Taxation of income from farmland let on conacre

Part 04-08-05

This document should be read in conjunction with section 96 Taxes Consolidation Act 1997

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"Conacre letting" is a term for farmland let for a season or for 11 months.
Income arising from conacre letting is a "payment in the nature of rent" and comes within the definition of rent in section 96(1) Taxes Consolidation Act 1997(TCA). It is taxable under Schedule D Case V.

This approach is supported by the case of **Maurice E. Taylor (Merchants) Ltd. v Commissioner of Valuation** [1981] N.I. 236. The modern conacre agreement is analogous to a lease and consequently any payment made on foot of that agreement is analogous to rent; that is, a payment in the nature of rent.

Such income should not be included in arriving at the Schedule D Case I profit or loss from farming and cannot be taken into account for the purposes of stock relief or income averaging.

A separate Case V computation is required.

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