



NEW HOUSE GRANTS FOR FIRST-TIME PURCHASERS

The following communication has been forwarded to the Conveyancing Committee from the Department of the Environment.

“One of the statutory conditions of the New House Grant Scheme is that either a C2 No. or a Tax Clearance Certificate Expiry Date is provided in respect of the builder. The absence of this documentation renders first-time purchasers of a new house ineligible for the £2,000 grant.

“The Department has insofar as possible taken steps to ensure that applicants are aware of the conditions of the scheme. However, it is our experience that some applicants complete the purchase of their houses before applying for a grant.

“It would be appreciated if in the course of advising clients, your members would ensure that they are aware of this condition, so that they are not deprived of a grant if they are otherwise eligible.”

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NEW HOUSE GRANTS

The Department of the Environment has notified the Conveyancing Committee that, as announced in the recent budget statement, the New House Grant has been increased from £2,000 to £3,000. The Department says that the increased rate will apply to all applicants where:-

- a a contract to purchase is made on or after 25 February, 1993; or
- b where a contract to build is made on or after 25 February, 1993; or
- c in any other case where the required contract or contracts for building services to the value of at least £15,000 is/are made after 25 February, 1993 or the poured concrete and concrete blocks used in the reconstruction of the house are liable to VAT at 21%.

Documentary evidence will be sought so that entitlement to the higher rate of grant can be established. The existing £2,000 grant will continue to be payable in other cases.

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