



Farms owned for generations risk being sold or broken up under Labour's proposed inheritance tax, industry experts warn

• Shadow chancellor Rachael Reeves could axe exemptions on agriculture

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Farms that have been in families for generations risk being broken up or sold off because of Labour's inheritance tax raid, industry experts warn.

Shadow chancellor **Rachel Reeves** is reportedly planning to axe exemptions in the regulations that apply to agriculture, as well as to family firms across other industry sectors.

Labour hopes to make estates that are worth billions of pounds subject to death duties under its proposals.



'I caught a bike thief. The police did nothing until they told me off'

But the move has been condemned by farming industry leaders and representatives of the business community.

Julie Butler, from the Royal Agricultural Society of England, said: 'It would affect a very large number of farmers and would devastate the whole farming industry which is pretty much on its knees financially.'



Farms that have been in families for generations risk being broken up or sold off because of Labour's inheritance tax raid (stock image)

She said the agricultural exemption was 'fundamental to being able to pass farming business down the generations'.

The plans could also threaten any hopes of Britain being more self-reliant in food.

Neil Shand, of the National Beef Association, said: 'Everything that connects to the rural community is critically important when it comes to food production, food security and self-sufficiency. We need to make sure that family farms which have been family farms for generations remain family farms.'

Labour's proposals relate to the agricultural property relief, which allows farms and businesses to be passed down

Fee payers are not snobs, insists Palin

Attending private school does not make you a snob, Michael Palin has insisted.

The Monty Python star said he was lucky to have had 'great opportunities' at Shrewsbury School.

Palin, 80, revealed he later found his mother was selling jewellery to pay the fees, now £14,660 a term.

He told the Headliners podcast: 'Probably the main misconception is that it turns everybody into snobs and people feel that they are better off than the rest of the world.'

without the 40 per cent inheritance tax charge applying.

Inheritance tax applies if an estate is worth over £325,000.

The exemption benefited 1,300 farm estates worth £1billion and cost the Treasury £400million in 2020/21.

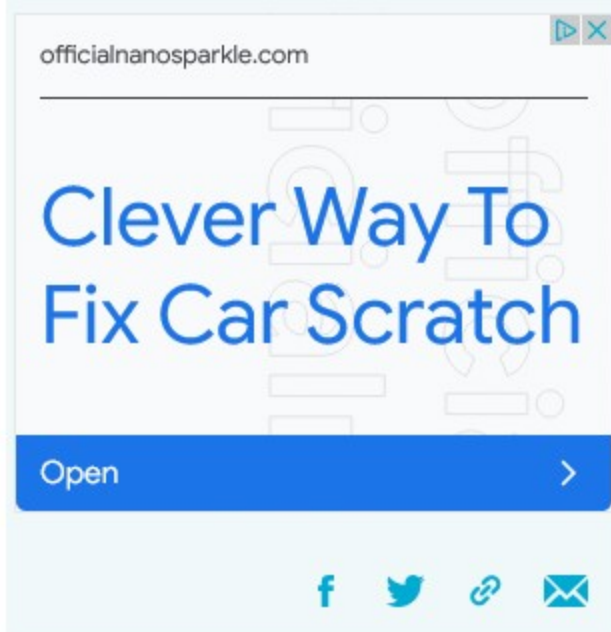
Labour is also said to be eyeing business property relief, which was applied to 3,380 estates with a value of £3.2billion in the same year.

In addition, the party is looking to scrap or reduce business asset disposal relief. This reduces capital gains tax payable on the sales of certain business assets or shares.

Former pensions minister Ros Altmann said: 'Families work hard to build up their businesses often in the hope of their children following in their footsteps. Taxing the hard work of a business owner seems so unfair and could be the death knell of many wonderful, small family businesses.'

'That's a misconception. At Shrewsbury, alright people had a certain amount of money, but people were from all sorts of backgrounds.

'We were given great opportunities, we had wonderful playing fields, we also had two or three masters who were terribly important to me in the future of my career.'



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Shadow chancellor Rachel Reeves (pictured) is reportedly planning to axe exemptions in the regulations that apply to agriculture
