Agricultural Briefing Summer 2023

RickardLuckin

Chartered Accountants and Tax Advisers

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Welcome to this Summer's edition of our Agricultural Briefing.

It feels so long ago now, but it was good to see so many of you at our Annual Farming Families' seminar back in February.

Catherine Pinner has followed up on her talk with an article on cash flow planning, which is particularly important with the volatility of both grain prices and input costs.

As most farmers operate via unincorporated businesses, our Agricultural Team continue to highlight the upcoming basis period reform. If you are not aware of this, then please look back over our last two briefings. Neil Spicer also talked in depth about this at the seminar and has written a follow up article, which explains how this interacts with farmers' averaging.

We haven't ignored those of you who operate via a corporate structure as Christa Humphreys sets out how Full Expensing may be beneficial to you.

Environmental matters seem to be an ever-topical subject for conversations, with clients considering the new ELMS schemes as well as biodiversity credits. Neil is also keeping on top of what the tax implications of these are likely to be and, in the first article, addresses the main points of HMRC's consultation.

Looking back at the March Budget, Thomas Reardon explains how the scrapping of the Pension Lifetime Allowance may be beneficial to farmers. However, we are only too aware that a change of government would probably mean a reversal of the provision so perhaps this may be a relatively short window of opportunity.

Ian Marrow sets out the best way to deal with an option to tax application and, of course, these shouldn't be entered into lightly so to check if it is right for you, do contact him.

Farmhouses have often been the subject of articles in our briefings and this time is no different as Ian looks at what is acceptable to HMRC from a VAT point of view. But don't be fooled, this isn't necessarily the same as what is an acceptable proportion for business use, so do discuss private charges with our team.

In case you missed it, the government has made some changes to permitted development rights, so we have included brief details, which might be of interest.

As well as beavering away in the office, our team have been out and about enjoying meeting with many of you in less formal environments at agricultural events, including the Essex Young Farmers' Show, Essex School Food and Farming Day and farm walks. Of course, it's always good to take a walk/drive around clients' farms to help envisage the plans that you have.

Finally, we send this briefing by post and via email. If you would like to help us cut down on paper use, please do sign up to receive this electronically at rickardluckin.co.uk/subscribe.

Wishing you all a successful and safe harvest.

Caroline Peters

In this issue

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Taxation of environmental land management and ecosystem service markets – consultation and call for evidence

As part of the Budget Day publications, HMRC issued a consultation paper on the taxation of environmental land management and ecosystem service markets.

This consultation document addresses the uncertainties in the taxation of new Environmental Land Management Schemes (ELMS) as we move away from the EU's Common Agricultural Policy. By consulting with interested parties within the agricultural industry, HMRC hope to design future legislation that clearly establishes the tax treatment of the production and sale of ecosystem service units, and the impact of ELMS on the availability tax reliefs for Inheritance Tax, particularly in respect of agricultural property relief (APR).

The ecosystem service markets are designed to support higher private investment in the natural environment through such schemes as the mandatory biodiversity net gain requirements for development sites. However, as the demand for these schemes has increased so has concerns about the potentially adverse tax consequences for landowners in committing land to them, and this uncertainly is one of the largest obstacles to their take up. Committing land to woodland carbon, peatland carbon or biodiversity projects are often long-term decisions, from 30 to 125 years depending on the type of scheme, and not something that landowners want to commit to with any sense that there could be detrimental tax implications both for themselves and future generations.

Whilst there is some uncertainly around how income received for the credits generated by the schemes is treated, mainly revolving around whether it is income, being a return on the active management of the land, or a payment for a right over land, the largest anxiety is Inheritance Tax, and the possible loss of APR.

The most obvious concern is that APR is only available in respect of land occupied for the purposes of agriculture and habitat creation is not an agricultural use. However, there are currently a number of specified land habitat schemes, such as former set-aside land and establishment of salt-marshes, which allow APR even though the land covered by them is taken out of agricultural production for long periods of time, and one solution may be to broaden this list to include former agricultural land that is turned over ELMS projects.

HMRC recognise that the loss of APR is likely to be a significant barrier to the involvement of agricultural landowners and farmers in land use change under the ELMS, and do state within the document that "the objective is to ensure that land taken out of agricultural production permanently or for an extended period for this reason does not lose relief."

This is a subject that we will be watching with interest and updates will be reported in future articles.

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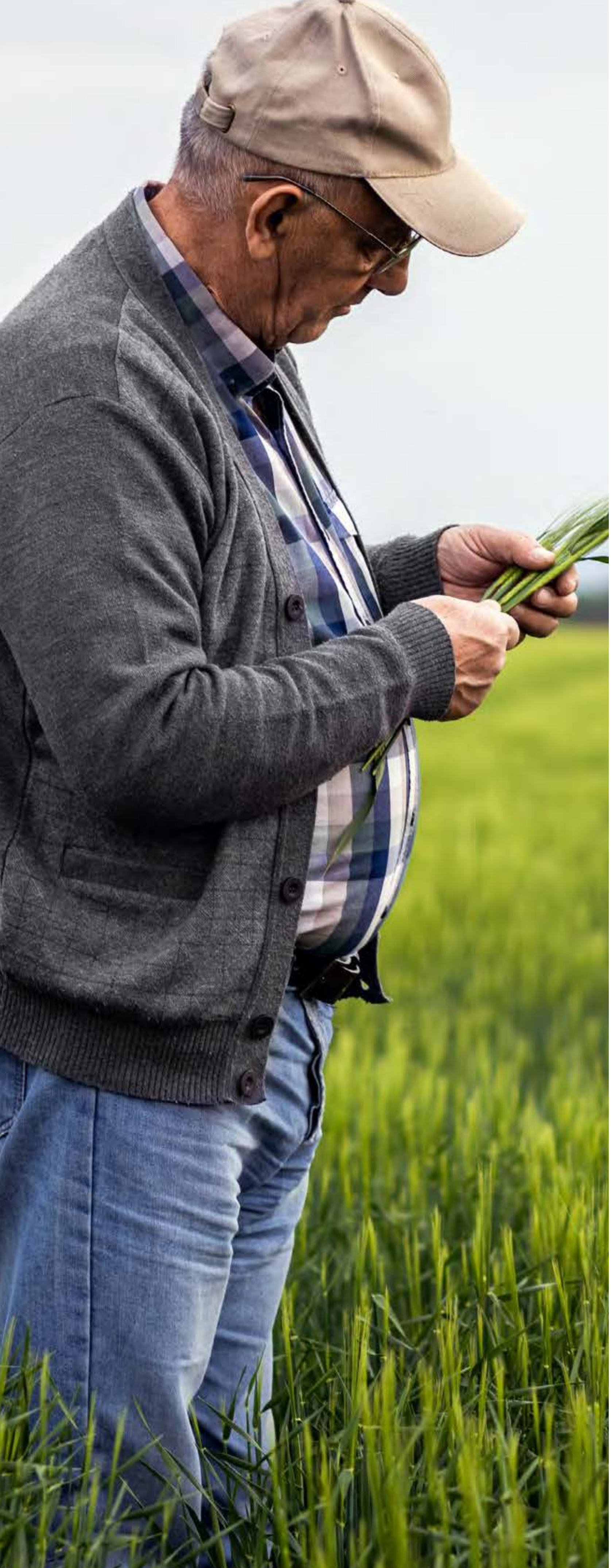

Scrapping the Pension Lifetime Allowance: the impact on farmers' pension contributions

In the March 2023 Budget, the Chancellor announced measures relating to pensions tax limits including a scrapping of the Pension Lifetime Allowance (LTA) from 6 April 2023.

The LTA was a cap (set at circa £1.07m per individual for the tax year 2022-23) on the amount of pension savings that could be accumulated tax free, and a tax charge arose on any excess funds when pension was taken. This tax charge was either 55%, if the excess was withdrawn as a lump sum, or 25% if the balance was left in the fund (but the remainder would then be subject to Income Tax at the recipient's marginal Income Tax rate when drawn).

Very broadly the LTA charge would apply at the age of 75 or on another "Benefits Crystallisation Event" (BCE), the definitions of which are outside the scope of this article.

Alongside the LTA announcement, there was also an increase in the pension annual allowance, the maximum amount that can be saved in a pension that qualifies for tax relief each year.

From 6 April 2023, this increased from £40,000 to £60,000, and the increase is coupled with a rise in the adjusted income level from £240,000 to £260,000 over which the allowance begins to taper away (reducing by £1 for every £2 of taxable income above that threshold, up to £360,000 of income where the minimum annual allowance of £10,000 applies).

How do these new rules affect farmers?

Generally speaking, most farming businesses are set up in the form of partnerships. As a result of this, like sole traders, partners are self-employed and as a result cannot make employer pension contributions for themselves.

Partners receive tax relief on their own pension contributions using the Relief at Source (RAS) system. Under the RAS rules, payments to a pension scheme are made net of 20% tax. For example, if an individual wanted £1,000 to go into their pension fund, they would need to pay £800 and HMRC would make up the difference of £200.

In addition to this, if an individual pays Income Tax at the higher or additional rates of tax, extra tax relief is given on these contributions by extending the basic and higher rate limits. Therefore, where a pension contribution is made, the original basic rate limit (£37,700 for 2023/24) is extended by the gross amount of the pension contribution. As a result, the net pension contribution is multiplied by 100/80. Equally, the higher rate limit (£125,140 for 2023/24) is also extended by the same amount.

Effectively, an individual will receive tax relief at the highest rate of Income Tax that they pay. For example, a basic rate taxpayer would receive an extra 20% tax relief. This means that every pound an individual pays into their pension, it becomes £1.25. In other words, receiving 20% tax relief is the equivalent of having a 25% boost to every contribution an individual makes into their pension.

It is important to note that an individual's annual pension contributions are limited to 100% of their Relevant UK Earnings (normally this would be the equivalent to an individual's share of partnership profits, this would not include other taxable income such as rental profits).

Over the last few years, factors such as the UK leaving the European Union and the subsequent economic downturn from Russia invading Ukraine, have caused farming profits to fluctuate greatly with increased crop prices creating profits in one year and rises in input costs and crop prices falling knocking the profits back down.

This will obviously impact a farming partner's Relevant UK Earnings for pension purposes and so the maximum amount of pension contributions an individual could make in a tax year. With this in mind, if a farming partnership is particularly profitable in a one accounting period, it may be worth making the maximum pension contributions available in that particular tax year to benefit from, at the very least, the increased annual allowance.

Furthermore, where farmers' averaging has been applied to an individual's taxable farming profits, the net relevant earnings for the averaged years will change. This will influence the amount of pension contributions a farming partner could make in a tax year. If pension contributions are an important factor for a respective individual, then this will be another factor to consider when deciding to make the averaging claim.

With the removal of the LTA along with the increase in the annual allowance from 6 April 2023, these new changes provide further scope for individuals to increase their annual pension contributions and receive extra relief on their taxable income.

Perhaps the most likely effect of removing the LTA will be the increased use of pensions as Inheritance Tax (IHT) protection vehicles (they are typically "written into trust" and thus outside of an individual's estate for IHT purposes, though if the person lives past 75 then the pension pot will suffer Income Tax when drawn by the beneficiaries). This benefit is arguably smaller for farmers given that a lot of their asset base is APR/BPR qualifying in a large majority of cases.

In any case, whether the favoured IHT status of pension funds would survive under a future Labour government must be open to question. Indeed, Labour are already on record as saying they would be reintroducing the LTA if voted into power. They have also said that they would bring back the lifetime allowance charge (and it's worth noting the tax-free lump sum still exists, except it is now £268,275 rather than a percentage of the lifetime allowance).

Although these measures were clearly aimed at NHS doctors, other taxpayers, including farmers, are now able to accrue pension pots of unlimited value and benefit from these changes.

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Contact us

If you have any questions about the above, or would like more information specific to your circumstances, please get in touch.

The importance of maintaining good cashflow

"Cash is King" when it comes to running a business and maintaining a good cashflow is vital if your business is to stay operational.

So what is cashflow...?

Cashflow is the movement of cash through a business from cash inflows: revenue sources, grant income, investment from the owners or cash received from bank loans and overdrafts less cash outflows: operational expenses, tax payments and loan repayments etc. A healthy cashflow is required to support the business with its day-to-day operations or help future investment within the business or by supporting new projects.

Cashflow is different to the profits of a business. Whereas the profits are the surplus after all expenses have been deducted from Revenue. It is an overall snap shot of the business over a period of time from which tax is deducted. In determining the profits there are often non-cash items included like depreciation and accrued expenses but as these are not cash based these would not be found in a cashflow statement. The profit belongs to the owners of the business whereas the cashflow is more about the business and how it is managed. Cash is important as if all the cash is all tied up in assets, stock or debtors then there may be little cash left to pay suppliers, repay loans or pay employees or service customers. If you are unable to maintain business relationships with any of the above and the relationships breakdown, the business could easily fail.

A cashflow can be prepared on a spreadsheet like excel or you can use specific software to help manage your cashflow. The cashflow will start with the opening cash balance, the movement in cash within the period and show the closing cash balance. The cashflow will summarise the actual cash in and out of a business as well as forecasting the estimated future cashflows for the forthcoming months. This can help manage the cash requirements of the business and can track trends over time.

If you find that you have a low or negative cashflow, this means the business is spending more money than it is earning. You will require cash to be input into the business to reduce this funding gap and overcome the shortfall in cash. You can reduce the impact of the reduced cash by rescheduling spending plans, concentrating on collecting cash, cutting back on investments and selling any unwanted assets. If the cash shortfall cannot be rectified from the above actions, cash must be found from elsewhere like loans/ overdrafts or from personal investment from the owners. Do remember that if loans are going to be used to bridge the shortfall in cash then the additional interest payments need to be included in the future cashflow for the forthcoming months.

Cashflow statements only form part of the tools that are available to help you manage your business. The cashflow statement should be part of your overall business plan, along with the budget. The budget should be prepared for a year ahead and is part of the planning process. The budget and cashflow statements can be used together to check possible future scenarios by stress testing the business to determine if the business can survive certain situations. For example: what happens to the businesses cashflow and profits if loan interest rates go up, fertiliser and energy prices increase or the loss of BPS? These all sound like current issues that are facing farmers each and every day and you need to ensure that the business can overcome these hurdles. By utilising tools you can highlight issues in advance of them happening so you have more time to mitigate the problems.

And finally all business need to consider paying tax either via the business or personally. Cash needs to be put aside to ensure these payments are made on time. Consider the current situation for arable farmers: The 2022 harvest generated sales at much higher crop sales prices. However these crops were grown with inputs that were purchased before the price increases. This has lead to higher profits and therefore higher tax liabilities for the 2022/23 tax year, which will not be covered by the payments on account that have been made previously. Therefore in January 2024 there is an expectation that there will be large balancing payments to be made as well as higher payments on account towards the 2024/25 tax year, which will contribute to a cash shortfall. This will be impacted further by the higher input costs and the additional profits being taxed through the change in the basis period. While farmer's averaging may help to smooth the profits, it may not completely resolve the issue.

If you do decide that it is time that you should be looking at preparing a cash flow, then please do get in touch with us.

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OTT Unit

HMRC (and previously HMC&E) have always treated the Option to Tax process and records as tidying the attic - a chore; always for another day.

It has now got to the point where the attic is threatening the whole structure so what's been their approach? Unfortunately, it seems to be a "seal and contain" mission without the acro props being put in.

From 1 February 2023, HMRC no longer respond to notifications of options to tax submitted to them. If the application is made by email you will get a generic response from the email address. If you make the application by post you will get nothing.

The unit has confirmed this policy applies to an option notified within the 30-day deadline. If the application is a belated notification, they will still issue an acknowledgment letter.

It seems that even if the applications seem incorrect (a recent issue where we are acting for the buyer) there will be no response from HMRC. So, when it comes to a transaction where an option was submitted to HMRC after 01/02/2023, make sure that the evidence retained enables any third party to agree that notification has been correctly made.

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Essex Schools Food and Farming Day

Members of the Rickard Luckin Agriculture Team recently attended the Essex Schools Food and Farming Day at Writtle University College.

"In my role as a steward I was responsible for guiding a class of year 4 pupils from North Primary in Colchester. It was a very enjoyable experience. The children were very enthusiastic, getting involved and asking lots of questions in all of the different zones – food, machinery, countryside and environment, crops and livestock. A particular highlight was the children's reaction upon learning the livestock tent would contain alpacas. Unfortunately I wasn't equipped to explain the difference between an alpaca and llama...

It was interesting to speak to the various exhibitors. A gentlemen from the British Deer Society outlined the increase in crop damage caused by deer, and the prospects presented by deer meat which is arguably more healthy than beef. Another livestock farmer warned of the seriousness of ongoing problems posed by avian flu and bovine tuberculosis. What's clear is there are a range of challenges being faced by the farming community and this will create plenty of opportunities for young people to embark on exciting and fulfilling careers in sector which is crucial to the UK economy."

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Basis period reform and averaging

We have mentioned in previous articles that basis period reform will change when the trading profits of unincorporated businesses are subject to Income Tax. This article explores how these changes will interact with farmers averaging rules.

The basis period changes

As a quick summary, under the current basis period rules (the 'current year basis') businesses are generally taxed on their profits arising in the accounting year ending in the tax year. From April 2024 this will be replaced with a 'tax year basis' under which businesses will be subject to tax on their profits arising in the tax year, regardless of their accounting period end.

The 2023/24 tax year is a transitional year. In this transitional year, the basis period will be made up of two different elements:

- a 'standard period' being the normal basis period (i.e. the 12 months following the end of the basis period for 2022/23); and
- a 'transition period' running from the end of the 'standard period' to 5 April 2024 (or 31 March 2024 if accounts are drawn up to that date).

This means businesses with an account year end other than 5 April (or 31 March by concession) will be taxed on profits arising in a long period of account for the 2023/24 tax year. To offset this, businesses can deduct any overlap relief they may have from the transition period profits, and any remaining transition period profits can then be spread over a period of up to five tax years.

Interaction with the averaging rules

One area of uncertainty arising from this change was how the new rules would interact with the averaging rules for farmers. What profits for 2023/24 and subsequent tax years, known as 'relevant profits' under the averaging rules, would be available for averaging?

The answer is that the 'relevant profits' are the profits in the 'standard period' of the year, with no account taken of profits in the transition period of the year.

This is best illustrated by way of an example:

Farmer has been trading for many years, has a year end of 30 September, and has overlap profits brought forward of £5,000. His taxable profits are as follows:

- 30 September 2022 - £10,000
- 30 September 2023 - £20,000
- 30 September 2024 - £40,000
- 30 September 2025 - £15,000

2022/23

He will be taxed on the profit for the year ended 30 September 2022 - £10,000.

2023/24

The transition year. He will be assessed on the profit of the standard period plus his transition period profit. Taxable profit for the standard period is the £20,000 profit for the year ending 30 September 2023. The transition period is 1 October 2023 to 5 April 2024, which is six months of the year ending 30 September 2024. Therefore the transition period profit is £40,000 x 6/12 = £20,000. From this, overlap relief of £5,000 is deducted, leaving £15,000 transition period profit which can be spread over five years = £3,000 per year. Taxable profits for the year are therefore £23,000.

However, for the purposes of averaging, the transition period profit of £3,000 is ignored. Only the profit for the standard period of £20,000 is relevant profit.

This can be averaged with the 2022/23 tax year as its profit of £10,000 is less than 75% of £20,000.

If averaging is beneficial then the relevant profits for 2022/23 and 2023/24 are averaged to make assessable profits for each year of £15,000 but remember that the transition period profit of £3,000 will need to be added to the average taxable profits for the 2023/24 tax year.

2024/25

Under the new rules, profits for businesses with non-5 April year ends are calculated by apportionment, so profits for 2024/25 will be six months of the year ending 30 September 2024 and six months of the year ending 30 September 2025, in this instance £20,000 plus £7,500 = £27,500. Added to this is £3,000 transition profit spreading, making taxable profit for the year of £30,500.

However, for the purposes of averaging, the transition profit is ignored so the 2024/25 relevant profits for the purpose of averaging are just £27,500.

Losses

One important point to note is that where there is a loss in the transition period this is not ignored for the purpose of averaging. It is deducted from the profit arising in the standard period when calculating the taxable profit for the year and the relevant profits for averaging purposes.

If in the example above, there is a loss of £12,000 in the year ending 30 September 2024 rather than a profit of £40,000, the 2023/24 tax year position would be as follows:

Taxable profits for the standard period are the £20,000 profits for the year ending 30 September 2023. The transition period is 1 October 2023 to 5 April 2024, which is six months of the year ended 30 September 2024, i.e. (£12,000) x 6/12 = (£6,000) loss. From this, overlap relief of £5,000 is deducted, increasing the transition period loss to £11,000. This is offset against the standard period profit of £20,000 leaving taxable profits for the year of £9,000, which are also the relevant profits for the year for averaging purposes.

A greater understanding of the position together with some effective forecasting can help you plan for the coming years and maximise your ability to benefit from the various reliefs available to you. We would be pleased to help you with this.

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What is Full Expensing and when should you claim it?

Most farming businesses are structured as partnerships but those that are companies may be able to claim a new capital allowance tax relief, known as 'Full Expensing'.

Full Expensing has been brought in to effectively replace the super-deduction which ended in March 2023. Both allowances effectively give the same rate of relief.

The key points can be summarised as follows:

- Full Expensing is a new capital allowance which enables companies to claim 100% Corporation Tax relief in the year of expenditure on new qualifying 'plant and machinery'.
- Also issued alongside Full Expensing is a new 50% First Year Allowance for 'special rate' expenditure.
- The new allowances can be claimed on qualifying expenditure incurred between 1 April 2023 and 31 March 2026.
- The types of assets that qualify for Full Expensing relief include: plant and machinery (such as faming equipment); computer equipment; commercial vehicles such as lorries and tractors (but not cars); office equipment such as chairs and desks.
- The new 50% First Year Allowance applies to special rate assets, such as integral features. These include hot and cold water systems, electrical systems and ventilation systems.
- Several categories of assets are excluded from the new allowances, such as: assets that are 'used' or 'second hand: assets the business itself will not be using in its trade but which it will be leasing out (whether within the group or otherwise); assets acquired from another group company or a 'connected person.'
- If the asset is sold, part or all of the relief is clawed back.
- Alongside Full Expensing we continue to have the Annual Investment Allowance (AIA) which provides for 100% relief for expenditure on a wider scope of qualifying plant, but the main disadvantage is that an expenditure threshold of £1m pa applies, whereas there is no limit with Full Expensing relief.
- It is not possible to claim the new allowance and the AIA on the same expenditure. However it is possible to claim AIA on part of the expenditure and the allowance on the remainder.
- Companies with a year- end straddling 31 March 2023 may make a tax saving by deferring qualifying expenditure to the next accounting period, due to changes in the corporation tax rates.
- The new allowances are likely to either increase a company's deferred tax liability or reduce its deferred tax asset shown in its financial statements.
- Companies only have two years from the end of the accounting period to make a capital allowances claim, or an adjustment to a previous claim.

A key point for farming companies will be the prioritisation of allowances claims. Generally, it is likely to be beneficial for the AIA to be claimed as a priority because it gives 100% relief rather than 50% relief (in the case of special rate expenditure) and because it doesn't have the same clawback complications when the assets are sold on. Therefore, realistically, it is only farming companies regularly spending more than the AIA threshold of £1m per annum on plant and machinery that are likely to benefit from this new relief.

If you would like to know more about Full Expensing and how it could benefit your company, please get in touch.

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Farmhouse VAT

A common issue when an asset is used for both business and non-business purposes is to what extent is VAT incurred on that asset reclaimable (if at all)?

This is because the general principle is that VAT can be reclaimed where it had been incurred by the VAT registered business in making (taxable) business supplies.

Many years ago, when HMRC (or HMC&E as it was then) used to engage with the taxpayers or their sector representatives, an agreement was struck between them and the NFU. Like most terms and conditions these days the details are not often considered before a claim is made, but to prevent HMRC looking to reject claims and possibly impose penalties the details need to be understood.

The internal guidance is quite generous in its views, setting out that where there is a dominant business use the VAT recovery rate can be as high as 70%, for repair and maintenance costs, but there are, of course conditions attached.

1. The property must be a "typical working farmhouse" (which isn't then defined),
2. The business is involved in full time farming activity, and
3. The works are repairs or maintenance in nature

Where the conditions are not met, HMRC would expect VAT recoveries to be much lower (10% to 40%), or possibly no reclaim at all.

The outcomes can be vastly different (both in a good or a bad way) if the occupants of the property are employees of the business; or directors (or connected persons of the directors) of a company.

Although HMRC's internal guidance sets out that each case must be judged on its merits it does indicate what recovery rates could be expected.

For example, where the business is not full time farming HMRC would expect recoveries to be in the region of 10% to 30%. This poses the question of whether HMRC would look to impose this where the farming business has diversified to the point that it's not seen as being a full-time farming business?

Where the works are for the alteration or improvement of existing facilities then they do not expect a recovery rate more than 40%, compared to the 70% recovery repair and maintenance. This shows that the dividing line between "alteration or improvement" and "repair and maintenance" should be carefully drawn.

If the works are significant enough (over £250,000) they can mean that the farmhouse can become a capital good under the Capital Goods Scheme. Anyone intending to spend this amount should contact us for advice.

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Changes to permitted development rights supporting the use of land for temporary recreational campsites

In recognition of a renewed demand for domestic holidays, the UK government has proposed amendments to the permitted development rights for temporary recreational campsites. The amendments follow a consultation launched earlier this year.

Permitted development rights previously set the temporary use of land for camping at an allowance of 28 days in any calendar year (this was extended to 56 days during the pandemic).

Effective from 26 July 2023, the existing 28-day timeframe will be replaced by a new permitted development right that allows the use of any land as a recreational campsite for 60 days per calendar year, for no more than 50 tents, motorhomes or campervans. Moveable structures related to the campsite use, such as portable toilets, are also allowed.

Under the new amendment, land owners must notify the Local Planning Authority before operating as a temporary recreational campsite, also identifying the exact locations of the required on-site toilet and waste disposal facilities.

The existing 28-day right to camping will be removed from July 2024, though land can still be used for the temporary placing of tents, motorhomes and campervans for up to 28 days if they are associated with a festival.

Some exceptions apply. The new permitted development right does not extend to land on which there are scheduled monuments, safety hazard and military explosive areas, designated Sites of Specific Scientific Interest or listed buildings, unless full planning permission is granted. Sites located within certain flood zones must also apply to the Local Authority for prior approval before opening.

Additionally, the new permitted development right does not apply to the placing of standard touring caravans, in order to minimise potential impact on the land and highways.

These amendments are good news for land owners looking to diversify. Rickard Luckin can assist with associated VAT and other tax-related implications, as well as preparing a brief business plan and/or cash flow forecast, to help you know what income and expenditure to expect as well as ensuring you are treating this correctly in your accounts and for tax purposes.

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Amendments to the permitted development right for the use of land and buildings in film-making

Launched between March and April this year, a UK government consultation sought views on proposed changes to the permitted development right allowing the temporary use of land and buildings for film-making purposes.

It was felt that the existing permitted development right, introduced in 2015 as part of the Town and Country Planning Order, should be amended in accordance with the UK's rapid production growth in recent years. In 2021 film and high-end television reached a record of £5.64bn in production expenditure, partly due to the ongoing popularity of home-grown TV shows like Game of Thrones and Peaky Blinders.

All three amendments put forward in the consultation have been included in the government's proposal, and are summarised as follows:

- Previously, land and buildings could be used for temporary film-making purposes during nine months in any 27-month period. This has now been increased to 12 months.
- Temporary structures, works, plant or machinery can now reach a height of 20m (from 15m).
- Up to three hectares of land may now be used for temporary film-making purposes, replacing the previous allowance of 1.5 hectares.

The government's original consultation also included proposed amendments to the permitted development rights in support of temporary recreational campsites and solar panels. Over 1,000 replies were received and a full response covering all of the proposed amendments is expected soon.

These amendments represent a welcome boost to the rural economy, and are good news for land owners looking to diversify. Clearly there will be VAT and other tax-related implications, which must be checked to ensure full compliance with the relevant legislation.

To help prepare for diversification, Rickard Luckin can provide advice and assistance on all tax-related issues, as well as preparing a brief business plan and assisting with using existing accounting systems for recording purposes.

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Essex Young Farmers Show: A celebration of rural life

The Essex Young Farmers Show, a highlight in the agricultural calendar, returned to Boyton Hall, Roxwell, on 21 May 2023.

With an impressive attendance of over 16,000 visitors, this hugely popular agricultural event brought together farmers, enthusiasts, and families from across the region for a memorable celebration of rural life.

Once again, our specialist Agriculture Team was out in force as one of the Show's sponsors. Our marquee welcomed visitors who stopped by to chat and enjoy plenty of refreshments in the sun, including bacon rolls, a selection of sandwiches, cakes and Pimm's.

There was no shortage of entertainment on offer, with some brilliant displays in the main ring. At the start of the day, 35 vintage tractors chugged around the arena. Visitors also had an introduction to 'farming through the year,' where shiny, new tractors and machines were paraded, giving an insight into the process of running an arable farm throughout the year.

Guests watched in awe at the Flyin' Ryan Motorcycle Stunt Show and Ben Atkinson Action Horses and cheered loudly during the ever-popular lawn mower racing.

Over at the Livestock ring, locals could see the best cattle, pigs and sheep compete for the title of 'Overall Champion'. There were also plenty of opportunities to shop at over 100 trade stands, as well rural crafts and food stalls.

Alongside this, a selection of fairground rides and the popular tug-of-war competition ensured that there really was something for everyone.

Caroline Peters , Head of our Agriculture Team, commented: "The Essex Young Farmers Show is a staple event in the farming calendar, and we are incredibly proud to be a part of it. Congratulations to the event organisers on another brilliant show, and we look forward to seeing everyone again next year."

Essex Young Farmers is one of the largest rural youth organisations in the UK and has supported young people from 16-28 with an interest in agriculture since 1943. The group has been running the Essex Young Farmers Show for over 30 years, organised and run by an elected committee of members.

As a long-established and dedicated supporter of the agricultural community, we are proud to continue our support of the Show and other high-profile farming events..

To find out more, please contact Caroline Peters, who leads our specialist Agriculture Team.

ESSEX YOUNG FARMERS Show

Meet the Agriculture Team

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