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10 December 2023

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**Joint media release with
The Hon Julie Collins MP
Minister for Housing, Minister for Homelessness
Minister for Small Business**

The Albanese Government will adjust the foreign investment framework to help boost Australia's housing stock and provide more homes for Australians.

Higher fees for the purchase of established homes, increased penalties for those that leave properties vacant, and strengthened compliance activity will help ensure foreign investment in residential property is in our national interest.

At the same time, the Government will cut application fees for foreign investment in Build to Rent projects to support the delivery of more homes across Australia.

We welcome foreign investment because it plays a crucial role in our nation's economic success. These adjustments are all about making sure foreign investment aligns with the Government's agenda to lift the nation's supply of affordable housing.

The changes announced today include:

- a tripling of foreign investment fees for the purchase of established homes;
- a doubling of vacancy fees for all foreign-owned dwellings purchased since 9 May 2017 (which together mean a six-fold increase in vacancy fees for future purchases of established dwellings);
- enhancing the ATO's compliance regime to ensure foreign investors comply with the rules, including selling their residence when required.

Today's announcement strengthens Australia's already robust foreign investment framework.

Foreign nationals are generally barred from buying existing property but can do so in very limited circumstances such as when they come to live here for work or study. When they leave the country, they are required to sell the property if they have not become a permanent resident.

These changes further encourage foreign nationals to buy new property instead and help to ensure that those who do get approval follow the rules.

The higher fees for established dwellings will encourage foreign buyers to invest in new housing developments. This creates additional housing stock, jobs in the construction industry and supports economic growth.

The increased vacancy fees will encourage foreign investors to make their unused properties available to renters.

The Government intends to introduce legislation next year to implement the new fees.

In addition to these changes, the Government will make sure foreign investment application fees for Build to Rent projects are at the lowest commercial level – no matter the kind of land involved.

Currently Build to Rent investors can be subject to different, higher fees if their projects involve particular kinds of land, like residential land.

Lowering the fees for these investments will help to ensure our foreign investment framework is consistent and predictable for all Build to Rent investors, and encourage the development of these projects right across the country that are specifically designed, built and managed to provide long-term rental options for Australians.

The application of commercial foreign investment fees to all future Build to Rent projects will apply after 14 December 2023.

These changes to foreign investment rules are part of the Albanese Government's broad and ambitious agenda to improve housing affordability and supply.