

Basic Payment application – your most important job this year?

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Last year, Teagasc advisors completed more than 40,000 Basic Payment Scheme (BPS) applications with farmer clients. Each one-to-one is a significant investment of time for advisor and client. To get the most from your BPS one-to-one:

- Prepare for the meeting (by reading through the information the DAFM has sent you).
- Update the advisor on the farm situation.
- Bring a list of items you'd like to discuss. You may want to review your farm plan, farm finances, increase the amount of silage conserved, or plan an investment. You may need a visit and, if so, make an appointment for a future date.

Table 1: Average value of direct payments and contribution to family farm income (FFI) 2018

Farm enterprise	Average direct payment	FFI contribution
Dairy	€21,022	34%
Cattle rearing	€13,098	158%
Cattle other	€16,226	111%
Sheep	€18,980	143%
Tillage	€22,451	55%
All enterprises	€17,244	74%

The importance of the Basic Payment in farm income

The “cheque in the post” continues to be one of the most important sources of income for Irish farm families. From Table 1, we can see that in drystock farming it contributes to keeping the farm solvent. These are average figures and 2018 was a tough year. If figures like these represent your farm and are repeated again over time, some tough conversations need to be had with your advisor.

The 2020 application

It is important that application and associated forms are done on time and with great care. In this article, I will discuss the completion of the 2020 Basic Payment Application Form.

The BPS is an application that must be made if you wish to participate in other schemes, for example: GLAS, TAMS, and organics, etc.

There are other schemes intertwined in the BPS process. It encompasses:

- Greening payment.
- GLAS and organics.
- Continuation of the Young Farmers Scheme if you were an applicant in 2016, 2017, 2018 and 2019.
- Aid for protein crops (peas, beans and lupins).
- Areas of natural constraint.

Making changes to the herd/crop/flock identifier

Every year, a significant number of farmers make changes to the herd/crop/flock number for one reason or another. For example, a herd number (identifier) in a single name was “joined” by a child to avail of the National Reserve and/or the Young Farmers Scheme (YFS). Registered farm partnerships and farming “companies” are other examples.

If you are planning to make changes to the herd identifier number, it must be completed in good time to allow the Regional Veterinary Office to process the application;

Making changes to the “identifier” can result in late, or slow, processing of the BPS application as there are extra steps:

- Please note:
- If a change must be made it should be completed immediately, to allow the RVO adequate processing time.
 - The date the application is received, becomes the date of change. When making a change to the identifier, include a copy of the application and a stamped addressed envelope and request the copy be returned “stamped received.”) This should be given to



your advisor to upload with the BPS applications.

- If no correspondence is received by you from the RVO by the time of your BPS appointment, you must inform your advisor, as a new blank online BPS application must be completed instead of the pre-populated one.
- The partnership registration office will not accept applications between 1 March and 1 June this year. This is to help make the BPS application process more efficient.

If you plan to make changes to your farm, consult with your Teagasc advisor early so that all the relevant application forms and tasks can be lined up and completed in good time.

Farm succession.

The average age of farmers continues to increase. This is not just an Irish trend, it is happening throughout the farming world. It is important that every farmer thinks about farm succession. The first step is to write a will. This becomes the insurance policy in case you pass on unexpectedly.

Have a conversation with your advisor about farm succession. Success-

Making the appointment

Before you visit your advisor, review all the documentation you have received from the Department of Agriculture, Food and the Marine. If you plan to make significant changes to the 2020 application, state that you may require a longer appointment than usual, so that it can be completed in one visit.

More complex cases may require a solicitor, accountant and valuer and involve some or all of the following transactions:

- Adding and/or changing the name(s) on the herd number.
- Completing a partnership application.
- Transferring entitlements using the transfer application.
- Completing a capital gains tax return.
- Completing a VAT return.
- Updating your will.



It is important that every farmer thinks about farm succession.

sion is a complex subject with lots to be considered. This is an area where leaving things to the last minute can result in things going horribly wrong. Early discussions allow planning to take place. There are taxation reliefs available, to minimise the tax due on succession transactions, but they have very specific conditions, for example, “age” or “active farmer”.

Farm forestry

There has been a small rule change (less restrictive) for farmers considering planting forestry in 2020. If you are considering planting land in 2020, contact your local Teagasc forestry advisor.

National Reserve

This scheme is aimed at new entrants to farming. This year, the National Reserve has opened for applications also. The funding available is similar to last year, so all applicants who meet the requirements have a good chance of being successful.

Successful applicants can expect to receive entitlements worth just over €183. There may be a cap applied, similar to previous years. On top of this,

all of the applicants were also paid Greening, which was worth a further 44% (€77). Some of these applicants also qualified for the YFS (~€68).

The National Reserve Scheme has two mandatory categories:

- Young farmers.
- New entrants.

The full terms and conditions are available to download from your Agfood online account. Applications can be submitted through this online service also.

Young Farmers Scheme

This scheme delivers a “top-up” to young farmers who have recently taken up farming depending on when they started. To be eligible, you must have started in the last five years and you must be 40 or younger in 2020. Once you qualify, you can avail of the payment for up to five years.

The date your name appeared on the herd number is the year you started. If you start farming in 2020, you are guaranteed to get at least one payment. The final payment depends upon what happens in the next CAP negotiations or interim measures.

The payment is made on a maxi-

mum of 50 entitlements. The payment is worth about €68. The terms and conditions are similar to last year. Applications can be completed on the Agfood online web service. The funding for this scheme is similar every year during the current CAP agreement.

Successful applicants in previous years must reapply for the next payment on the online BPS application system as part of the BPS application. New applicants will have to complete a separate online YFS application.

Deadlines

The deadline for all schemes (BPS, NR and YFS) is Friday 15 May 2020. This will not be extended. As with other years amendments can be made after submission of the application until the end of May.

Reasons for making an amendment include:

- Correcting an obvious error (minor clerical error).
- Adding or deleting a parcel.
- Change of use of a parcel
- Ticking/unticking the ANC box.
- Ticking of the YFS box (where applicable).