

# The Farming Sector in Ireland: A Profile from Revenue Data

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*October 2015*

*Statistics & Economic Research Branch*

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## 1 Introduction

This report presents a statistical analysis of farmers from the perspective of Revenue data.

The agricultural sector is an important contributor to the Irish economy and to tax receipts. As such, the farming community forms a significant component of Revenue's customer base – both in terms of the numbers of taxpayers and their fiscal contribution. A review of tax measures in the farming sector was announced in Budget 2014 and a comprehensive Agri-Taxation Review was published in October 2015.

This report has been prepared with comments from the Irish Farmers Association and the Department of Agriculture, Food & the Marine. The aim is to add to the evidence available on the agricultural sector in Ireland from both an economic and taxation perspective. This benefits Revenue through a better understanding of the tax base and it is hoped will be of value to those involved in policy making. This analysis also partially addresses Recommendation 25 of the Agri-Taxation Review to work to ensure better data collection on costs and benefits of agri-tax measures.

Section 2 highlights several key indicators from the Teagasc National Farm Surveys to give an overview of the farming sector as a context for the analysis that follows. Section 3 profiles farmers and the farming sector from a number of aspects using Revenue data.

The analysis in the report will be updated periodically in the future if the demand arises. This report and future updates will be published on the Revenue website:

<http://www.revenue.ie/en/about/publications/other.html#reports>

Queries on the statistical material in this report should be sent to: [statistics@revenue.ie](mailto:statistics@revenue.ie).

## 2 National Farm Survey

Teagasc publishes a National Farm Survey (NFS) on an annual basis.<sup>1</sup> This is based on a random, representative sample of farms and provides information on a range of indicators for the farming sector. A number of key measures are reviewed below. It should be noted that the NFS is representative for some 80,000 farms with a standard output of greater than €8,000 and that the farm income measures in the NFS are not equivalent to gross income for tax purposes (as presented in Section 3).

### 2.1 Family Farm Income

Table 1 shows the breakdown of average Family Farm Income (FFI). Subsidies contribute 22 per cent of gross farm output, costs account for around 68 per cent. FFI shows significant variability over time, having doubled from around €12,000 in 2009.

**Table 1: Components of Family Farm Income (2014)**

	Amount €
Gross Output	84,214
<i>(of which subsidies)</i>	18,859
Production Costs	57,239
<i>(of which direct costs)</i>	30,972
<i>(of which overhead costs)</i>	26,267
<b>Family Farm Income</b>	<b>26,974</b>

Source: Teagasc National Farm Survey.

The Single Farm Payment is the most significant of the subsidies, averaging at €13,849 or 51 per cent of FFI. The relative level of subsidies to income varies considerably by farming type – from 30 per cent in dairy to over 150 per cent in cattle rearing.

### 2.2 Off-Farm Employment and Part-Time Farms

The share of farms with either the farmer or spouse in off-farm employment in 2014 is 51 per cent. The proportion of farmers only in off-farm employment is 29 per cent in 2013.<sup>2</sup> Both of these increased moderately in 2013/4 following steady decreases since 2006.

Around 60 per cent farms are considered part-time farms in 2012.<sup>3</sup>

<sup>1</sup> NFS research and results are available at: <http://www.teagasc.ie/nfs/>. NFS 2014 results are documented in [http://www.teagasc.ie/publications/2015/3596/TeagascNFS PrelimResults2014\\_final.pdf](http://www.teagasc.ie/publications/2015/3596/TeagascNFS PrelimResults2014_final.pdf).

<sup>2</sup> Results for 2014 not yet published for this indicator.

<sup>3</sup> Results for 2013 are not yet published for this indicator. A full-time farm is defined as one which requires at least 0.75 standard labour units to operate (one labour unit is defined as at least 1,800 hours worked on the farm by a person over 18 years of age with equivalent measures for under 18s).

### 2.3 Farm Size

The NFS shows that a large proportion of farmers earn low incomes, which is linked to the fact that the Irish agricultural sector is populated by a large number of small farms.

The 2012 NFS breaks down the share of farms that fall into a series of income ranges, based on the FFI, which is reproduced in Table 2.<sup>4</sup> Over half of farms in the survey have a FFI of €20,000 or less in the year. For part-time farms, 80 per cent have incomes below €20,000.

**Table 2: Share of Farms by Income Range (2012)**

Family Farm Income	All	Full-Time	Part-Time
<€5,000	19%	7%	27%
€5,000-€10,000	16%	4%	24%
€10,000-€20,000	23%	13%	29%
€20,000-€30,000	13%	15%	12%
€30,000-€50,000	13%	24%	6%
€50,000-€70,000	8%	18%	1%
€70,000-€100,000	5%	73%	0%
>€100,000	5%	7%	0%
<b>Average €25,479</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Teagasc National Farm Survey.

<sup>4</sup> Results for 2013 are not yet published for this indicator.

## 3 Tax Payments, Returns and Reliefs of Farmer Cases

### 3.1 Identification of Farmers on Revenue Records

To allow for analysis, farmers can be identified on Revenue records through a number of different methods:

- Form 11 tax returns, filed annually by self-assessed Income Tax payers, include a check box for farmers.
- Revenue codes its taxpayer register by NACE code and the agricultural related sectors (0-190) can be identified.<sup>5</sup>
- Through a data exchange with the Department of Agriculture, Food & the Marine (DAFM), Revenue receives information on the recipients of agricultural payments (such as the single farm payment).<sup>6</sup> This information is linked to Revenue records.

For the purposes of the analysis in this report, a farmer file was created from Revenue data for 2013 (the latest year for which most data sets are available). This comprises any cases that meet one of the three criteria noted above (a case may meet all three but is counted once). This file has 129,263 records. As the tax record combines the details for jointly assessed couples, the resulting data include the income of spouses / civil partners of farmers and it is not possible to separately show the incomes and payments of each.

There are around 140,000 farmers in receipt of DAFM payments in total and the file covers the vast majority of these. Most are registered with Revenue as self-assessed individuals. Some cases hold PAYE registrations only, effectively employees within the farming sector. There are also a small number of incorporated farmers, registered for Corporation Tax.

### 3.2 Age Profile of Farmers and Tax Return Filing Behaviour

An age profile of farmer cases is as shown in Table 3. This is based on the date of birth on Revenue records. It should be noted that the age is shown for the main taxpayer only and not the spouse / civil partner (in the case of jointly assessed couples) though it is not clear which individual is involved in farming activity.

The Revenue records provide confirmation of the high age profile of farming in Ireland, with only 18 per cent of those filing returns aged under 40.

<sup>5</sup> NACE is a European industrial activity classification system approved by the European Commission and widely used in public and private sector organisations.

<sup>6</sup> Revenue receives the payments data under Section 910 of the Taxes Consolidation Act, 1997. Revenue is also entitled to information on payments from government departments under Section 891B of the TCA.

**Table 3: Age Profile of Farmer Cases**

Age	Number of Cases
16 to 20	4,103
21 to 30	8,296
31 to 40	11,443
41 to 50	16,963
51 to 60	18,885
61 to 70	21,341
71 to 80	11,787
81 to 90	3,315
Over 90	273
Age not on file	32,857
<b>Total</b>	<b>129,263</b>

Source: Revenue data. Note: the age is shown for the main taxpayer only and not the spouse / civil partner (in the case of jointly assessed couples).

As age or date of birth is not a required piece of information in relation to tax computations, it is missing in a certain number of cases. It would be expected that the missing cases may be biased towards an older age profile.

The majority of farmers are self-assessed Income Tax payers and as such are required to file a Form 11 return of income for each tax year. Despite the age profile noted above, 89 per cent of farmer cases filed their returns electronically via Revenue's Online Service (ROS) in 2013. Around two thirds use an agent or adviser in filing their return. It is interesting to note that indicative information suggests that only around 2 per cent of farmer cases filed the shorter version of the Form 11 (the Form 11S).

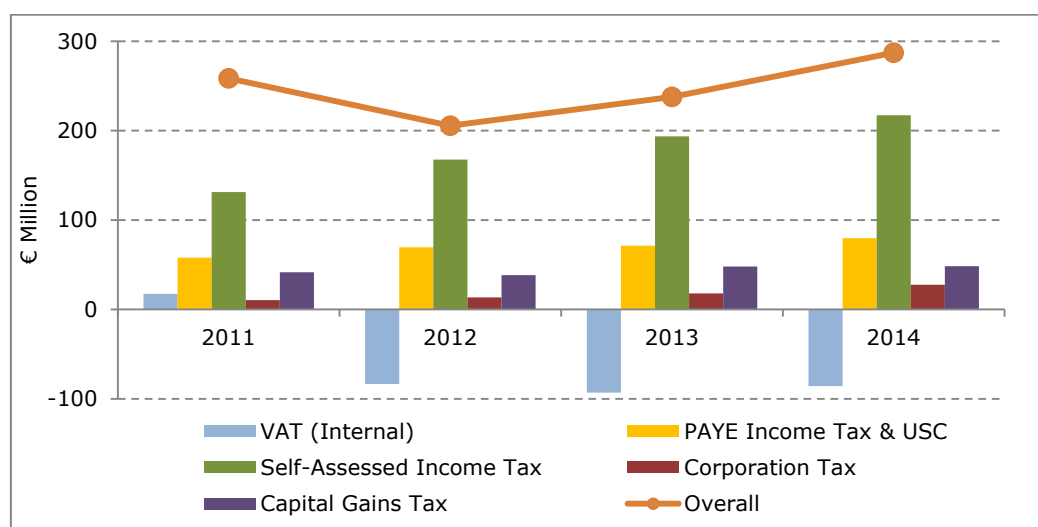
### 3.3 Tax Payments from the Agricultural Sector

Figure 1 shows tax receipts from cases with an agricultural NACE code for five taxes: self-assessed Income Tax, PAYE Income Tax, Corporation Tax, VAT internal (VAT on imports and ex-warehouse are excluded) and Capital Gains Tax.<sup>7</sup>

The NACE code is associated with the main occupation of each case. However, as many farmers are part-time farmers with other occupations that could be considered their main occupation, the Figure does not reflect fully the tax payments of all farmers, especially part-time farmers. Receipts from farming activities of these part-time cases would be recorded elsewhere, under the NACE of the main activity of the case.

<sup>7</sup> Similar information for other sectors is available on the Revenue Statistics webpage at <http://www.revenue.ie/en/about/statistics/index.html>.



**Figure 1: Tax Receipts from the Agricultural Sector**

Source: Revenue data. Notes: Overall reflects the sum of receipts for the five taxheads in the chart; Self-assessed cases in the agricultural sector also pay USC but a breakdown of these receipts is not available

The total tax receipts from the sector, in 2014, where farming is considered the main occupation, are €287 million. This comprises €217 million from self-assessed Income Tax, €80 million from PAYE income (and USC), €28 million in Corporation Tax, €48 million from CGT and repayments of €86 million of VAT.

### 3.4 Incomes, Employment and Income Tax

To analyse the income of farming cases, the group described in Section 3.1 is used. This contains 129,263 cases. Table 4 shows the Gross Income of these cases, by category of income in 2013. In total, the farmer cases have Gross Income of €5.7 billion. PAYE earnings account for nearly half of the income, followed by business (trading) incomes from self-assessed cases.

**Table 4: Gross Income of Farmer Cases (2013)**

Gross Income	Number	€
PAYE Total/Earnings	87,392	2,654,112,744
Business Income	83,039	1,920,668,028
Other Non-PAYE Income*	46,201	532,184,765
Rental Income	23,536	284,107,430
Deposit Interest Income	33,247	128,113,204
Foreign Income	16,678	99,218,471
Dividend Income	18,049	35,297,670
Miscellaneous Income	3,070	15,414,005
Balancing/Charges	2,043	11,254,831
Case 3/Irish Income	16,012	9,023,556
Interest (Untaxed)	1,759	5,225,337
Other Income	640	6,661,784
<b>Total</b>		<b>5,701,281,825</b>

Source: Revenue data. Note: a case may have income from more than one source; \*Includes certain social welfare payments; the number of cases reflects jointly assessed couples as one unit.

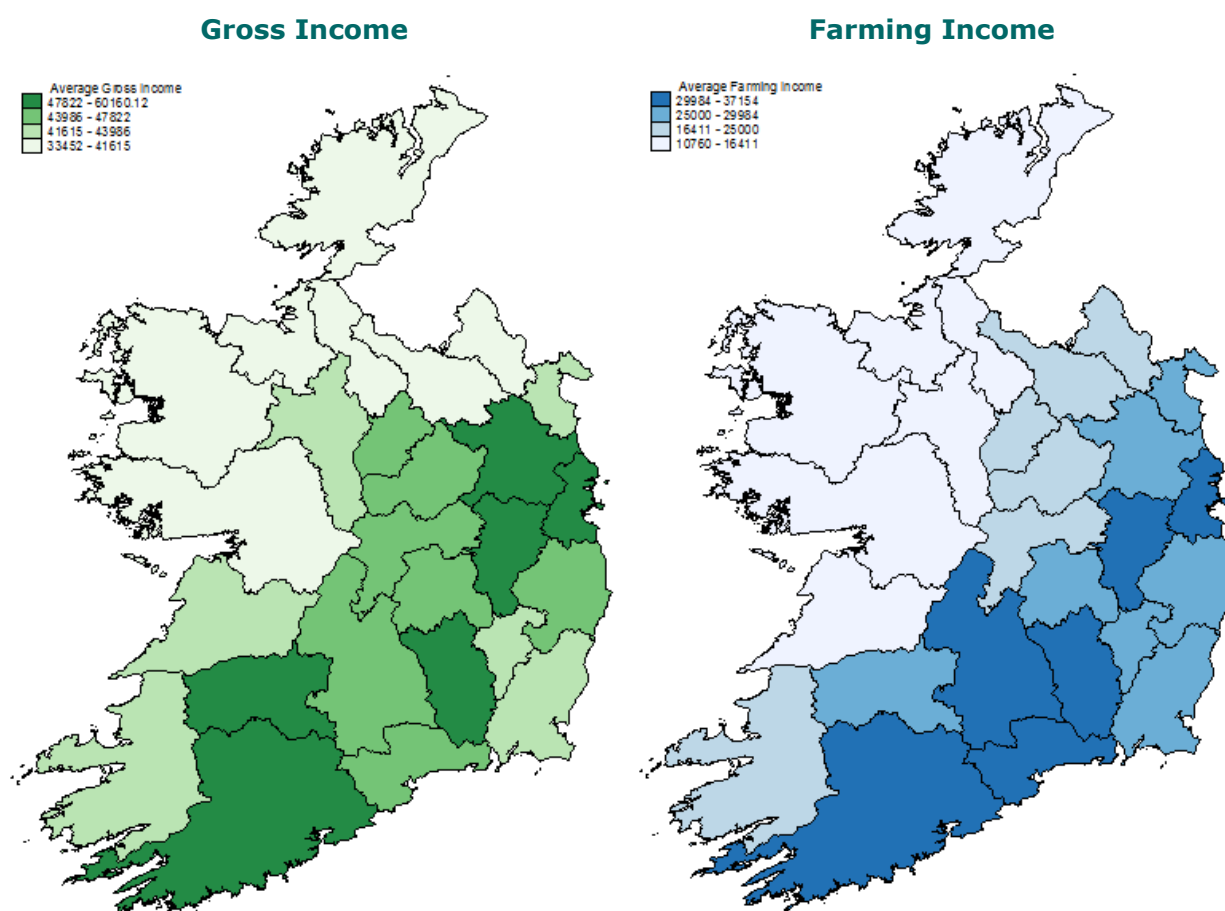
Table 5 and the charts in Figure 2 show average for Gross Income and Farming Income by county. *Gross Income* includes incomes of both PAYE employees and self-assessed Income Tax payers among the 129,263 cases, as well as the other sources of income indicated in Table 4. *Farming Income* reflects the trading income from self-assessed Income Tax farmer cases. Some of these cases are shown in different NACE sectors, depending on their primary activity.

It should be noted also Family Farm Income (as discussed in Section 2) is not equivalent to Gross Income (or Farming Income) for tax purposes.

**Table 5: Average Incomes by County (2013)**

County	Total Number of Cases	Gross Income Average €	Farming Income Average €
Carlow	2,355	42,565	27,468
Cavan	4,439	41,353	19,252
Clare	5,293	42,762	16,411
Cork	16,498	49,290	32,910
Donegal	6,081	33,452	12,088
Dublin	2,917	60,160	31,302
Galway	9,141	41,384	14,397
Kerry	7,012	42,196	20,172
Kildare	3,693	54,375	31,938
Kilkenny	4,143	49,517	34,004
Laois	2,762	45,549	26,112
Leitrim	2,186	39,894	10,760
Limerick	5,784	49,391	27,503
Longford	1,994	44,435	17,771
Louth	1,923	42,947	26,366
Mayo	7,233	38,426	10,875
Meath	5,092	50,741	27,875
Monaghan	4,759	34,545	22,284
Offaly	2,938	44,752	23,888
Roscommon	4,087	42,007	12,860
Sligo	2,812	41,615	11,976
Tipperary	9,326	45,139	32,368
Waterford	3,601	47,822	37,154
Westmeath	3,611	47,218	21,524
Wexford	5,705	43,537	29,984
Wicklow	2,348	45,531	26,629
<b>State</b>	<b>127,976</b>	<b>44,550</b>	<b>23,070</b>

Source: Revenue data. Note: the number of cases reflects those farmer cases with gross income, not all of these will have farming income for the reasons noted earlier in the text; the number of cases reflects jointly assessed couples as one unit therefore differences between gross and farming income may relate to off-farm income of the farm or a spouse / civil partner.

**Figure 2: Average Incomes by County (2013)**

Source: Revenue data.

Table 6 shows in the main incomes of the farmer cases by NACE sector. The sector reflects the primary activity of the case as indicated on Revenue records. Examining the sectoral distribution of cases in more detail, in the agricultural sector, around three quarters of cases are recorded in Revenue NACE codes as *mixed farming* (growing of crops combined with farming of animals) subsector. *Raising of dairy cattle* is the other subsector with large numbers of cases.

Analysis of the cases with non-agricultural NACE codes shows the following:

- Construction: Nearly two thirds of cases are in general construction (*construction of general & residential building*), joinery and plastering activities are also important;
- Real estate activities: *Renting & operating of own or leased real estate* accounts for the majority of cases;
- Retail trade: *general retail* and *meat & meat product retail* are the main activities of the cases within this sector;
- Transport & storage: *freight transport by road* and *taxi operations* account for most of the cases in this sector.

**Table 6: Income of Farming Cases by NACE Sector (2013)**

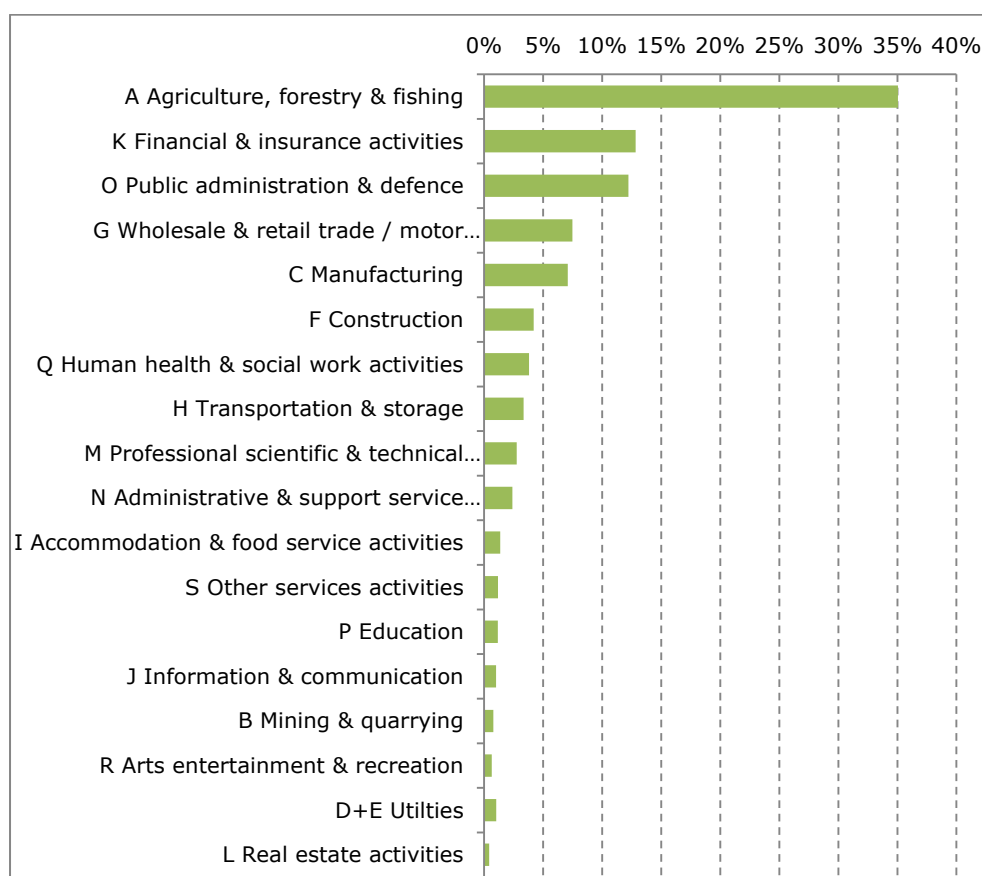
NACE Sector	Gross Income		Farming Income	
	Number	€	Number	€
A Agriculture, forestry & fishing	112,979	4,706,583,646	70,423	1,616,709,809
B Mining & quarrying	31	1,442,204	17	312,939
C Manufacturing	577	26,312,328	370	7,296,604
F Construction	4,052	174,272,517	2,439	41,868,319
G Wholesale & retail trade / motor vehicles	2,016	115,729,896	1,113	28,062,329
H Transportation & storage	991	50,244,412	536	13,531,350
I Accommodation & food service activities	825	43,092,560	453	11,025,344
J Information & communication	75	6,114,121	31	512,805
K Financial & insurance activities	225	19,343,581	100	1,748,577
L Real estate activities	2,441	198,753,432	988	16,600,629
M Professional scientific & technical activities	1,127	111,883,278	685	36,137,712
N Administrative & support service activities	681	30,776,372	423	10,285,659
O Public administration & defence	1,892	119,219,468	893	14,131,562
P Education	128	7,067,050	76	1,232,488
Q Human health & social work activities	266	41,740,698	160	17,389,615
R Arts entertainment & recreation	192	11,138,787	108	2,978,745
S Other services activities	458	19,949,376	264	4,622,758
All other sectors / unknown	406	23,571,940	48	1,016,466
<b>All Sectors</b>	<b>129,263</b>	<b>5,701,281,825</b>	<b>79,127</b>	<b>1,825,463,710</b>

Source: Revenue data. Note: the number of cases reflects jointly assessed couples as one unit

Analysis of Revenue data shows that approximately 10,700 of the farmer cases are also registered with Revenue as employers. These cases have a total of 24,400 employees. This does not include contractors or similar relationships.

As shown also in Table 4, there are 87,392 of the farmer cases recorded as being in receipt of PAYE income, so holding an employment. This employment could relate to the farmer or their spouse / civil partner. Figure 3 represents a breakdown of these cases based on the NACE code of the employer. After agriculture, public administration and financial services are the two largest sectors.<sup>8</sup>

<sup>8</sup> Many of the cases in the *Financial & Insurance Activities* sector relate to pension funding. Some of the employments recorded by P35 tax return data relate to occupational pensions rather than active employments.

**Figure 3: PAYE Cases by Sector (2013)**

Source: Revenue data.

There are a number of Income Tax reliefs available to those active in farming. The numbers availing and the estimated cost to the Exchequer for stock relief and exemption of rental income from leasing of farm land are shown in Table 7.<sup>9</sup> Table 8 shows the use of capital allowances by farming cases.

**Table 7: Income Tax Reliefs**

Year	General Stock Relief	Stock Relief for Young Trained Farmers	Stock Relief for Registered Farm Partnerships	Exempt Rental Income from Leasing of Farm Land
2009 Cost € Million	2.0			4.4
2009 Numbers	n/a			2,960
2010 Cost € Million	2.0			5
2010 Numbers	n/a			3,230
2011 Cost € Million	2.0			6.3
2011 Numbers	n/a			3,590
2012 Cost € Million	5.2	1.1	0.1	7.3
2012 Numbers	7,720	280	30	3,980
2013 Cost € Million	5.2	1.1	0.1	7.3
2013 Numbers	8,950	310	30	4,370

Source: Revenue data. Note: the number of cases reflects jointly assessed couples as one unit.

<sup>9</sup> Information on these reliefs for earlier years, where applicable, is included with statistics on tax expenditures on the Revenue Statistics webpage at <http://www.revenue.ie/en/about/statistics/index.html>, updates will be published for 2014 receipts in due course.

**Table 8: Capital Allowances Used**

Year	Machinery & Plant	Industrial Buildings	Case V (Rental Income)	Miscellaneous
2010 Cost € Million	359	196	62	68
2010 Numbers	55,937	31,294	6,686	13,119
2011 Cost € Million	384	197	51	76
2011 Numbers	59,672	32,490	6,969	13,199
2012 Cost € Million	396	191	63	67
2012 Numbers	63,312	33,131	8,132	11,687
2013 Cost € Million	395	190	66	63
2013 Numbers	64,609	33,158	8,930	11,053

Source: Revenue data. Note: the number of cases reflects jointly assessed couples as one unit.

### 3.5 Capital Taxes

Table 9 shows the estimated number of Capital Gains Tax (CGT) returns filed by farmers for the years 2012 and 2013. The CGT returns include capital gains by farmers and their spouses / civil partners and gains associated with the disposal of non-farming assets.

Table 10 shows claims in respect of CGT retirement relief by farmers.<sup>10</sup>

**Table 9: Capital Gains Tax**

CGT Returns by Farmers	2012	2013
Total number of returns	6,125	10,406
Number of liable returns	2,946	3,885
Estimated CGT paid € Million	35	46

Source: Revenue data.

**Table 10: Capital Gains Tax Retirement Relief**

Claims For Retirement Relief Associated With Farm Cases			
<b>Retirement Relief within the Family</b>			
<u>Tax Year</u>	<u>Amount of associated Disposal Consideration</u>		<u>Number of claims</u>
	€ Million		
2012	113		237
2013	117		211
<b>Retirement Relief outside the Family</b>			
<u>Tax Year</u>	<u>Amount of associated Disposal Consideration</u>		<u>Number of claims</u>
	€ Million		
2012	50		424
2013	53		341

Source: Revenue data.

The number of annual claims for CGT retirement relief within the family indicates that the number of lifetime transfers of the family farm remains low and that transfer through inheritance, for which there is no CGT liability, is still quite common.

Information relating to the number of farmers who have filed returns in respect of Capital Acquisition Tax (CAT) is not readily available separately. However, Table 11 shows the

<sup>10</sup> Claims in respect of CGT Farm Restructuring Relief are not separately identifiable.

number of claimants of the CAT Agricultural Relief and its cost to the Exchequer by year. This relief can be claimed by non-farmers in certain cases.

**Table 11: Capital Acquisition Tax Agricultural Relief**

	2011	2012	2013	2014
Number of claimants	1,499	1,747	1,594	1,581
Estimated tax cost € Million	185	201	163	164

Source: Revenue data.

Since Budget 2015, the qualifying criteria for claimants of Agricultural Relief have been tightened, with the relief now being available only to active farmers, or those who lease their land out long-term to active farmers. The number of claimants in future years should provide an indicator of the number of farms that are being transferred annually and put into productive agricultural use.

Table 12 shows the distribution in 2013 of Agricultural Relief by county, including both the number of claims and the share of the tax cost of the relief.

**Table 12: Capital Acquisition Tax Agricultural Relief by County (2014)**

County	Share of Claims	Share of Cost
Cavan/Monaghan	4.2%	1.5%
Clare	4.5%	2.7%
Cork East	8.2%	11.3%
Cork North West	6.0%	4.5%
Cork South West	3.5%	3.1%
Donegal	3.8%	2.8%
Dublin	3.0%	4.3%
Galway County	5.3%	3.4%
Galway/Roscommon	3.5%	1.4%
Kerry	6.2%	6.1%
Kildare	2.8%	5.4%
Kilkenny/Carlow/Laois	7.8%	10.2%
Limerick	6.1%	6.8%
Louth	1.2%	2.3%
Mayo	4.0%	1.2%
Meath	3.1%	3.8%
Sligo/Leitrim/Longford	3.7%	2.0%
Tipperary	5.4%	6.9%
Waterford	4.3%	5.7%
Westmeath/Offaly	5.9%	5.4%
Wexford	4.8%	5.5%
Wicklow	2.3%	3.0%
<b>State</b>	<b>100%</b>	<b>100%</b>

Source: Revenue data. Note: County is based on Revenue's District structure.

It is not feasible, based on the information available to Revenue, to determine whether Stamp Duty returns are filed by individuals engaged in farming activity. However, Table 13 provides a breakdown of the total number of returns filed in respect of Stamp Duty on agricultural land (including all lease lengths) and Table 14 details the number of claims and cost to the Exchequer in respect of the Young Trained Farmers relief.<sup>11</sup> Table 15 shows information on the Stamp Duty Consanguinity Relief on Non-Residential transfers.

**Table 13: Stamp Duty Returns**

<b>Stamp Duty Returns associated with agricultural land</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Returns in respect of agricultural land sold	4,771	4,006	5,763
Returns in respect of agricultural land leased	5,412	2,805	4,170
Total number of returns	10,183	6,811	9,933
Number of liable returns in respect of agricultural land sold	4,110	3,519	5,248
Number of liable returns in respect of agricultural land leased	3,299	1,732	2,824
Number of liable returns	7,409	5,251	8,072

Source: Revenue data.

**Table 14: Stamp Duty – Young Trained Farmers**

	<b>Number of claims</b>	<b>Tax cost € Million</b>
2010	1,170	21.8
2011	863	13.3
2012	1,157	7.9
2013	714	3.8
2014	722	4.7

Source: Revenue data. Note: Figures include those under Section 81AA and the older S81 also.

**Table 15: Stamp Duty – Consanguinity Relief on Non-Residential Transfers**

	<b>Number of claims</b>	<b>Tax cost € Million</b>
2012	2,344	3.7
2013	1,208	2.0
2014	1,796	3.0

Source: Revenue data.

The Stamp Duty exemption for Young Trained Farmers is provided where the individual is under the age of 35, and has specified agricultural qualifications. It is an incentive to encourage farm transfer to the next generation at a young age. The reduction in the number of claims in 2013 and 2014 may be an indicator of the uncertainty surrounding

<sup>11</sup> S81AA of the Stamp Duties Consolidation Act 1999 provides for relief on Stamp Duty which would otherwise be due on the transfer of farmland (by sale or gift) to a farmer under the age of 35 who meets certain criteria in respect of agricultural training.



the introduction of the new CAP reform, with a requirement for farmers to activate payment entitlements. It is expected that, with the incentives for young farmers in the new CAP reform, the number of exemption claims for young trained farmers may increase again from 2015 onwards.

Table 16 provides further information on the distribution of Stamp Duty returns for agricultural land (leases and sales combined, shown in Table 13) and claims for Young Trained Farmer exemptions (Table 14) by county.

**Table 16: Stamp Duty by County (2014)**

County	Share of Returns for Agricultural Land	Share of Claims for Young Farmer Exemptions
Carlow	1.6%	3.5%
Cavan	3.4%	4.7%
Clare	4.3%	4.8%
Cork	11.4%	15.8%
Donegal	5.5%	1.9%
Dublin	1.2%	0.6%
Galway	9.5%	6.5%
Kerry	5.6%	7.3%
Kildare	2.6%	1.7%
Kilkenny	3.1%	4.7%
Laois	3.0%	4.3%
Leitrim	2.2%	1.8%
Limerick	4.3%	7.2%
Longford	1.3%	1.1%
Louth	1.9%	1.0%
Mayo	7.1%	4.6%
Meath	3.7%	2.5%
Monaghan	2.6%	1.7%
Offaly	2.6%	2.2%
Roscommon	4.1%	2.1%
Sligo	2.9%	1.7%
Tipperary	5.2%	6.6%
Waterford	2.2%	3.0%
Westmeath	2.8%	0.8%
Wexford	3.7%	6.1%
Wicklow	2.1%	1.8%
<b>State</b>	<b>100%</b>	<b>100%</b>

Source: Revenue data.

### 3.6 VAT

As indicated in Figure 1, the agricultural sectoral overall is in a negative VAT payment position in most years. Farmers are not required to register for VAT but may elect to do so. Farmers who are not registered for VAT may reclaim VAT paid in relation to the

construction, extension, alteration or reconstruction of farm buildings and structures or on land drainage and land reclamation (known as VAT 58 Refunds). Table 17 shows the trends in these refunds since 2004.

**Table 17: VAT Refunds**

Year	Amount €	Number of Claims	Number of Farmers
2004	28,671,000	16,333	13,649
2005	31,905,029	16,154	13,430
2006	38,509,753	17,120	14,207
2007	59,977,489	19,252	15,432
2008	155,058,137	32,398	23,260
2009	171,853,011	36,747	27,219
2010	51,901,914	23,338	17,932
2011	44,327,248	22,009	17,214
2012	48,285,068	22,422	17,506
2013	50,069,357	21,893	17,095
2014	50,450,330	21,019	16,556

Source: Revenue data.

The high VAT refund claims of 2008/2009 reflect the on-farm investment undertaken during those years as part of the Farm Waste Management Scheme, to ensure farmer compliance with the EU Nitrate's Directive.

The VAT refund figures indicate a consistent level of annual on-farm investment, reflecting the capital nature of farming.