

Securing your income for 2017

Claiming your entitlements accurately and in good time is more important than ever

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Table 1 shows us just how important direct payments were to the Irish farming community in 2015 (the most recent year for which we have data). The figures for 2016 will not be much different. We are in an era of volatile and depressed prices, with global politics and weather having a significant impact on farmgate prices. It is crucial that you get all monetary supports due to you.

As we go to print, the 2017 Basic Payment Scheme (BPS) application process is due to open early to mid-March. The 2017 application forms (where online is not mandatory) and information packs are due to issue at the same time. Why not make a phone call to your advisor telling him of your plans for this year and schedule an appointment.

The Department of Agriculture, Food and the Marine has added extra functionality to the online process this year. This is part of building the system to handle all applications and it will be mandatory to apply online for everyone by 2018.

The online system this year incorporates a transfer of entitlements section to cater for those with changes to their herd number or farming structure. Note: if there is any change to a herd number, a transfer of enti-

tlements must be submitted.

Last year, a revised penalty system was introduced. This was not agreed until after the closing date. These changes were communicated to all applicants during the autumn of 2016. This will continue and only applies to online applications. This allowed some checks (dual claims and other small errors) to take place immediately after the closing date and gave the applicant the facility to respond without a penalty.

This will continue, but will only apply to online applications. This is another advantage of the online system and it prevented almost 2,000 penalties in 2016.

The 2017 application

The BPS is an application that must be made if you wish to qualify for other schemes, for example GLAS, BDGP, and Organics, etc.

The BPS application process encompasses:

- Basic Payment Scheme.
- Greening Payment.
- Continuation of the Young Farmers' Scheme if you were an applicant in 2015 or 2016.
- Aid for Protein Crops (peas, beans, lupins).
- Areas of Natural Constraint.

Making changes to the herd/crop/flock identifier

Every year, a significant number of farmers make changes to the herd/crop/flock number for one reason or



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Table 1: Value of direct payments and contribution to income in 2015

Sector	Direct payments	Contribution to income (%)
Dairy	20,039	32
Cattle rearing	13,148	104
Cattle other	15,851	97
Sheep	17,609	109
Tillage	24,385	71
All	17,168	65



another. For example, a herd number in a single name was joined with a child to avail of the National Reserve and/or the Young Farmers Scheme. Registered farm partnerships and farming companies are other examples. If you are planning to make changes to the herd identifier number, it must be completed in good time to allow the District Veterinary Office (DVO) to process the application.

Making changes to the identifier can result in late or slow processing of the BPS application, as there are extra steps involved in this processing.

Please note:

- If a change must be made, it should be completed by 15 March to allow the DVO adequate processing time.
- The date the application is received becomes the date of change. When making a change to the identifier, include a copy of the application and a stamped addressed envelope and request the copy be returned 'stamped received'. This should be given to your advisor to upload with the BPS applications.
- If no correspondence is received by you from the DVO by the time of your BPS appointment, you must inform your advisor of this fact, as a new blank BPS application (paper or online) must be completed instead of the pre-populated one.
- The partnership registration office will not accept applications between 31 March and 1 June this year. This is to help make the BPS application process more efficient.

If you are planning to make changes to your farm, be sure to consult with your Teagasc advisor early so that all the relevant application forms and tasks can be lined up and completed timely.

National Reserve (NR)

In 2015, there was just under €25m available for distribution to successful applicants. This was funded by a once-off cut to the national BPS fund. From now forward, this fund will be

significantly less, I would expect, as it is replenished from unused funds from the previous year (2015), unused entitlements and claw-backs.

All entitlements were used up in 2015, so there are none available from that source. From speaking to advisors, few farmers seem interested in selling entitlements due to the 50% claw-back on sales. So this is unlikely to yield a large pot for the NR.

In 2015, the NR granted BPS entitlements to successful applicants worth just over €180. On top of this, all of the applicants also were paid Greening, which was worth a further 44% (€77). Some of these applicants also qualified for the Young Farmer Scheme (~€65).

The opening of a National Reserve was recently announced. The rules are expected to be similar to the 2015 Scheme. The NR will have 2 categories:

- Young farmers.
- New entrants.

The Young Farmers Scheme (YFS)

This scheme delivers a top up to young farmers who have recently taken up farming, depending on when you started. To be eligible, you must have started in the last five years and you must be 40 or younger in 2017.

Once you qualify, you can avail of the payment for up to five years. The date your name appeared on the herd number is the year you started.

If you start farming in 2017, you are guaranteed to get at least three payments; the fourth and final payment depends upon what happens in the next CAP negotiations.

The payment is payable on a maximum of 50 entitlements. The payment is worth about €65. I expect that the terms and conditions will be broadly similar to last year. The funding for this scheme is similar every year during the current CAP agreement.

Those who applied last year must reapply for the next payment on the online BPS application system as part

of the BPS application. New applicants will have to complete a separate online YFS application. This application is in the Department's online application system.

Deadlines

The deadline for all schemes (BPS, NR and YFS) is **Monday 15 May 2017**. This will not be extended. As with other years, amendments can be made after submission of the application until the end of May.

Reasons for making an amendment include:

- Correcting an obvious error (minor clerical error).
- Adding or deleting a parcel.
- Change of use of a parcel.
- All amendment forms will be acknowledged in writing.
- Ticking/unticking the ANC box.
- Ticking of the YFS box (where applicable).

Getting help with the form

If you would like help with the Basic Payment Scheme or any of the other CAP schemes, make an appointment with your advisor immediately. Before you arrive at the meeting, make sure you have reviewed all the documentation you have received from the Department.

If you plan on making significant changes to the 2017 application, state that you may need longer than usual, so that all can be completed in one visit.

The more complex cases may also involve a solicitor, accountant or valuer and involve some or all of the following transactions:

- Adding and/or changing the name(s) on the herd number.
- Completing a partnership application.
- Transferring entitlements using the transfer application.
- Completing a capital gains tax return.
- Completing a VAT return.
- Updating your will.