

Dairying

National Quality Milk Farm Walk a Huge Success

The Teagasc Glanbia National Milk Quality Farm Walk was held on the Power Family Farm, Ballymullala, Cappagh, Co. Waterford on Wednesday last June 14th. This was a very successful and informative event and the story of how the Powers have got to the position of being the national award winners in 2016 was very clearly told. The very essence of the success of this dairy farm is their attention to detail, their use of records and attention to planning ahead. As well as the milk quality story, how succession on this farm and the transfer from Jim to Tom was successfully managed struck a cord with many and gave much food for thought. The issue of succession is a difficult topic to address on many farms and these issues were discussed by Tom Curran and Brian Hilliard, Teagasc and Jim Power on one of the stands.

Registered Farm Partnerships – Family Situations

Succession Planning on Irish dairy farms is a vital process for the future of the Irish dairy industry. It is important on an individual family basis but also on a national basis to ensure the industry continues to be innovative and competitive into the future. While research studies in recent times have shown that many farmers have no identified farming successor, this will depend on the stage of life and the personal circumstances of the current dairy farmer. Farmers need to be conscious that succession is happening on the farm every day at some level.

The early part of succession is about the next generation learning to do routine tasks on the farm and gaining a greater level of competence for those tasks over time.

Where the later stages of succession (transferring responsibility, decision making) are ignored or not dealt with by a farm family it can stymie the long-term development of the farm business and can also discourage potential successors due to uncertainty around the future. Recent research by Teagasc has highlighted that succession is an on-going process that can begin early in the life of a son or daughter. A registered farm partnership is a central step as part of a succession plan. It is an ideal structure to formally involve the next generation in the farm business and in doing so facilitate the gradual transfer of responsibility and decision making on the farm. The focus moves from farm transfer to farm operation as a team, to progress the farm to meet the needs of a changing industry.

This is important as in most cases; parents are not immediately in a position to transfer the farm to a son or daughter that has returned home after completing their agricultural education. Firstly, the young person is relatively inexperienced. Secondly, there are genuine reasons such as: the age profile of the parents; the implications for family income; security for the parents and other family members that still have to be provided for. These concerns can be alleviated by forming a registered partnership between the parents and the son or daughter as an interim step before considering full transfer of the farm. There are financial advantages in terms of taxation and Common Agricultural Policy (CAP) schemes to forming a registered partnership for both the parents and the son or daughter.

Succession Farm Partnerships

The objective of this new measure is to incentivise the creation of a succession plan for farm families and to encourage the transfer of farm assets to the next generation of Irish farmers while providing a level of protection for the transferors by allowing them to retain 20% of farm assets.

Succession farm partnerships are available to Farmers from 2017 onwards under

Section 667D of the Taxes Consolidation Act 1997. Under the scheme, an annual income tax credit of up to €5,000 is available to the partnership for up to 5 years following successful registration with the Department of Agriculture, Food and the Marine (DAFM) Partnership Registration Office. The four key requirements of a succession farm partnership are as follows:

1. At least one partner must be a natural person who has farmed at least 3 hectares for 2 years prior to the formation of the Succession Farm Partnership. This person is defined as the “Farmer” in the regulations.
2. At least one other partner must also be a natural person who, has completed the required level of agricultural education; is under 40 years of age in each year that the income tax credit is claimed and is in receipt of at least 20% of the partnership profits. This person is defined as the “Successor” in the regulations.
3. The Teagasc My Farm My Plan booklet must be completed and certified by Teagasc as satisfactorily completed. A copy of this certificate is required for registration purposes.
4. The partners must enter into a legally binding succession agreement where the Farmer agrees to transfer to the Successor (within 3 to 10 years of registering the Succession Farm Partnership) at least 80% of the farm assets owned by him/her and licensed in the partnership and at least 80% of the Farmers share of livestock and machinery owned by the partnership. A date must be fixed for the transfer of farm assets as part of this agreement. The specific area of land to be transferred has to be clearly identified on a map. Once this land has been identified, no part of it can be disposed of otherwise.

Important Events

Teagasc Sheep Grassland Farm Walk

A Teagasc Sheep Grassland Farm Walk will take place on the farm of Richard Guiry, Knockatrelane, Ballymacarbry, Co. Waterford on Friday June 23rd at 2.00pm. This event will focus on grazing management during the summer period including paddock setup, fencing options and grass budgeting. All are welcome.

Teagasc Beef Grassland Farm Walk

A Teagasc Beef Grassland Farm Walk will take place on the farm of Michael Murphy, Bohergaddy, Bennettsbridge, Co. Kilkenny on Friday June 23rd at 11.00am. Grassland management now and for the rest of the summer will be discussed, as well as reseeding options and grassland weed control. All are welcome.

Teagasc AHI Beef Health event

A Teagasc AHI Beef Health event will take place on the farm of Walter Cleary, Kilmacow, Co. Kilkenny on Thursday, June 29th at 11.00 am. What can faecal samples tell us about parasites in our herds? See results from real farms and hear how to take samples and understand how the results can support parasite control programmes in your herd.

The host farmer and his vet will discuss the on-farm herd health plan and preventive measures including vaccination policy. The objective is to keep stock healthy while reducing the reliance on antibiotics. There will be a demonstration by the Regional vet lab on identifying health problems in slaughtered cattle and the steps to eliminating Neospora abortion will also be discussed. All are welcome.