Revenue Note for Guidance
667C Special provisions for registered farm partnerships.

SUMMARY

This section provides stock relief generally at the rate of 50% for farmers who are registered farm partnerships and 100% for certain “qualifying farmers” within the meaning of 667B (often referred to as young trained farmers), who are partners in such partnerships accounting periods which commence on or after 1 January 2012 and which end on December 2015.

This relief is subject to a maximum limit.

Sections 666 and 667B continue to apply to farmers who are not partners in registered farm partnerships.

Commencement of this section is subject to an Order of the Minister for Finance.

DETAILS

Definition

(1) “Qualifying farmer” has the meaning assigned to it by section 667B.

“Registered Farm Partnership,” means

- a milk production partnership within the meaning of the European Communities (Milk Quota) Regulations 2008, and
- a farm partnership included on a register of farm partnerships to be established by regulations made in accordance with subsection (4A).

Relief - where partner is not a “qualifying farmer”

(2) This subsection, which is subject to subsection (3), amends a number of the provisions in section 666 for the purpose of this section. Section 666 provides for stock relief at the rate of 25% for farmers, other than certain qualifying farmers.

Firstly, it provides that stock relief at the rate of 50%, rather than 25% as provided for in section 666 (1), applies where a farmer, other than certain qualifying farmers, is a partner in a registered farm partnership.

Secondly, it substitutes a new subsection (4) in section 666 for the purposes of this section. This provides that the earlier stock relief deadlines in section 666 (4) of 31 December 2012 for companies and the year 2012 for individuals are extended to 31 December 2015 and the year 2015 respectively for the purposes of this section.

Relief - where partner is a “qualifying farmer”
A qualifying farmer, within the meaning of section 667B, who is a partner in a registered farm partnership, is entitled to the enhanced rate of relief of 100% for a four-year period as provided for in that section. Where appropriate, the qualifying farmer reverts to the 50% rate provided for in this section for registered farm partnerships, rather than to the standard rate of 25%.

(3A) The cash equivalent of the relief is limited to €7,500 over a three year period.

For a qualifying period commencing on or after 1 January 2014 the maximum amount of stock relief that can be claimed is increased to €15,000 in the aggregate in the qualifying period (3 years.)

Time Limits

(4) The 50% rate of stock relief applies in respect of accounting periods commencing on or after 1 January 2012 and ending on or before 31 December 2015 (Extended for 3 years in 2016 budget).

Register

(4A) This subsection allows for the establishment of a register of farm partnerships as part of the process of extending the meaning of "registered farm partnership" for the purpose of this section.

(a) Firstly, it provides that the Minister for Agriculture, Food and the Marine, after consulting with and with the approval of the Minister for Finance, may establish and maintain a Register of farm partnerships by regulations, and that such regulations may provide for a number of matters including:

- the form and manner of registration,
- the conditions attaching to a farm partnership,
- the limits on the number of persons who can participate in a farm partnership,
- the assignment of unique identifiers to partnerships included on the register,
- procedures for addressing non-compliance issues, and
- such supplemental and incidental matters that appear necessary and appropriate to the Minister for Agriculture, Food and the Marine.

(b) Secondly, it provides that every regulation made under subsection (4A) must be laid before the Dáil and such regulations may be annulled by resolution of the Dáil.

Relevant Date: Finance Act 2014