



Citizens **Information** Board
information · advice · advocacy



Supports for farmers

Schemes, grants and supports
for every stage of your farming life.



Rialtas na hÉireann
Government of Ireland

This booklet is published by the Citizens Information Board (CIB) and Teagasc.
It offers general information and is not a legal interpretation.

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Introduction

Farming is a diverse career and lifestyle. Being a farmer can include many duties like being a business owner, employer and caretaker of the land.

This booklet from the Citizens Information Board and Teagasc has important information to support you. It covers all the stages of farming life and describes farming responsibilities as both a business owner and employer.

The booklet also explains the supports you can get and directs you to more information on each topic.

You should read this booklet if you are:

- Thinking about becoming a farmer
- Farming already
- Planning to retire from farming

If you have a specific question or issue, you can contact Citizens Information or Teagasc for more advice.



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Becoming a farmer

You may start farming because you are inheriting a farm from a relative, buying a farm or working on someone else's farm. You may also be interested in this area of work. Either way, there is a lot to consider if you decide to start a farming career.

Considering farming

If you are in school and considering a career in farming, you should talk to your school guidance counsellor to discuss courses.

If you want to study farming, you can contact **Teagasc** or the universities that offer agriculture courses to find out more about courses and apprenticeships.

You could also consider working on a farm as a **seasonal worker**. This is a great way to get experience on a farm to see if you enjoy it, before you begin a course or apprenticeship.



How to use QR codes

Point the camera on your smartphone at the black and white QR code to find out more information on the topic mentioned.



If you want to study farming, you can contact **Teagasc** or the universities that offer agriculture courses to find out more. You could also consider working on a farm as a **seasonal worker**.



Find out more on the Citizens Information page about **Farming education, grants and supports**.

Farming education and training

There are lots of farming courses if you are interested in farming or are already farming and want to upskill. You may also need to complete a farming course to access some farming schemes and payments.

Teagasc provides **QQI** level 5 and 6 further education courses at their colleges and local centres. The courses cover different farming topics such as:

- Agricultural mechanisation
- Dairy herd management
- Equine studies
- Forestry and horticulture

Teagasc run higher level farming courses in partnership with third-level colleges covering topics like Agricultural Science and Land Management. A range of **apprenticeships** can help you get practical farming experience.

Some courses offer part-time or *blended learning* options. Blended learning allows you to attend classes both online and face-to-face in the classroom. This can help farmers upskill while balancing farm work by attending classes from home.

Teagasc also have **adult and continuing education courses** and **food industry development training**.

Grants to help with studying

Grants to help you with the cost of studying include:

- The **Student Grant Scheme**, available to all qualifying students.
- The **Teagasc Student Maintenance Grant Scheme**, for students enrolled in full-time Teagasc level 5 or 6 courses.

Both grants have the same qualification criteria, rates and income limits for the means test. However, the way your income is calculated for the means test is slightly different for each grant.

What's the difference between the two student grants?

The Student Grant Scheme looks at all income for the previous tax year when applying the means test for their grant. However, Teagasc averages farm income from self-employment over the last three years for the means test for their grant. The Teagasc Student Maintenance Grant also permits certain deductions that are not allowed when calculating income for the Student Grant Scheme.

How to apply for the Student Grant Scheme

You apply for the **Student Grant Scheme** online each year before the closing date. You do not need to know your Leaving Certificate results or what course you will be taking to apply. You can add this information later.

To register with Student Universal Support Ireland (SUSI) and apply online for a student grant, you need your:

- Personal Public Service (PPS) number
- Email address
- Phone number

How to apply for the Teagasc Maintenance Grant

The Teagasc Maintenance Grant is paid through your college. You apply for this grant by completing the **application forms**, which are available on the Teagasc website from July each year.

If you have completed a Level 5 course and you want to do a Level 6 course, you must complete the Teagasc Student Maintenance Grant Renewal Form. These forms are sent out to students in early September.

Tax relief for student accommodation

If you pay rent for you or your child's student accommodation, you can claim tax relief. The **Rent Tax Credit** reduces your income tax by the amount of the credit. In 2026, the credit is worth €1,000 for an individual or €2,000 for a jointly assessed couple. You cannot claim this credit if you are related to the landlord.

Supports for young farmers

Financial supports for young farmers

There are extra supports for young farmers to help them when they are starting out in farming. Young farmers can get two main additional payments:

- **Complementary Income Support for Young Farmers (CIS-YF)** - a payment for young farmers who are under 40.
- **National Reserve: Young Farmer category** - provides financial support to farmers who are under 40 and are setting up a farm for the first time.

To qualify for both of these young farmer supports, you must:

- Be under 40 years old
- Have completed a recognised course in agriculture at Level 6 or equivalent/higher on the National Framework of Qualifications
- Be setting up as a head of the farm for the first time or have set up a farm within the five years before your first National Reserve application
- Have submitted a valid application for the Basic Income Support for Sustainability Scheme (BISS), including the necessary application for the young farmer supports you are applying for. You can apply for both payments online at **agfood.ie**.

These young farmer supports are connected to your BISS application and open each year for new applicants. BISS is the main income support scheme for farmers.



Getting a herd number

You need a herd number if you are going to keep animals on your farm, such as cows, sheep or goats. Herd numbers are issued by your **Regional Veterinary Office (RVO)** and help to manage diseases in animals.

Getting a herd number means you are responsible for the care of the animals under that herd number. You are seen as the herd keeper.

To qualify for a herd number, you must **meet certain criteria**. For example, you must be over 18 and your land must be properly fenced. You do not have to own animals or land to have a herd number.

You need a herd number to qualify for certain farming grants and schemes. However, it is important to remember that any scheme entitlements do not automatically transfer when you change the name on a herd number. You need to transfer BISS entitlements separately.

Applying for a herd number

To apply for a herd number, you must complete **an ER1 form** (Disease Eradication Schemes Form) and send it to your local **Regional Veterinary Office (RVO)**.

The Department of Agriculture, Food and the Marine has more **information on applying for a herd number**.



Complementary Income Support for Young Farmers (CIS-YF) is a payment for young farmers who are under 40.



National Reserve: Young Farmer category provides financial support to farmers who are under 40 and are setting up a farm for the first time.

Tax relief for young farmers

Young Trained Farmer Relief

The Young Trained Farmer Relief means you pay no stamp duty when agricultural land is transferred to you. You must meet certain criteria.

You must:

- Be under 35
- Have a relevant agricultural qualification
- Have submitted a business plan to Teagasc
- Be registered for income tax
- Be the head of the farm holding

You must also intend to:

- Spend at least 50% of your normal working time farming the transferred land for at least five years from the date of transfer
- Keep ownership of the land for at least five years from the date of transfer

There is a limit on the amount of relief that you can claim.



Read more information about the **Young Trained Farmer Relief** on revenue.ie (pdf).





Being a farmer

You need to consider several things when you start farming. You may be setting up a new farm or taking over an existing farm business, and you may also be employing staff. So, you need to ensure that you are up to date on your workers' employment rights and your responsibilities as an employer. There may also be tax implications and reliefs that you should know about.

To ensure your business is viable, you should consider applying for farming grants and schemes to subsidise your income. You should also be aware of the social welfare supports available for farmers if you get into difficulty or get sick.

Teagasc have a useful **'My Farm, My Plan'** business plan template which you can fill in to help you get started.



The **Being a farmer** page on the Citizens Information website has more information about farming grants, tax issues and your employment rights and responsibilities.



Find a list of all the farming schemes on the Citizens Information webpage about **Farming grants and schemes**.



You can use the **'My Farm, My Plan' (pdf)** business plan template to help you start.

Farming grants and schemes

If you are a farmer, you can apply for several farming schemes. There are payments to subsidise your income and grants that help make your farm more modern, sustainable and environmentally friendly.

Most schemes have their own qualifying criteria and application process. The **Basic Income Support for Sustainability Scheme (BISS)** is the main income subsidy for farmers. When you apply for BISS, you can also apply for some other grants and schemes using your BISS application.

Some of the schemes may be closed to new applicants or closed for the year. It is important to understand the terms and conditions of any scheme you have signed up for to make sure you are following the scheme rules.

Need help applying for a farm grant or scheme?

You can get a Farm Advisory System (FAS) approved advisor to apply for BISS and other farming grants for you. A FAS advisor is qualified to give farmers advice on a range of topics, including applying for grants and schemes. You must pay the FAS advisor for this service. You can find a **farm advisor on gov.ie**. All Teagasc advisors are FAS approved.



Find more information about the **Basic Income Support for Sustainability Scheme (BISS)** on citizensinformation.ie.



What are payment entitlements and convergence?

Many of the government payments to subsidise your farm income, like BISS, are based on *payment entitlements*.

You get one payment entitlement for one eligible hectare of land. But the value of each payment entitlement varies depending on:

- The payment rates you got on previous direct payment schemes
- Any allocations of entitlements you got from the National Reserve as a young or new farmer
- Adjustments made each year to move the value of entitlements towards a national average. This is known as convergence. It means gradually increasing lower payment entitlements and decreasing higher payment entitlements.

Basic Income Support for Sustainability Scheme

The **Basic Income Support for Sustainability Scheme (BISS)** is the main EU support for farmers. It provides income support for farming sustainably and aims to ensure farmers can make a living from farming.

The amount you get is based on the number of hectares you farm that qualify for the scheme. **You apply for BISS online each year at myagfood.ie.**

The deadline for applications is usually 15 May each year. You can also use your BISS application to apply for other schemes including:

- The Complementary Redistributive Income Support for Sustainability
- The Areas of Natural Constraints Scheme
- The Organic Farming Scheme
- The Protein Aid Scheme

Complementary Redistributive Income Support for Sustainability

The **Complementary Redistributive Income Support for Sustainability (CRISS)** is a scheme designed to redistribute funds from larger farms to medium and smaller sized farms. CRISS is paid to all active farmers on their first 30 hectares.

Areas of Natural Constraints Scheme

The **Areas of Natural Constraints (ANC) Scheme** provides payments to people farming land in areas that face significant hardships from factors such as remoteness, difficult terrain, climatic problems and poor soil conditions.

Organic Farming Scheme

The **Organic Farming Scheme (OFS)** provides financial support to farmers who farm organic livestock or crops. It also aims to reduce the environmental impact of farming and improve animal welfare. The amount you get is based on the amount of land you farm organically and what you produce. The Organic Farming Scheme is currently closed to new applicants but may reopen.

Protein Aid Scheme

The **Protein Aid Scheme** is a payment for farmers who grow beans, peas and lupins. These crops are nitrogen-fixing and provide environmental benefits. Payment rates change each year depending on the uptake for the scheme.

Agri-Climate Rural Environment Scheme

The **Agri-Climate Rural Environment Scheme (ACRES)** pays farmers to make environmental changes to their farms to help combat the decline in biodiversity. This scheme is currently closed to new applicants.

Targeted Agriculture Modernisation Schemes

The **Targeted Agriculture Modernisation Schemes (TAMS 3)** are a set of schemes which help farmers get grants to build and improve farm buildings and equipment. These schemes include assistance for **young farmers, organic farming, animal welfare, solar, farm safety, women farmers**. You apply for these schemes online at myagfood.ie.

Forestry schemes

There are many **schemes for forestry**. Some provide grants to help people develop new forests and others are for people managing existing forests. The schemes for developing new forests aim to increase Ireland's forest cover and counteract climate change.

- You need an afforestation (tree planting) licence and a registered forester to help you apply for the **Afforestation Scheme**.
- You don't need an afforestation licence to apply for the **Native Tree Area Scheme**, which pays you to plant native trees on small areas of land.

Teagasc provides **free forestry advice** through its advisory network.

Social welfare supports

There are also social welfare supports specifically for farmers and other general supports that you may also be able to get, for example, if you get sick.

Farm Assist

Farm Assist is a means-tested social welfare payment from the Department of Social Protection for farmers who have a low income. You do not need to be available for work to qualify for the payment.

To qualify for Farm Assist, you must:

- Be a farmer
- Be farming land in Ireland
- Be aged between 18 and 66
- Pass a means test

You must show that your means are below a certain level. When you apply for Farm Assist, a social welfare officer visits you to do the means test. They will look at all your sources of income for the means test including your income, assets and any property other than your home.

There are different assessment rules for different types of income. For farm income, 70% of the income is assessed. However, there is an annual disregard of €254 for the first two dependent children and €381 for the third and other children.

The maximum personal weekly payment you can get is €254. You can also get increases in this payment if you have adult or child dependants.

To apply for Farm Assist, fill in the **Farm 1 form (pdf)** and return it to your local Intreo Centre or Social Welfare Branch Office.

You can also get this form at your **local Intreo Centre or Social Welfare Branch Office** or **Citizens Information Centre**.



You can find out more about social welfare payments and others in the social welfare section of the **Citizens Information website**.



What is the definition of a farmer?

The definition of a farmer can be different for social welfare payments, VAT, tax and EU payments. So, you should always check that you meet the definition of a farmer for the payment you want to claim.

For Farm Assist, you are considered a farmer if you farm land that you own or lease and that you use for the purpose of *husbandry*. Husbandry means working the land with the aim of taking produce from the land.

For the Rural Social Scheme, you must provide proof that you are actively farming. You must have confirmation of your application for the Basic Income Support for Sustainability Scheme (BISS) for the current year, including a valid herd number. If you did not apply for BISS, contact the Rural Social Scheme for advice.

Other social welfare benefits

If you are getting Farm Assist, you may also qualify for:

- **Fuel Allowance** – a payment to help with the cost of heating your home during the winter
- A **medical card** – many farmers qualify for medical cards even if they are not getting a social welfare payment
- **Back to School Clothing and Footwear Allowance**
- **Christmas Bonus**
- The **Rural Social Scheme** and **Community Employment Programmes**

Jobseeker's Benefit and Jobseeker's Allowance

If you were employed, but are now out of work, you may qualify for **Jobseeker's Benefit** once you have paid enough PRSI contributions. If you qualify for both Jobseeker's Benefit and Farm Assist, you can choose the more favourable payment.

Jobseeker's Benefit is taxable and Farm Assist is not. If you are getting Jobseeker's Benefit, you must also be available for and actively seeking work.

You may also qualify for **Jobseeker's Pay-Related Benefit** if you became fully unemployed on or after 31 March 2025 and have enough paid PRSI contributions at Class A, H or P. This payment is directly linked to your earnings from work before you became unemployed.

You may qualify for **Jobseeker's Allowance** if you do not qualify for Jobseeker's Benefit and pass the means test. Again, you must be actively seeking work. If you are eligible for both Jobseeker's Allowance and Farm Assist, you may choose whichever suits you. For most farmers, Farm Assist is more favourable.

Rural Social Scheme

The **Rural Social Scheme (RSS)** is for low-income farmers and fishers. You get a 'top-up' payment on your social welfare payment in return for providing services that benefit your community. The type of work you could do for the scheme includes:

- Maintaining walking routes and bog roads
- Energy conservation work
- Social care and care for older people
- Community care for pre-school and after-school groups
- Caretaking at community and sporting facilities
- Community administration work

You can read the Department of Social Protection's **guidelines on the Rural Social Scheme**.

You must work 19.5 hours per week. These hours are based on a farmer-friendly schedule so you can participate in the scheme without it affecting your farming activities. To qualify for the Rural Social Scheme, you must be:

- 25 years or over
- Actively farming or fishing
- Getting Farm Assist or another social welfare payment, such as Jobseeker's Allowance or Illness Benefit

You may also qualify for RSS if you are 25 or over, getting one of the qualifying payments and meet one of the following conditions:

- You are actively farming or fishing and have a 'defined connection' to the holder of a farming number or fishing licence
- You are a couple who are actively farming or fishing – both you and your spouse, civil partner or cohabitant can access the RSS scheme

You must prove that you are actively farming. To do this, you must provide a copy of your BISS application for the current year, including a valid herd number. To apply for the Rural Social Scheme, you should contact the **organisation operating RSS** in your area for an application form.



You can read the Department of Social Protection's **guidelines on the Rural Social Scheme**.



Supports if you get sick

If you get sick, you may be able to apply for a social welfare payment from the Department of Social Protection (DSP) to support you. To qualify for a social welfare payment because you are sick or have a disability, a doctor must certify you as sick or as having a disability.

You may get **Illness Benefit** if you cannot work because you are sick or ill. You must be under pension age and satisfy the PRSI conditions. If you are self-employed and pay Class S PRSI contributions, you do not qualify for Illness Benefit.

You may get **Invalidity Pension** if you cannot work because of a long-term illness or disability and are covered by **social insurance (PRSI)**. Self-employed people who have paid enough Class S PRSI contributions can get Invalidity Pension.

You may get **Disability Allowance** if you become disabled. To qualify, your injury, disease, or physical or mental disability must be expected to continue for at least one year and it must substantially restrict you from working. Disability Allowance is a means-tested payment.

If you become sick and do not qualify for any payment, you may still be able to get **Supplementary Welfare Allowance**. This is a weekly allowance paid to people who do not have enough income to meet their basic needs.

Employing people on the farm

Before you hire workers for your farm

Before you hire anyone to work on your farm, you need to be clear about why you are employing them. You also need to be sure that your business needs additional labour and that you can afford to pay for them. Teagasc has a guide that gives advice on the hiring process: **Teagasc Farm Labour Manual – Best Practice in Recruiting and Managing Employees (pdf)**.



You can find out more about **employment rights and conditions for workers** on the Citizens Information website.



Being an employer

If you employ people to work on your farm, you must know your responsibilities as an employer and make sure your workers get their basic employment rights. You must:

- Ensure your workers' safety, health and welfare at work, as far as is reasonably practicable
- Ensure your workers get the correct breaks, rest periods and annual leave
- Ensure your workers get a written statement with the terms and conditions of their employment
- Pay at least the minimum wage and give your workers' payslips
- Deduct the correct amount of tax, PRSI and Universal Social Charge from your employees' wages and send these to Revenue
- Keep records of the wages you've paid, working hours and other information

If you need advice and support on employment matters, you should contact the **Workplace Relations Commission**.

You can find out more about **employment rights and conditions for workers** on the Citizens Information website.

Auto-enrolment pension

If you employ full-time, part-time or seasonal workers on your farm, you must follow the Government's new rules for **auto-enrolment pension**.

MyFutureFund is the Government's new auto-enrolment retirement savings scheme. Since 1 January 2026, all employees are automatically enrolled in MyFutureFund if they:

- Do not pay into a pension through payroll
- Are between 23-60
- Earn €20,000 or more a year across all employments or more than €5,000 over a 13-week period

As their employer, you must facilitate their pension contributions, if your employees qualify for or opt-in to the scheme.

You can read more about **your obligations as an employer** at MyFutureFund. ie. The Irish Farm Accounts Co-operative has an **auto-enrolment FAQ for employers who are farmers**.

Your farm business

A farm is a business. So, it is very important to understand what's involved in running a business.

Starting your farm business

If you are starting a farm business, you should:

- Develop the idea for your business
- Talk to your farm advisor
- Write up a business plan
- Choose a legal structure
- Consider your tax requirements
- Register your employees
- Find out about funding options

There are lots of supports to help you set-up your business and **get funding**.

Local Enterprise Offices

If you need help planning your business, or need advice about how to get started, **contact your Local Enterprise Office**. They offer training courses, mentoring and financial supports to help you start and expand your business.

Enterprise Ireland

Enterprise Ireland offers grants, vouchers, schemes, and advice for start-up businesses.

Diversifying your farm business

You can generate additional household income by adding new businesses to your traditional farm business. This is known as farm diversification. For example, you might set up a petting farm or produce quality artisan food alongside your regular farm activities.

There are many possibilities for diversifying your farm. The best ventures complement your existing farm business by improving cashflow, adding profit and reducing your risks. However, these new businesses can drain time and money from your farm business. So, it is important to plan and get advice before setting up a new business.

Teagasc also run an **Options for Farm Families** programme to help you develop new ideas for your farm and generate additional income.

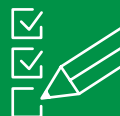
You may be able to get funding for new businesses that diversify your farm. For example, the **LEADER programme for Rural Development** supports private enterprises and community groups that improve quality of life and economic activity in rural areas.

Citizens Information has a **step-by-step guide** to starting a business in Ireland.

Teagasc has **factsheets and videos with information** about farm diversification and can also help advise you on the process.



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Health and safety on your farm

Farming can be a dangerous job, so safety on your farm is a top priority. There have been around **4,500 injuries** and over **20 deaths** on farms in a year. So, it is important that you and your workers know and follow safety rules that ensure your farm is a safe place to work.

Risk assessments and safety statements

The **Health and Safety Authority (HSA)** is responsible for health and safety on farms. As a farmer, you must complete a **risk assessment (pdf)**, which helps you to identify any risks on your farm and to take steps to prevent accidents.

If you employ three or more people on your farm, you must complete a safety statement. This is like a risk assessment but includes more detail. The HSA has more information on **how to write a safety statement**.

Anyone who works on your farm should have access to these safety documents. A HSA inspector can also inspect these documents and make you revise them if they find they are not adequate.

Reporting accidents on the farm

If you or an employee is injured on your farm and can't work for more than three consecutive days, you should report the incident to the HSA.

You can report an accident using the HSA's **online accident and dangerous occurrence reporting system**.

Gov.ie has more information on **farm safety** and Teagasc has information on **health and safety on the farm**.

Taxation for farmers

You are taxed on the profits you make from your farm business and on any other income you have. Farm profit is the income you earn from farming minus your allowable farming expenses. You are responsible for keeping records and for assessing the amount of tax due each year.

If you are farming as an individual, you pay income tax on your profits. If you are farming through a company, you pay Corporation Tax (CT) on your profits.

Universal Social Charge

The **Universal Social Charge** is a tax on your income. You must pay it if your gross income (your income before tax) is more than €13,000 per year. Farm-related capital allowances are deductible. Find out more about the current rates of USC and exempted income on citizensinformation.ie.

PRSI for farmers

If you are a self-employed farmer, you pay **Class S PRSI**. When you pay PRSI, you build up entitlements to social insurance benefits.

Class S contributions cover you for a limited number of payments. In general, they do not cover you for any short-term payments including illness and disability payments. They do not cover you for Jobseeker's Benefit. If you satisfy all the other conditions, Class S contributions mean you may get:

- Maternity Benefit
- Paternity Benefit
- Treatment Benefit Scheme
- Jobseeker's Benefit (Self-Employed)
- Benefit payment for 65 year-olds
- Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension
- Adoptive Benefit
- Parent's Benefit
- Invalidity Pension
- Guardian's Payment (Contributory)
- Partial Capacity Benefit
- State Pension (Contributory)

When you are self-employed, you register for self-assessment with Revenue and then you are automatically registered for PRSI. When you submit your annual tax returns, Revenue will let you know if you must pay PRSI. If you do not have to pay PRSI, you may be able to pay voluntary contributions to maintain your social insurance record. You can read more about the rules and rates for **Class S PRSI** on citizensinformation.ie.

PRSI contributions for your spouse or partner

If your spouse or partner is helping you on the farm, they can make PRSI contributions and gain PRSI benefits. In general, your spouse or partner pays PRSI in three scenarios:

1. Commercial partnership

You and your spouse are actively engaged in a commercial partnership. This means that they are treated as an individual self-employed contributor and are liable for social insurance contributions. These contributions (at Class S PRSI) allow them to build up an insurance record in their own right and to receive related benefits. The main benefit is a State Pension (Contributory).

2. Limited company

If a family business is incorporated as a limited company, then spouses or partners involved in the business can establish a social insurance record as either employees or as self-employed contributors, depending on whether a contract of service exists.

3. Off-farm earnings or previously employed

Farming spouses can build up a social insurance record based on their off-farm earnings. Also, farming spouses or partners who were previously employed can maintain their social insurance coverage in the long-term by paying voluntary PRSI contributions.

You can read more about **employing family members and PRSI** on citizensinformation.ie.

Tax reliefs and allowances for farmers

Tax reliefs and allowances for farmers can help reduce the amount of tax you pay.

Income from long-term leasing

If you lease land on a long-term lease, the income you get from this may be exempt from tax up to a certain threshold. To qualify, the lease must be for five years or more, and must be in writing and for the purpose of working the land to make produce. Leases between close relatives do not qualify for this relief. For more information, see [revenue.ie](https://www.revenue.ie).

Capital Acquisitions Tax Agricultural Relief

Agricultural property that is gifted or inherited can have its market value reduced by 90% for tax calculation purposes. The person getting the property must either be an active farmer or someone who is leasing out the property on a long-term basis for agricultural use to active farmers. For more information, see [revenue.ie](https://www.revenue.ie) ([pdf](#)).

Forestry tax exemption

Income, including grants and premiums, from commercial forestry is exempt from income tax but not from PRSI or Universal Social Charge. You can read more on [revenue.ie](https://www.revenue.ie) about profits from the [occupation of woodlands](#) ([pdf](#)).

The Succession Farm Partnership Scheme

The Succession Farm Partnership Scheme is an income tax incentive to encourage experienced farmers to form partnerships with young, trained farmers and then transfer ownership of at least 80% of their farm assets to them.

The incentive is worth an annual tax credit of €5,000 for up to 5 years. To qualify for this incentive, you must meet certain criteria, including that, at least one successor is under 40 years old and has an agricultural qualification.

Farm partnerships with a spouse or partner

A partnership is a relationship that exists between people who share responsibility for a business. For your spouse or partner to be considered an active partner in your farming business, they must meet certain criteria. The fact that you and your spouse or partner co-own a farm does not automatically create a partnership.

Spouses and relatives of self-employed people who help with running the business, but who are not active business partners do not pay PRSI. So, they are not entitled to social insurance payments and benefits.

When deciding if a partnership exists, or has existed in the past, the Department of Social Protection (DSP) and Revenue examine your situation to see if some or all the following apply:

- There is a written partnership agreement (this is not legally required)
- Each of you writes cheques on the business accounts in your own right
- There is a joint business account
- It is apparent to those doing business with the partnership that a partnership exists
- Each partner makes a significant contribution to the running of the business
- The partnership jointly owns the business
- Each partner shares the profits and losses of the partnership

If some or all of these do exist, then the arrangement is likely considered a partnership. When you work with your spouse in a business partnership, you must make tax returns under the Revenue self-assessment system. These tax returns must show the partnership income of each spouse so that PRSI contributions can be calculated accurately.

You can read more about **Registered Farm Partnerships** at teagasc.ie.

Claiming partnership status retrospectively

If you and your partner or spouse were farming in a partnership but did not claim to be in a partnership when you were making tax and PRSI returns, you can still claim partnership status afterwards.

You can do this so your spouse or partner can be considered as an insurable self-employed person for social welfare purposes. They may then qualify for relevant benefits, such as the Contributory State Pension.

If you want to claim partnership retrospectively, you must have supporting documents for the relevant years.

If a social welfare inspector from the DSP decides that a partnership existed, your spouse can pay Class S contributions for those past years. The contributions due are worked out by splitting the income from the partnership (for each year the partnership existed) between you and your spouse. The PRSI liabilities are then recalculated. Your spouse can then collect any additional PRSI contributions due.

Your spouse must meet all the other criteria to qualify for the pension. This is the case even if a partnership existed and your spouse pays any outstanding social insurance contributions. You should check the full list of qualifying conditions for benefits and pensions before deciding to apply for retrospective partnership status. Your **local Citizens Information Centre** can help you work out if you may qualify for a pension.



You can go to teagasc.ie to read **Guidelines to forming a registered farm partnership (pdf)**.





Retiring from farming

If you want to retire or take a step back from farming, you should get advice and talk to family about your plans for the farm. If you have a good plan in place that you have agreed with your family and your successors, the process should be smoother.

Farm succession planning

Farm succession planning is the process of working out how you will transfer your farm to another person when you retire or step-back from farming. The plan covers how you transfer ownership of the farm, but can also involve transferring skills, knowledge, and labour.

This can be a complex process, so you need to plan it carefully to avoid family disputes and ensure you maximise any incentives.

You should also give yourself plenty of time to make the plan, as issues such as paying into a pension for your retirement need to begin well before transferring your farm.



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A registered farm partnership can provide a way to step back from active farming while maintaining involvement in the business. You can **find out more** on gov.ie.

Get advice and talk to your family

You should talk to your farm advisor first. They have a good understanding of how your farm business works and have experience of other farm transfers so will be able to help with the process. They will also let you know how the transfer will affect any schemes and at what stage you will need a solicitor and accountant.

You should also make sure you include the whole family in the process. It can be helpful to have an open discussion about who wants what before you make a plan. More than one child may want to inherit the farm while in certain situations, none of your children may want it.

If you are transferring the farm to one child, you may want to make other arrangements for your other children to make sure they all benefit. For example, giving a child who is not getting the farm a site or financial help.

Teagasc run clinics on Transferring the Family Farm each year. Visit [teagasc.ie](https://www.teagasc.ie) for more information.

Plan for your retirement

You will need to consider how you will manage financially when you transfer the farm. For example, will you be old enough to get the **State pension** or a **private pension**, or will you still get an income from the farm. You may also need to consider housing arrangements if you are currently living on the farm.

Pensions

If you have paid Class S PRSI contributions for most of your working life, you will probably qualify for a State Pension (Contributory) when you reach pension age. If you have not made enough PRSI contributions, you can apply for a State Pension (Non-Contributory), which is means-tested.

You may also be entitled to **Free Travel** and to the **Household Benefits Package**.

You can claim for your spouse or partner as a qualified adult on your pension. Any income they have will be considered when calculating this.

If your spouse or partner was a partner in your business, they may qualify for a non-means-tested State Pension (Contributory) in their own right.

Passing down and inheriting a farm

There are different steps involved when passing down a farm to your family.

You can transfer your farm while you are alive, or you can arrange to have it transferred after you die. To do this, you need to **make a will**. If you don't make a will, your assets will be shared out following the standard rules.

These rules state:

- Your spouse gets two thirds of your assets
- Your children get a third

This may not suit you if for example, you are planning to transfer your farm to a child. Find out more about **making a will**, and **what happens if you don't make one** on the Citizens Information website.

Taxes and issues when inheriting a farm

If you inherit a farm or have a farm transferred to you, you may have to pay taxes such as **Capital Acquisitions Tax** or **stamp duty**. There may be different tax reliefs available to you to reduce these taxes. You may also have to:

- Change the registration details of the herd
- Manage any outstanding payments from schemes and transfer scheme entitlements

Teagasc have a **guide with information about transferring the family farm**.



Find out more about how to **plan for farm inheritance** on citizensinformation.ie.









Contact your local
Citizens Information Centre



**Call the Citizens Information
Phone Service on 0818 07 4000**
Mon to Fri, 9am - 8pm



Visit citizensinformation.ie

Citizens **Information** Board
information · advice · advocacy



The Citizens Information Board provides independent information, advice and advocacy on public and social services through citizensinformation.ie, the Citizens Information Phone Service (CIPS) and the nationwide network of Citizens Information Centres (CICs). It is responsible for the Money Advice and Budgeting Service (MABS) and provides the National Advocacy Service for people with disabilities.

Citizens Information Board

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Teagasc, the Agriculture and Food Development Authority, is the national body providing integrated research, advisory and training services to the agriculture and food industry and rural communities.

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You can find your Local Advisory Office using the **Teagasc office locator**.



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