



monahans

Chartered Accountants & Business Advisers



**Rural Business and
Landed Estates
Specialists**

With a wealth of expert knowledge, the Monahans Rural Business and Landed Estates team can support you with the challenges faced in this constantly changing landscape.

Our team will provide you with strategic, business succession and financial planning advice complimented by bespoke accounting and tax guidance covering the following areas:

- Income Tax
- Capital Gains Tax
- Inheritance Tax
- Succession Planning
- VAT
- Trusts and Trust Structures

Taxation of the Farmers' lump sum exit scheme

Following the consultation on the proposed exit scheme, and the more detailed announcement, we now know that legislation will be passed to ensure that any lump sum payment will fall within the capital gains tax regime (CGT).

As ever, the devil will be in the detail for farmers to ensure they are able to access the most favourable rates of CGT and potentially Business Asset Disposal Relief while also minimising any impact on Inheritance Tax Agricultural Property Relief.

Find out more: monahans.co.uk/articles/lump-sum-exit

Farm Tax 2022-23

HMRC confirmed a further development in the introduction of Making Tax Digital (MTD). From 2023/24, tax for the self-employed will be assessed on a fiscal year basis with transitional arrangements in 2022/23. In future businesses can continue using non-fiscal year ends but will need to apportion them into fiscal years for tax purposes.

These changes are likely to be particularly challenging for farming businesses, where a partnership is the most common business structure and autumn is a common year end. HMRC do not have data on how many farms might be affected but they believe 33% of all partnerships will fall within the transitional rules so the proportion of farming partnerships is likely to be much higher.

Find out more: monahans.co.uk/articles/farm-tax

Funding for farmers - a useful resource

The agricultural industry has for decades been one where some form of government subsidy has been available. Keeping on top of all these income sources and understanding what is coming when, from whom, and how it should be recognised can be challenging.

'Funding for farmers' is a relatively short document which links all the current schemes and is cross referenced to each set of detailed information. It is designed to identify schemes by function but can easily be used in reverse to drill back from a scheme title to the detail.

'Funding for farmers' can be found at <https://www.gov.uk/guidance/funding-for-farmers>

Find out more: monahans.co.uk/articles/funding-farmers

For a complimentary initial consultation please contact either Andrew Perrott or Richard Brooks on 01793 818300.

Meet the team



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