly, this will also help stimulate new supply in the market, helping ease the housing crisis for everyone, and providing a pipeline of work for an important sector of our economy.*

# STATE BUDGET

## 2023-24

### Quotes attributable to Stephen Mullighan

*Right now home ownership has never felt further out of reach for young South Australians. Abolishing stamp duty for first home buyers keeps their dreams of home ownership alive.*

*This provides an incentive for more supply, creating a pipeline of work for the building industry for years to come.*

*It's about sustaining jobs, growing the economy, and helping as many South Australians as possible to realise the dream of home ownership, now and into the future.*

### Quotes attributable to Nick Champion

*Every South Australian deserves the right to access safe and secure housing – and this budget has a strong focus on making housing more accessible for South Australians.*

*This landmark package opens the door for first home buyers, and renters, as part of the Malinauskas Government's comprehensive plan to tackle the housing crisis facing our State.*

*As we strive to deliver increased housing stock, we are fast-tracking land supply and boosting housing to help those locked out of a market to make the dream of owning their home, a reality.*

*Our pipeline of work is about easing that pressure – while supporting new and growing communities with key infrastructure and amenities for future South Australians.*

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