

12 December 2024



LIMOUSIN

By email: to all Members of Parliament

www.limousin.co.uk

Dear Sir, Madam

We, the British Limousin Cattle Society representing 2300 farming members across England, Wales, Scotland and Northern Ireland are hugely concerned that the announcements in the recent budget to limit Agricultural Property Relief and Business Property Relief to £1 million on top of National Insurance increases, minimum wage increases and double cab pick-up tax will be the death knell for British agriculture along with many other associated small family businesses, and the rural fabric of this great nation.

Agriculture in Britain is largely driven by family farms which are carried by succession from one generation to the next. They are the lifeblood of rural areas, producing the very food that we all need daily. The vast majority do this for very little reward with any spare cash being reinvested in the business, thus putting money in the pockets of other local businesses. By their nature farming businesses are asset-rich and cash-poor; land, stock and machinery are all necessary for the continuation of that business. The £1 million starting point for paying inheritance tax is ridiculously low given that the average price for farmland sold in England today is £11000 per acre. This allowance will make many farms unviable since - in the absence of liquid assets - land, stock and machinery are sold to settle the tax bill. Paying debts off over ten years will remove any money for reinvestment. Their businesses will slowly die.

Agricultural property relief was originally introduced by the Labour Government in 1976 which had the foresight to see the importance of the sector to provide cheap food for the population and food security for the nation. These principals are still very valid in today's uncertain world.

We urge all Members of Parliament to see the damage this budget will cause if allowed to proceed and ask you to use all your power and votes to stop it before small family farms are sold off or made unviable by these unaffordable tax bills.

Yours faithfully

British Limousin Cattle Society

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