Submission Cover Sheet

Inquiry into Home Buyer Concession Scheme Administration

Submission number: 004

Submitter: Name Withheld

Date authorised for publication: 30 June 2025

From: [redacted]
To: LA Committee - PAA
Subject: Submission: Inquiry into Home Buyer Concession Scheme Administration
Date: Friday, 13 June 2025 10:52:32 AM

[redacted]

Hello,
Please see below submission into the Inquiry into Home Buyer Concession Scheme Administration
TO REMAIN ANONYMOS: [redacted]

In relation to the purchase and stamp duty reassessment for [redacted]

My ex-partner and I purchased a property in March 2022 and sold it in February 2024. After selling the property we received a letter from ACT Revenue stating that they were reviewing our eligibility for the Home Buyers Concession Scheme of which we had applied and been granted after having sought advice from our conveyancers about as, at the time, our situation was a little out of the ordinary.

When speaking to our Mortgage Broker he wasn't able to include a portion of my income from a part time job from the financial year prior as I was no longer working in that part time job when we were applying for finance (I am a sole trader so the bank looked at Tax returns not payslips). When we approached our conveyancer to ask if we could also exclude this from the income calculation to bring our combined income under the threshold for the Home Buyers Concession Scheme they said they were '*confident with the idea of providing/organising documents in a way which would support your position in being eligible to obtain the stamp duty concession as of today and as a result of not having the part time job anymore'*. And had references to clauses in *'Taxation Administration (Amounts Payable—Home Buyer Concession Scheme) Determination 2021'* of which ACT Revenue office had sent to me when I asked them the same question. The conveyancer then asked us to complete the online self-assessment tool, telling us to state that we were under the income threshold, and to provide the Concession code to them when we purchased the property.

2 years later we received the Notice of Reassessment from ACT Revenue, we submitted all documentation supporting the above justification and advice from our conveyancer but this was rejected and we were sent a $46,658.00 bill that we were being told we needed to pay within 3 weeks. We approached the conveyancer with obvious concern regarding this to which they suggested we lodge an objection with ACT Revenue, but that we were still liable to pay the $46,658.00 bill in the meantime. Upon our request, the conveyancers submitted an objection with ACT Revenue on August 12th (9 months ago). They have been following up the progression of the case with ACT Revenue every couple of months on our request for an update, the response from ACT Revenue has consistently been that the case had not been looked at. On February 16th ACT Revenue stated to our conveyancer that we would have an outcome 'within the month', this is now 4 months ago and we have heard of no further progression toward a decision. In total, this process has been going on for over 14 months with the original Notice being sent to us on April 11th 2024, we have submitted all information on time to ACT Revenue and with as much detail as

possible and are frustrated by the lack of progress and communication.

We believe the process around the assessment from ACT Revenue is faulty considering the 2-year delay from purchasing the property to audit (with interest growing without our knowledge during that time equalling $6,926.00) and the fact that we were even able to access the concession without a thorough initial assessment from ACT revenue. Had we known that ACT Revenue did not agree with the professional advice we had received from our conveyancer regarding our eligibility for the Home Buyers Concession Scheme and that we would need to pay stamp duty prior to purchasing a property, we would not have purchased the property that we did as the additional $33,000 in stamp duty was money we certainly didn't have. In fact, the only reason we were able to pay the reassessed Stamp Duty, fine and interest within the 3-week time frame is because we had just sold the property and hadn't yet purchased another. Obviously, this has since drastically decreased the deposits we have and has now prohibited us from re-entering the property market.

In response to the Terms of Reference:

1) the effectiveness and appropriateness of the self-assessment process;
This tool is ineffective for complex situations, we sought professional advice and this has been retrospectively overridden by ACT Revenue instead of having to opportunity to have our situation assessed by ACT Revenue prior to purchase.

2) the fairness, transparency and financial impacts of reassessments;
The financial implications of this reassessment have been incredibly detrimental and has prohibited us from re-entering the property market. The assessment process has been complex and we have had to rely heavily on the assistance from our conveyancer. We feel that the process to communicate with ACT Revenue, referencing legally complex terminology and reference documents is beyond a person's typical ability.

3) the appropriateness and proportionality of penalties and interest charges;
The considerable delay from purchasing the property to the reassessment was far too long and the interest accruing without our knowledge during that time, equaling $6,926.00, is unacceptable. A 25% fine is also unacceptable considering we took all reasonable measures to confirm our eligibility of the Scheme.

4) the scope and exercise of administrative discretion by the Commissioner for ACT Revenue, the Treasurer and Minister for Finance;
Considering we took all reasonable measures to confirm our eligibility of the Scheme the administrative discretion exercised by the Commissioner for ACT Revenue, the Treasurer and Minister for Finance seems to have not been used, we believe we have been assessed harshly and unfairly.

5) the adequacy of the objections and appeals process, including limitations on external review;
The objections an appeals process, in particular the time frames given for us to submit documentation vs. the timeframes ACT Revenue have to respond, is disproportionate and unfair. As resolution has still not been made after 14months.

6) potential legislative or policy reforms to improve the application and reassessment processes
Individual pre-purchase assessment instead of post-purchase assessment and retrospective auditing should be accessible.

7) the reassessment process, including timeframes, and the use of Business Intelligence

As noted in item (5)