



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

James Cartlidge MP
House of Commons
London
SW1A 0AA

18 August 2025

Dear James

Thank you for your letter of 17 July requesting I meet with farmers from your constituency in South Suffolk.

I agree that farmers play a vital role in feeding our nation. This is why the Spending Review has maintained the Government's steadfast commitment to farming, food security and nature recovery. The settlement provided £5 billion over 2024/25 and 2025/26 for the Farming and Countryside Programme. In addition, the Government will invest more than £2.7 billion a year in sustainable farming and nature recovery from 2026/27 until 2028/29.

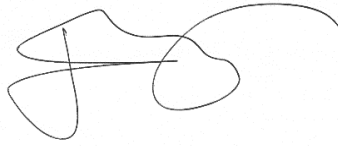
It is also why, as I set out in response to your Written Parliamentary Question, the reforms reduce the inheritance tax advantages available to owners of agricultural and business assets from April 2026, but still mean those assets will be taxed at a much lower effective rate than most other assets. Despite a tough fiscal context, the Government will maintain very significant levels of relief from inheritance tax beyond what is available to others and compared to the position before 1992. Where inheritance tax is due, those liable for a charge can pay any liability on the relevant assets over 10 annual instalments, interest-free.

The reforms should also be seen in the broader context of the significant existing support for the farming industry in the wider tax system, which the Government is maintaining. The existing rules already provide considerable support for the agricultural sector beyond the general support for businesses. This includes the exemption from business rates for agricultural land and buildings, the ongoing entitlement for vehicles and machinery used in agriculture to use rebated diesel and biofuels, and the exemption from the plastic packaging tax for the plastic film used by farmers to produce silage bales. Furthermore, farmers are able to claim to add together their profits from farming for two years or five years and be taxable on the average of those profits.

Thank you for your invitation to explain this to your constituents and listen to their views. Unfortunately, competing demands on my time as a Minister means I am unable to accept every invitation for a meeting or visit. However, I have participated in several meetings with agricultural organisations since Autumn Budget 2024 to listen to their views, including the National Farmers' Union, the Tenant Farmers' Association, the Country Land and Business Association, the Central Association of Agricultural Valuers, the Ulster Farmers' Union, NFU Cymru, NFU Scotland, and the Farmers' Union of Wales. My officials and other Ministers from across Government have also met with many of these bodies to discuss the reforms.

Please do pass on my thanks to your constituents and reassure them that I, and other Ministers, have discussed a range of issues with farmers since taking office and our commitment to farming remains steadfast.

Yours sincerely

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

JAMES MURRAY MP
EXCHEQUER SECRETARY TO THE TREASURY