# Steve Reed faces farmers' ire at NFU conference amid inheritance tax concerns



Environment Secretary Steve Reed is set to face a challenging atmosphere at the National Farmers’ Union (NFU) conference, where he will address a deeply dissatisfied audience of farmers. The conference, held today, marks a pivotal moment as Reed attempts to reassure the agricultural community amid rising tensions over the government's recent changes to inheritance tax breaks specifically affecting farmers.

Farmers are expressing their discontent due to the government’s new inheritance tax regime, which has sparked fears for the future viability of many family-owned farms. Reed is expected to discuss policy measures he believes will support British farmers, including a five-year extension of the seasonal farm workers’ scheme. However, these measures may not be sufficient to quell years of frustration regarding the inheritance tax changes, which many in the farming community feel threaten their ability to pass on family farms to the next generation.

The recent budget update introduced significant alterations to inheritance tax relief for agricultural property, limiting the previous 100% relief to a cap of £1 million. As a result, properties exceeding this value could be taxed at a reduced rate of 20%, half of the standard inheritance tax rate, but a substantial increase nonetheless. Defending the changes, government representatives claim that only around 500 estates annually would be impacted by this adjustment. However, the NFU vehemently contests this figure, suggesting the true number could be as high as 75,000 farmers affected, with projections showing this could rise to nearly 90,000 within a decade.

In speaking with Helena Horton, an environment reporter from The Guardian, the intense emotional weight of the inheritance tax issue was spotlighted. Horton noted that for many farmers, these tax breaks represent not just financial relief but the very continuation of their heritage and livelihood. "It's an incredibly emotional subject for them," she stated, emphasising the existential threat that the loss of these tax breaks poses to farmers’ futures, with many fearing they would be forced to sell their land.

In light of these tensions, Reed is expected to face vocal criticism during his speech today, a scenario reminiscent of a previous encounter with the farming community, where former environment secretary Thérèse Coffey was similarly met with hostility over unrelated agricultural issues. Reed's attempts to engage with farmers may be dwarfed by their tangible concerns regarding the ongoing threat of the new tax regime.

Horton elaborated on the practical implications of the government’s stance, highlighting that many farms operate with modest incomes, often between £30,000 and £50,000 per year. This financial dynamic complicates the perception of farmers as wealthy landowners, as the valuation of their assets does not necessarily equate to liquidity or sustainable profit margins. Such financial strain is compounded by pressures from retailers pushing for lower prices, which leaves farmers feeling increasingly vulnerable.

Today’s conference serves as a platform for Reed to articulate additional government initiatives aimed at supporting farmers, including strategies to enhance local food procurement and improvements in farming sustainability. Nonetheless, these initiatives may fall short of addressing the broader implications of the inheritance tax overhaul, which has sparked considerable debate within both the political sphere and the agricultural community.

Amid the heated discussion surrounding these tax changes, expert commentators have suggested alternative policy routes that could ease the burden on family farms without sacrificing government revenue. Proposals such as a clawback mechanism—wherein full tax exemptions are maintained unless farms are sold within a defined period—have been floated as a potential compromise.

In summary, Reeds's speech at the NFU conference will mark a critical juncture in the relationship between the UK government and the farming sector, as the ongoing legacy of inheritane tax reform looms large over discussions of agricultural policy and farmer welfare. With tensions bubbling just below the surface, the outcome of this gathering could have far-reaching implications for the future of farming in the UK.

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

## References

* <https://www.independent.co.uk/climate-change/news/steve-reed-government-farming-london-nfu-b2703948.html> - This article discusses the NFU conference where Environment Secretary Steve Reed will address farmers amid tensions over inheritance tax changes. It highlights the NFU's criticism of the government's policies and their impact on family farms.
* <https://www.farmersguardian.com/news/4409967/nfu-conference-2025-government-reset-relationship-farming> - This article emphasizes the need for the government to reset its relationship with farmers, as discussed at the NFU conference. It touches on the discontent among farmers due to recent policy changes.
* <https://www.fginsight.com/news/4409969/nfu-conference-defra-secretary-address-delegates-following-treasury-tax-snub> - This piece reports on Defra Secretary Steve Reed's address at the NFU conference, following the Treasury's decision on inheritance tax, which has been met with resistance from farmers.
* <https://www.fwi.co.uk/news/farm-policy/steve-reed-to-reveal-50-public-procurement-targets-for-food> - This article mentions Steve Reed's announcement at the NFU conference regarding public procurement targets for food, part of the government's efforts to support British farmers.
* <https://www.yorkshirepost.co.uk/country-and-farming/steve-reed-to-make-major-farming-announcement-at-nfu-conference-5005465> - This article previews Steve Reed's major announcements at the NFU conference, aimed at improving relations with farmers amid ongoing tensions over tax policies.