Lucky 'Lotto farmers' need to plough tax planning furrow

A useful indicator of the extent to which land values have grown may be gleaned from the move-ment in the average cost of a new house in Dublin over the

last 30 years.. While the increases are more pronounced within the Dublin commuter belt, land values have soared throughout the country, with those owning land in close proximity to larger towns benefiting most.

It is undoubtedly the case that some hundreds of landowners have seen their wealth grow by clom or more over the last ten years, and managing the company of the country land the countr

this requires some strong ming.
Could it be you? Winning the Lotto means big money and, even better, it means big money tax free!

But how does our lotto farmer fare out when it comes to tax? Is it inevitable that by either selling out or transferring to the next

generation a large cheque must be handed over to the Revenue Commissioners?

The simple answer here is 'no' but, as usual in the world of tax, the exposure depends on the facts of the case and the owners' plans for the future.

It is the future of the fu

'development potential' element of the cost, was terminated with effect from January 1, 2003.

Also, the payment dates for GT have been brought forward so that the tax is now payable on October 31 (for disposals in the first 9 months of the year) and January 31 (for disposals in the first 9 months of the year). There is significant scope for effective tax planning where a farmer proposes to transfer value to the next generation. For many, the intention will be to sell at the best price achievable and thereafter make some financial provision for their children. This bar considerable savings can be achieved by availing of the special CIT/gift tax set-off provided for in the tax code. A gift of land to a child leads to both a CGT

charge for the disponer by reference to the market value and a gift tax liability for the recipient. However, it is possible to set the former off against the latter they should become directly significantly reducing the would arise if the farmer sold the land and gave the proceeds to a child.

In circumstances where a farmer wishes to transfer say 25m in value to a child, the tax saying would typically be in the order of 2500/k 2400k. There are also special reliefs available where a child is either given farming assets or invests any latter farming assets or invests and in any event the gift tax cost can be readily limited to a maximum effective tax rate of 2pc of 47pc, as opposed to CGT at 20pc.

The value passing, Many land owners will consider whether they should become directly be constructed and direct role in the development of residential land, consideration should be given to the possibility of using a limited company to undertake the construction activities that may be at the construction activities that may be at the construction activities the preservation of the 2opp repronal target of the land, with a 12pc rate applying to the construction profits are also special provisions in the land, with a 12pc rate applying to the construction profits are ready latter to the land, with a 12pc rate applying to the construction profits are ready latter to the land, with a 12pc rate applying to the construction profits are ready latter to the construction of the land, with a 12pc rate applying to the construction profits are ready latter to the construction activities the present and the subject to the same than the subject to the construction activities the present the profit attributable to use the land, with a 12pc rate applying to the construction profits are ready latter to the development of residential and, consideration and officent they should be company to a direct role in the development of residential and, consideration and officent they should be construction and the administration of their land, o



t the launch of China Business Insights Seminar due to be held on October 20 in Dublin's Berkeley Court Hotel and organised by Ireland China speciation were Minister for Education & Science Mary Hanafin, Chinese Ambassador to Ireland Sha Hailin, and chairman of the Ireland China speciation Donal O'Callaghan

Tony Quinn firm racks up loss of €1m

empire rack up losses of almost fin. It appears that as losses mount at his company, Tony Quinn Health Centres Ltd., it could fail to meet the qualified hypnotherapist's own exacting standards. It his promotional literature, hir Quian claims that he has carried out a study that proves he to the companies who follow his taskings over three years. However, with a deficiency of

assets of £276,000 during the year to the end of October 2004, Mr Quinn's company appears to be lagging well behind average. TQHC is ultimately controlled by Baringo Trading, a Jersey, Channel Islands-based entity, Mr Quinn is not listed as a director of the company he founded. Its three directors are: Jersey-based accountant Bernard Le Claire, Malaga-based consultant Joseph Savage, and long-standing follower Wicklow's Tom McKenna.

who hooses by through his centre in Dunsammer Co Louth.

Co Louth.

However, Mr Quinn has also attracted criticism such as frou UCD psychologist Claran Bens who said some of his claims we simplistic in the actremer, an cult-watchers Dialogue Irelan Cult-watchers Dialogue Irel

New Brussels guidelines for radio waves

A RADICAL shake-up in the way Ireland's €2bn radio spectrum can be licensed, allocated and sold has been launched by the European Commission

It wants to abolish national procedures and instead create a single internal market so that all kinds electronic devices which rely on radio waves – from mobile phones to TV stations – operate under the same guidelines. In Ireland, a £2bn price tag has been put on the value of radio frequencies, while in Britain it's valued at CVI. The convergence of technologies, such as TV broadcasts becoming available over mobile phones, radio spectrum is the "life-blood" of a huge industry, claims the Information Society Commissioner, Vivi-

ane Reding. The direct economic contribution of industries using the radio spectrum is already considerable, between 1 and 2pc of national GDF in the EU.

"But this could be greatly increased if national regularices and identify common approaches at EU level to create a single market for equipment and services using radio spectrum," she said.

arso wants to let unused spectrum be auctioned off. Although this can be done in the US or Japan, it's not possible in Europe, said one EU official The Irish regulator, Com-Reg, gave the proposal a guarded welcome.

ComReg support.

Reg. garathe proposal a suarded web proposal a suarded web proposal a suarded web proposal a suarded web processes and the principal objective of the EC's proposal to introduce greater flexibility in access to radio frequencies," a spokesperson said.

"ComReg already plays a leading role in chairing a European working group, which is looking at how the regulatory framework could be adjusted to accommodate the convergence of mobile, fixed and broadcast in "Obviously, once the details behind the European Commission's proposals become available, they will need to be studied and developed into implementable solutions."

Greenstar buys Sligo waste firm

Tom Lyons

WASTE management group, Greenstar, has acquired Sligo-based waste company WDS (Waste Disposal Sligo Lid), WDS is the largest pound on the Sligo area waste transfer station and a close the size of the deal, but the facility currently handling only 20,000 tonnes party of waste party of the Acquired Wexford-based close recycling facility largest operators of waste or annual close of waste party of the Acquired Wexford-based close the size of the deal, but waste transfer station and a close transfer station and close transfer station and a close transfer

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Boots and Alliance is set for giant pharmacy merger

BOOTS and Alliance Unichem were said yesterday to be finalising the creation of a £7ton pharmacy giant as fears grew that a deal could result in job losses.

Details of the merger of the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two FTSE 100 firms are expected to be announced to the two forms and head off the challenge of supermarkets which are greater share of the retail greater share of the retail of the two fTSE 100 firms and the two ftse 100 firms and the two ftse 100 firms and the two firms and the t

Tourism sector seeks €15m perks

Tom Lyons

THE Irish Hotels Federation (IHF) has called on the Government for changes in VAT rules and local authority charges to favour the tourism sectority charges and Federal favour the tourism cannot consider the tourism cannot cannot consider the tourism cannot can

conference, corporate meeting and travel business."

The IHF also proposed that usage levels should set the fees for waste collection, planning fees and water supply.

The hotels group also called for an extra cl5m in called for an extra consist of: 62m towards developing innovative e-marketing solutions; 63m as a one-off allocation to improving marketing efforts in Britain; 67m to provide marketing support to encourage and expand the use of access services into Ireland, and 63m for the third Tourism Brand Ireland campaign.

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