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Victoria toughest for first home buyers

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State taxes claw back two thirds of government benefits aimed at getting Victorians into their first homes, a new analysis shows.

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First home buyers in Victoria who get maximum federal and state government help receive \$17,000 for an average property but still come out with less assistance than counterparts in other states or territories, the data shows.

After state stamp duty and other fees, net assistance to Victorians is slashed back to just \$5,992, according to figures released on Thursday by the Our Home Sweet Home website.

This represents about 2.2 per cent of the average property value of \$275,000.

By contrast, West Australian first home buyers receive about \$14,000 in grants but because there is also a \$2,000 first home buyers assistance account, the net assistance balloons to \$15,740.

In WA this is 5.4 per cent of the average property value of \$290,000.

Northern Territory home seekers get the second-best percentage leg-up, followed by those in NSW, the ACT, Queensland, Tasmania, South Australia and Victoria.

In WA, NSW and Queensland there is no stamp duty for first home buyers on houses priced up to \$500,000.

"Unless governments maintain and extend their current stance in respect to support for the first home buyer, many will struggle to pull together the funds," said Peter Boehm from Our Home Sweet Home.

The website figures relate to people buying existing homes.

Prime Minister Kevin Rudd last year trebled the first home owners grant to \$21,000 for purchases of newly-built homes.

This story was found at: <http://news.theage.com.au/breaking-news-national/victoria-toughest-for-first-home-buyers-20090205-7yh1.html>