



IFA GUIDE

to

FARM ASSIST

A scheme aimed at helping farmers on low incomes.

2016

*Please note, changes to Farm Assist in Budget 2017 will not come into effect until March 2017.
This guide will then be updated to reflect those changes.*

Farm Assist

Farm Assist is a special means tested income support scheme available to farm families when their income falls below a certain threshold.

To qualify for Farm Assist, a farmer must satisfy a means test, and be aged between 18 and 66 years.

Qualification for Farm Assist can also lead to the farmer becoming eligible for the Rural Social scheme (see page 5).

The means test will take account of other income, for example, from spouse/partner, capital, shares etc.

Currently Farm Assist provides income support to over 8,500 farmers.

Application

To apply, a farmer must complete a Farm Assist application form (Farm 1), which is available in local offices of the Department of Social Protection, or downloaded from the www.ifarm.ie website or the www.ifa.ie website.

Following an application to the Department of Social Protection, a local social welfare officer visits the farm and assesses eligibility on the basis of a means test, which takes into account the means of the farmer and spouse/partner, less outgoing and expenses in running the farm. The farmers own farm accounts can be used as an indication of farm income but this may not give a true reflection of the current situation. In view of this, IFA has secured a commitment from the Department of Social Protection that in cases of sudden income reduction due to low prices, high cost of feed due to fodder shortage, the current income position can be taken into account in the assessment.

Means Test

This takes into account income from virtually all sources; product sales, Single Farm Payment, Disadvantaged Areas and other income. Some '**disregards**' are applied to the means test.

Farm accounts for the past 12 months are used as a guide to farm income, combined with other data. In the case of current income assessment i.e., fodder shortage - receipts of purchased feed will be necessary.

In the case of AEOS/GLAS a certain amount of the payment is disregarded.

Other income, including Spouse/Partner's income will also be assessed in the means test.

All costs associated with the farm including feed, fertiliser, contractor charges, interest on loans (paid), fees, repairs and maintenance are taken into account. Leasing charges and Hire Purchase of machinery are eligible as a cost.

Capital depreciation on farm buildings is not allowed. However, depreciation on farm machinery and equipment is taken into account on the basis of a percentage of Gross Output at the following rates: Dairying 3.5%; cattle rearing 4.1%; cattle and other 4.9%; mainly sheep 3.9%; tillage systems 5.4%; pigs and poultry 1.3%; and all systems 4.0%.

You can do your own quick assessment by clicking into <http://www.ifarm.ie/tools-services/farm-assist-calculator/> for an easy ready reckoner to determine the possibility that you may be eligible for Farm Assist. This is a preliminary calculation and will require that you have information such as direct payments, a broad outline of your costs as well as other income sources.

Income Disregards

- 100% of the assessed income is now taken into account in the means test following the removal of the income & child disregards in Budget 2013.
- €2,540 of REPS / AEOS payments plus 50% of remainder are not taken into account as means. Cost associated with compliance for REPS / AEOS, including planning fees, are also taken into account.
- A farmer can earn off-farm income of up to €20 a day, three days per week (max €60 per week), without affecting the means test. For additional income earned off-farm, 60% of the remainder is taken into account in the means test.
- If a farmer does seasonal work, earnings only during the period that the farmer is actually working is taken into account.

A spouse earning over €310/week does not qualify as an adult dependent for Farm Assist, and the farmer is only eligible for half child rate.

Treatment of Capital/Money on Deposit

- The actual income from investments (dividends) and savings (interest) is not included as part of the means test.

Instead, in assessing the value of cash on bank deposit, company shares and property other than the family home and farm, the following valuations are applied by the Department of Social Protection:

Capital Weekly means assessed for income calculation

Up to €20,000	zero value
€20,000 - €30,000	€1/€1,000
€30,000-€40,000	€2/€1,000
Over €40,000	€4/€1,000

For example, €30,000 Capital is assessed as having a value of about €10 / week for income calculation purposes.

Payment

- Payment is based on the relevant Social Welfare rate applicable from 1st January, 2012 as follow:
- Personal rate €188.00, adult dependent €124.90 and child rate €29.80

Example of How Farm Assist Assessment Works

A farmer with two dependent children with an income of €300/week or €15,600/ year – spouse working on farm.

Farmer	Weekly
Income according to Means Test	€300
Income to be assessed	€300
Social Welfare rate (B) (rate for couple with 2 children)	<u>€372.40</u>
Farm Assist payment B-A	€72.40
Annual Farm Assist Income Support	€3,764.80 / per year

Payments are made weekly and there is not a requirement to sign on. Payment can be made directly into a Bank account or Post Office account.

Examples

The following examples provide a guide to Farm Assist payments in differing family circumstances – remember this is a guide – each case is individual.

Other income will also be taken into account in the assessment, e.g. spouse/partners' income, capital etc.

Example 1: Single farmer, assessed farm income of €150/week (€7,800 per annum).

Farm Assist would provide €38 per week.

Example 2: Married farmer with no dependent children, assessed farm income of €200/week (€15,000 per annum).

Farm Assist would provide €112.90 per week.

Appeals

If a farmer is not satisfied with the means test, he/she should apply to the Independent Social Welfare Appeals Office within 21 days of the decision.

A farmer can be accompanied to an oral appeal by a professional adviser or by a local IFA officer – contact your IFA office for details.

Review of Assessment

Farmers who are already in receipt of Farm Assist should contact their local Social Welfare office if they wish to have their claim reviewed in light of a deterioration of their current farm income.

Normally an assessment will last for 3 years before it is reviewed.

However, reviews can take place at any stage or if the farming circumstances change. Following the Budget 2013 decision to reduce the income and child disregards, farmers will probably have a re-assessment after April 2013.

If you require help in making an application, contact your local IFA office, Teagasc, Local Development Companies or the Citizens Information Offices.

PRSI and Farm Assist

Farmers on Farm Assist can pay PRSI.

If income is below the level at which PRSI is payable (€5,000), the farmer on Farm Assist can voluntarily contribute €500 per year. This will ensure his PRSI record is kept intact.

Other Benefits

Farmers on Farm Assist may get:

- Fuel Allowance
- Medical Card (subject to means test)
- Supplementary Welfare Allowance, rent or mortgage interest supplement
- Back to School Clothing and Footwear Allowance
- Eligible to participate in FAS Training Scheme, Community Employment Schemes, Rural Social Scheme (see below), Back to Work Allowance and Back to Education Allowance.
- The Universal Social Charge does not apply to the Farm Assist payment. It only applies to farm income if it is above €10,036 per annum.

Rural Social Scheme

There are currently 2,600 participant places available on the Rural Social Scheme (RSS). The aim of the Scheme is to provide income support to low-income farmers who are currently in receipt of certain social welfare payments outlined below and to provide certain services of benefit to rural communities.

Qualifying Department of Social & Family Affairs Payments:

1. Farm/Fish Assist
2. Jobseeker's Allowance
3. Jobseeker's Benefit, if previously on a Community Employment (CE) scheme or on the RSS and that your term on that Scheme ceased within the last 12 months.
4. One-Parent Family Payment
5. Widow(er)'s Pension – (Contributory or Non-contributory)
6. Disability Allowance
7. Adult Dependents of Non-contributory State Pensioners who themselves are under 66 years of age.

While responsibility for the operation of the RSS rests with the Department of Social Protection, the Scheme is managed by 36 Implementing Bodies (35 Integrated Local Development Companies and in the Gaeltacht by Údarás na Gaeltachta).

Spouses are eligible to participate. However, both cannot participate at the same time unless they have separate herd numbers and are in receipt of independent social welfare payments.

Participants must apply to have their contract renewed on an annual basis and are required to work 19.5 hours per week. The scheme is administered to allow participants to work flexible hours. Farmers must be actively farming at least 1 hectare of land within the State, which is used solely for the purpose of carrying out an agricultural activity. The land farmed should be listed on the Single Payment Scheme application.

The rate of payment under the RSS is based upon the underlying social welfare payment along with taking family circumstances into account. The table below outlines the maximum value of the total weekly payment. Where participants qualify through the first three payments outlined under the list of qualifying payments, the participant ceases to receive their Farm/Fish Assist, Jobseeker's Allowance or Jobseeker's Benefit for their duration of the scheme but will instead receive full payment from the RSS. The RSS payment will be made up of a combination of the monetary value of their qualifying Farm Assist or other social welfare payments with a top-up payment for participating on the RSS.

In all other cases, participants will continue to receive their weekly social welfare payment along with a top-up payment from the RSS. The total combined value of the two payments will be equal to the maximum payment payable on the RSS.

Rates of Payment

Changes to rates for Rural Social Scheme (RSS) weekly payments are effective from the 17th September 2012. These rates are for new participants on the RSS and changes have been made in order to bring RSS in line with the Community Employment Scheme (CE) practices. The rates of payment for new participants on the RSS depend on their qualifying Department of Social Protection (DSP) payment.

DSP Qualifying Payment	Rate of Payment
Jobseeker's Allowance/Benefit, Farm Assist	Equal to your current rate of payment plus €20 top-up. Minimum weekly payment of €208.
One Parent Family Payment (OPFP)	Equal to your current rate of payment plus €20 top-up. Minimum weekly payment of €208.
Widow's, Widower's or Surviving Civil Partner's Contributory Pension	You continue to receive the pension with a top-up of €20.
Widow's, Widower's or Surviving Civil Partner's Non-Contributory Pension	You continue to receive the pension with a top-up of €20 – minimum combined payment of €208.
Disability Allowance (DA)	Equal to your current rate of payment plus €20 top-up. Minimum weekly payment of €208.
Qualified Adult on a State Pension (Non-Contributory) (IQA)	Your spouse will continue to receive the IQA payment. Your rate on the RSS will be the difference between your IQA payment and €208.

Example

A married farmer with no dependent children on a Farm Assist payment of €203.50 per week will receive an RSS payment of €223.50 per week. The full payment will be made by the RSS.

For further information or an application to participate in the scheme, contact the integrated Local Development Company in your area or Údarás na Gaeltachta for the Gaeltacht areas.