Iris Johnston – Written Evidence (DFI0149)

I urge you to take a stand against proposed to Agricultural Property Relief (APR). These changes threaten the future of family farming across the UK. Like most farmers, my husband's take home drawings are very modest, as most of the assets are land, machinery and livestock. Under the proposed changes our sons will face huge bills just to inherit the business he has spent his lifetime building. They would have to spend the rest of their lives working very long hours mainly to pay tax.

THIS FARM STORY

68 years ago my husband began helping his father with a few cattle on his small farm in Co. Londonderry in Northern Ireland. He chose a farming career and they increased productivity. A few years later his brother joined the business. With bank loans they bought 2 adjoining parcels of land from elderly bachelor neighbours. More cattle and suitable livestock housing soon followed and a milking parlour was installed. Over the years they steadily acquired more local land, machinery and cattle to build up a dairy herd, generating income for my husband and his brother who were by then both married with children.

Our 2 sons joined the farm business between 20 and 30 years ago, enabling further expansion as they purchased more land from older farmers who had no young people to join their farms.

The sky high price of land in NI means that returns on the cost are often minuscule, yet particularly vulnerable regarding the proposed tax due to being so expensive. Additional land has been rented. Appropriate buildings including a larger modern milking parlour were erected. Livestock numbers and machinery have been substantially increased, and yards concreted. Free range hens were introduced to provide enough work and income for all involved. As well as the 4 family business partners, there are now 3 full-time employees, all working long hours, sometimes up to 80 hours per week, outdoors in all weather conditions. All are paying substantial amounts of income tax. Other family members help as required to provide animal welfare 365 days per year. Teenage grandchildren also help and would like to become farmers. My husband, now 83, is the eldest of the team, and even with health issues, is still doing routine light work and advising the younger people so they benefit from his years of experience. The land acquired in the early years is still in the names of my husband and his brother. Farms in N Ireland are almost all owned rather than tenancies as in other parts of the UK. Consequently, more modern farm livestock housing could be built, and concrete yards laid, hence these assets on NI farms have a greater value than the older buildings on some farms in other areas of the UK.

When the older farm owners here pass on the proposed I H T terms would mean:

1. Hard earned assets, mainly land, would have to be sold.

2. Livestock would have to be reduced, leaving sheds half full or empty.

3. Machinery would be 50 per cent or less utilised.

4. Employees could not be afforded, and would have to be paid redundancy.

5. Less turnover means less trading profit, so less tax to the government.

6. The redundant employees would be claiming benefits rather than paying tax, as they have no other skills.

7. With no employees, our sons would never get a day off, or a holiday.

8. 365 days a year is too much for anyone, resulting in burnout, stress, and poor mental health. No government workers nor anyone else has to work every day.

9. The business could soon become unviable, as any profit would have to go to IHT.

10. The grandchildren would turn to other careers.

11. In future years our sons, now in their 40's would have no helpers.

12. They will be left with a modern farmyard of sheds and machinery less than half utilised. Concrete yards cannot be lifted and sold, yet they are named as IHT taxable assets. Milking parlour buildings and equipment have no other use. Crops in the fields have also been named as IHT taxable assets, but without enough farm helpers these could be lost if not harvested before or during severe weather storms.

13. Overheads, including payments on vehicles, tractors, machinery, maintenance and depreciation on machinery would still apply, as well as phones, bank interest and accountancy fees. Insurance for buildings, livestock, machinery and public liability, annual electrical inspection costs and many other expenses would still have to be paid even though they are operating at less than half capacity as there are no helpers.

14. All the above realistic possibilities would be soul-destroying to all present and future generations on this farm, and many others, if the proposed IHT terms are implemented.

15. It is a pure disgrace that the government is preparing to treat long-term successful businesses such as this one in this way. If farmers are forced to sell

land there will soon be a scarcity of good quality locally produced food. NO FARMERS-NO FOOD-NO FUTURE. This situation would then require food which is allowed to be produced to much less quality standards to be imported to UK, probably creating health issues, and with resultant pollution from transport.

It is not only livestock farmers who will be affected. Those who grow cereals, vegetables and potatoes will also be impacted. This farm consists of hard-working people who, with all other similar NI farmers, help produce nearly 20 percent of the food for the UK, and care for the environment. The efforts of farmers should be respected, so that farms can be passed on to the next generation. Farmers need your support in Parliament.

PLEASE PUSH FOR A FAIRER SOLUTION THAT PROTECTS GENUINE FAMILY FARMS.

Farms also support many other businesses including machinery, tyre and fuel companies and feeding meal suppliers, as well as building supply firms, plumbing, electrical, hardware, protective clothing and many others.The Department of Agriculture Environment and Rural Affairs in NI estimates that one third of farms and 75 per cent of dairy farms here will be impacted.

If implemented, it will drive farmers to the brink of despair. The demand for mental health services is rapidly increasing, while elderly and vulnerable farmers are distraught at the thought of seeing years of toil and devotion to build a sustainable business under threat and at risk of being carved up and being sold off to pay tax liabilities.

They have worked for decades under the proviso that on their death the farm will pass on to the next generation. It is grossly unfair to punish farmers for passing their land and assets to the next generation.

I read on the farming newspaper that some elderly farmers are forced to feel that they are a burden to their families and are having drastic thoughts. The proposed tax must be scrapped. During a meeting in Scotland recently President Trump explained that American ended its estate tax to save family farms and safeguard the transfer of agricultural property. He said, “There is an important clause in our legislation, because we were losing a lot of farmers to the banks. Farmers borrowed money to pay the death duties, but couldn’t honour the debt. Now when parents leave a farm to the kids, they don’t have to worry about their local banker stealing the farm”.

Thank you for reading this letter, and I trust you will speak up in Parliament to help save farmers from the proposed DEATH TAX.

Yours sincerely,

I Johnston.

Wife and mother of hard-working farmers.

7 October 2025