# Farmers in County Londonderry warn Labour’s new inheritance tax will jeopardise family farm futures



Farmer duo Jordan and Roberta Armstrong have voiced their concerns regarding impending changes to inheritance tax legislation that they believe could significantly impact their family-run dairy farm in County Londonderry. This comes in light of Labour's announcement to implement a 20% inheritance tax on farms valued at over £1 million, set to take effect from April next year.

Jordan, 29, claims he earned the equivalent of less than £3 an hour last year while working on the farm, which he now expects to face a substantial tax bill of around £200,000. This financial burden threatens to undermine not only the future growth of the farm but also the legacy of his late father, who passed away from cancer three years ago at the age of 58. Speaking to the Express, Jordan remarked, “A tax burden of this magnitude would ruin any prospects for growth or reinvestment during the 10-year period of payback that the Chancellor is proposing.” He added that the situation could force them to consider selling parts of the farm, a scenario he describes as “unthinkable."

The sentiment of distress is echoed by Roberta, 61, who assists her son in managing paperwork and operations on the farm. She remarked on the emotional toll of the policy, stating, “It’s a terrible situation. It’s the personal sacrifices that farmers make to see their farm grow and prosper, and for it to be whipped away like that it’s very distressing.” Roberta expressed a profound sense of responsibility, saying, “I would feel as if I’ve let my husband down. I would feel as if I had failed somehow if we had to undo some of the good work he had done.”

The changes to inheritance tax particularly affect farmers in Northern Ireland, with an analysis from the Northern Ireland Rural Valuers Association and the Central Association of Agricultural Valuers indicating that between 40% to 85% of farms could be impacted. William Irvine, president of the Ulster Farmers Union, commented on the potential implications for agricultural stability in the region. He noted, "The net effect of this over a generation will be devastating for agriculture," emphasising Northern Ireland’s contribution to the UK's food supply.

Moreover, the inheritance tax policy has drawn criticism for its perceived lack of support for farming families, especially when the threshold for couples transferring their farms is set at £3 million, including additional reliefs. Many farmers have raised concerns that the existing rule requiring a seven-year survivorship post-transfer does not adequately address their needs.

In light of these developments, the Armstrongs have urged Labour's Shadow Chancellor, Rachel Reeves, to reconsider the new tax measures, emphasising the emotional and financial difficulties they could impose on family legacy farms.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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