

Leaflet SD2B

Updated December 2011

STAMP DUTY EXEMPTION

TRANSFERS OF LAND TO YOUNG TRAINED FARMERS

Deeds executed on or after 2 April 2007 and on or before 31 December 2012

This leaflet outlines the exemption available for deeds of transfer executed **on or after 2 April 2007** and on or **before 31 December 2012**.

The Stamping Office
New Stamping Building,
Dublin Castle,
Dublin 2.
Lo-call: 1890 48 25 82
dublinstamp@revenue.ie

INTRODUCTION

This exemption from stamp duty is to encourage the transfer of farmland to a new generation of farmers with relevant qualifications. The transfer may be by way of gift or sale.

The farmer must be less than 35 years of age on the date of execution of the deed of transfer and must also have attained one of the necessary qualifications referred to at pages 4 and 5 of this leaflet. Where required, s/he must be the holder of the appropriate certificate(s) awarded by the Further Education and Training Awards Council (FETAC) in respect of Teagasc approved training courses.

CONDITIONS

The Young Trained Farmer must:

- furnish a declaration to the effect that s/he will, for a period of five years from the date of execution of the deed of transfer -
 - spend not less than 50% of his/her normal working time farming the land,
 - retain ownership of the land,
- furnish his/her Personal Public Service (PPS) number. In the event that the transferee does not have such a number, a PPS number should be obtained from the Department of Social Protection.

In addition to these conditions, the deed of transfer must contain a certificate to the effect that the provisions of section 81AA of the Stamp Duties Consolidation Act 1999 apply to the transfer. Section 81AA of the Stamp Duties Consolidation Act 1999 sets out the conditions that must be met before the exemption can be granted.

Transfers by way of lease, or where a power of revocation exists, will not qualify for the exemption.

TRANSITIONAL ARRANGEMENTS

Transitional arrangements apply in relation to qualifications provided for under previous schemes. These arrangements apply where an academic qualification or a certificate in respect of a Teagasc approved training course, or both, was held before 2 April 2007.

Holders of such qualifications will be treated as qualifying under the new scheme. It will **not** be necessary for holders of these qualifications to obtain a new qualification or a FETAC award in respect of a Teagasc approved training course. Where such qualifications are held it will **not** be necessary to obtain a letter of confirmation from Teagasc in relation to those qualifications.

Where exemption is being claimed under the transitional arrangements this should be stated on the application (by identifying clearly the qualification(s) in question) and a copy of the relevant qualification(s) should be submitted with the application.

TRANSFER INTO JOINT NAMES

If the land is transferred into joint ownership, whether the joint owners are tenants in common or joint tenants, then all the joint owners must be young trained farmers and all of them must meet the conditions set out above. The only exception to this rule is where the land is being transferred into the

joint ownership of spouses or civil partners. In such cases, only one of the spouses or civil partners must be a young trained farmer and meet the conditions set out above.

HOW TO APPLY FOR THE EXEMPTION

Stamp duty returns and payments made to the Revenue Commissioners on or after 1 June 2011 must be filed electronically.

After the electronic stamp duty return has been filed through ROS, the attached application form SD2B (see page 6) should be completed and submitted to the address given at the start of this leaflet together with the following supporting documents:

- original and a copy of the deed of transfer,
- copy of the relevant qualifications (from FETAC, HETAC, third-level institutions or letter of confirmation from Teagasc - see qualifications referred to at pages 4 and 5 of this leaflet),
- birth certificate.

In the case of transfers into joint ownership, each joint owner must complete an application form. The application form must be completed in type or in block capitals and it must be signed by the young trained farmer.

An exemption from stamp duty will be granted where all the conditions are met at the date of execution of the deed of transfer and a fully supported application is made at the time of presenting the deed for stamping.

REFUNDS

Refunds may arise as follows:

- A. Where the deed of transfer was executed and stamped on or after 2 April 2007, and all the conditions for granting the exemption are met at the date of the execution of the deed of transfer, then a refund equal to the amount of the duty paid can be claimed. This would arise where the applicant omitted to claim exemption at the time the deed was presented for stamping. An application for this type of refund must be made within 4 years of the date of stamping the deed of transfer.
- B. Where the transferee, on the date of execution of the deed of transfer on or after 2 April 2007, meets all the conditions for granting the exemption except that s/he is not the holder of the necessary qualification. In such cases, the transferee will not benefit from the exemption at the time the deed is presented for stamping.

However, if subsequently

- (i) the transferee acquires the necessary qualification within 4 years from the date of execution of the deed of transfer, **and**
- (ii) an application for the refund is made within 4 years of acquiring the necessary qualification, a refund will be made of the stamp duty paid.

HOW TO CLAIM A REFUND OF DUTY PAID

Depending on whether stamp duty was paid before or after the introduction of eStamping (30 December 2009), applicants are required to either

- complete a paper return (SDR1) and quote the original document ID number for the transaction **(where stamp duty paid before the introduction of eStamping)** or
- complete an amended return through the eStamping system **(where stamp duty paid after the introduction of eStamping)**.

Then the application form SD2B (page 6 herein) should be completed and submitted along with all the required supporting documentation.

In a case where the qualification is acquired after the date of the deed of transfer, the 5-year period during which the young trained farmer is required to retain and farm the land commences from the date the claim for refund of duty is made to the Revenue Commissioners.

Where the deed of transfer has already been lodged with the Land Registry, it will not be available for amendment or re-execution. If the deed does not already contain a certificate pursuant to section 81AA of the Stamp Duties Consolidation Act 1999, a statement should be submitted from all parties to the deed stating that the relevant section applies. Also in order to enable the Revenue Commissioners to obtain the deed of transfer from the Land Registry a letter of consent should be submitted to the Revenue Commissioners by the transferee or his/her solicitor.

CLAWBACK

The exemption granted will be clawed back if the land is disposed of within 5 years from the date of execution of the deed of transfer **and** is not replaced by other land within one year of disposal. If part of the land is disposed of then the clawback will relate only to the portion disposed of. In the event of a clawback, interest* will be payable from the date of disposal of the land to the date the clawback is remitted. If the land is jointly owned, then each joint owner will be held jointly and severally liable for payment of the clawback. A clawback will not arise where one joint owner disposes of his or her interest to another joint owner or where a young trained farmer creates a joint tenancy with his or her spouse or civil partner.

PENALTIES

If a false certificate is included in the deed of transfer or a false declaration is furnished, then the transferee will be required to pay, by way of a penalty, 125% of the stamp duty which would have been chargeable on the deed of transfer if no exemption had been granted. Interest will also be payable from the date of execution of the deed of transfer or, as the case may be, the date the refund claim is made to the Revenue Commissioners, to the date the penalty is remitted. If the land is jointly owned, each joint owner will be held jointly and severally liable for payment of the penalty.

* Rates of interest may be found on the Revenue website

QUALIFICATIONS

Qualifications required under Schedule 2B and section 81AA of the Stamp Duties Consolidation Act 1999 (SDCA 1999).

In this section -

- “Schedule 2A qualification” means a qualification set out in Schedule 2A (which is referenced to section 81A) of the SDCA 1999 (See leaflet SD2A).
- “Schedule 2B qualification” means a qualification set out in Schedule 2B (which is referenced to section 81AA) of the SDCA 1999.
- “80 hours certificate” is a certificate awarded by FETAC for achieving the minimum stipulated standard in assessments completed for an 80 hours Teagasc approved training programme in farm management.
- “180 hours certificate” is a certificate awarded by FETAC for achieving the minimum stipulated standard in assessments completed for a 180 hours Teagasc approved training programme which comprises 100 hours in either or both agriculture and horticulture and 80 hours in farm management.

CATEGORY	
The claimant need satisfy only the requirements of one of the following categories or, where appropriate, one of the options within the given category.	
A	The claimant must, at the date of the transfer (subject to refund provisions on page 2), be the holder of a Schedule 2B qualification (see list at page 5 herein).
B	The claimant must, at the date of the transfer, be the holder of a letter issued by Teagasc confirming satisfactory completion of a course of training approved by Teagasc for persons with learning difficulties.
C	The claimant must, at the date of transfer and before 31 March 2008 , be the holder of (i) a qualification from paragraph 1(f) or paragraph 2(h) of Schedule 2A (See leaflet SD2A) and also be the holder of a 180 hours certificate, or (ii) a qualification from paragraph 3(b), (c), or (d) of Schedule 2A (See leaflet SD2A) and be the holder of an 80 hours certificate
D	The claimant must, at the date of transfer and before 31 March 2008 , have achieved the required standard for entry into the third year of a full-time course, in any discipline, of 3 years or more duration at a third-level institution and also be the holder of a 180 hours certificate.
E	The claimant must be the holder of a qualification and Teagasc has certified that the qualification corresponds to a Schedule 2B qualification and that the qualification is deemed by the National Qualifications Authority of Ireland to be at a level on the National Framework of Qualifications equivalent to that of the Schedule 2B qualification.

Schedule 2B Qualifications

When filling out the application form, please give the full title of the qualification.

1. Qualifications awarded by the Further Education and Training Awards Council (FETAC):

- a) Level 6 Advanced Certificate in Farming;
- b) Level 6 Advanced Certificate in Agriculture;
- c) Level 6 Advanced Certificate in Dairy Herd Management;
- d) Level 6 Advanced Certificate in Drystock Management;
- e) Level 6 Advanced Certificate in Agricultural Mechanisation;
- f) Level 6 Advanced Certificate in Farm Management;
- g) Level 6 Advanced Certificate in Machinery and Crop Management;
- h) Level 6 Advanced Certificate in Horticulture;
- i) Level 6 Advanced Certificate in Forestry;
- j) Level 6 Advanced Certificate in Stud Management;
- k) Level 6 Advanced Certificate in Horsemanship.

2. Qualifications awarded by the Higher Education and Training Awards Council (HETAC):

- a) Higher Certificate in Agriculture;
- b) Bachelor of Science in Agriculture;
- c) Higher Certificate in Agricultural Science;
- d) Bachelor of Science in Agricultural Science;
- e) Bachelor of Science (Honours) in Land Management, Agriculture;
- f) Bachelor of Science (Honours) in Land Management, Horticulture;
- g) Bachelor of Science (Honours) in Land Management, Forestry;
- h) Higher Certificate in Engineering in Agricultural Mechanisation;
- i) Bachelor of Business in Rural Enterprise and Agri-Business;
- j) Bachelor of Science in Agriculture and Environmental Management;
- k) Bachelor of Science in Horticulture;
- l) Bachelor of Arts (Honours) in Horticultural Management;
- m) Bachelor of Science in Forestry;
- n) Higher Certificate in Business in Equine Studies;
- o) Bachelor of Business in Equine Studies.

3. Qualifications awarded by other third-level institutions:

- a) Bachelor of Agricultural Science -Animal Crop Production awarded by University College Dublin;
- aa) Bachelor of Agricultural Science – Agri-Environmental Science awarded by University College Dublin;
- b) Bachelor of Agricultural Science -Animal Science awarded by University College Dublin;
- c) Bachelor of Agricultural Science -Food and Agribusiness Management awarded by University College Dublin;
- d) Bachelor of Agricultural Science -Forestry awarded by University College Dublin;
- e) Bachelor of Agricultural Science -Horticulture, Landscape and Sportsturf Management awarded by University College Dublin;
- f) Bachelor of Veterinary Medicine awarded by University College Dublin;
- g) Bachelor of Science in Equine Science awarded by the University of Limerick;
- h) Diploma in Equine Science awarded by the University of Limerick.

A stamp duty return must be completed before submitting this form

**Application form SD2B
Young Trained Farmer exemption**

FOR TRANSFER EXECUTED ON OR AFTER 2 APRIL 2007 AND ON OR BEFORE 31 DECEMBER 2012

Please complete sections 1, 2 and 3 in type or in block capitals

1. Date of execution of Deed of Transfer

<i>DD MM YYYY</i>

2. Person claiming the exemption

Name

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Address

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Date of Birth

<i>DD MM YYYY</i>							
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PPS Number

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3. State qualification category (see page 4)

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Do transitional arrangements apply? (Y/N)

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Full title of qualification

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DECLARATION

I declare that all of the particulars given by me in relation to this claim are correct. I further declare that it is my intention to –

- (i) spend not less than 50% of my normal working time farming the land, and
- (ii) retain ownership of the land, for a period of 5 years from (delete as appropriate):
 - a. the date of execution of the deed of transfer, or
 - b. the date the claim for refund of duty is submitted to the Revenue Commissioners (where the education qualification(s) has been obtained after the date of execution of the deed of transfer).

Signed:

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Date:

<i>DD MM YYYY</i>

Claimants may be asked to produce evidence in support of the information given on this form. Penalties will be imposed, under section 81AA of the Stamp Duties Consolidation Act 1999, for providing false information.

Have you included the following items?	√
Original and a copy of the deed of transfer	
Copy of the relevant qualification	
Copy of birth certificate	