



Agricultural Tenancies Act 1995

1995 CHAPTER 8

PART I

GENERAL PROVISIONS

Farm business tenancies

1 Meaning of “farm business tenancy”.

- (1) A tenancy is a “farm business tenancy” for the purposes of this Act if—
 - (a) it meets the business conditions together with either the agriculture condition or the notice conditions, and
 - (b) it is not a tenancy which, by virtue of section 2 of this Act, cannot be a farm business tenancy.
- (2) The business conditions are—
 - (a) that all or part of the land comprised in the tenancy is farmed for the purposes of a trade or business, and
 - (b) that, since the beginning of the tenancy, all or part of the land so comprised has been so farmed.
- (3) The agriculture condition is that, having regard to—
 - (a) the terms of the tenancy,
 - (b) the use of the land comprised in the tenancy,
 - (c) the nature of any commercial activities carried on on that land, and
 - (d) any other relevant circumstances,the character of the tenancy is primarily or wholly agricultural.
- (4) The notice conditions are—
 - (a) that, on or before the relevant day, the landlord and the tenant each gave the other a written notice—
 - (i) identifying (by name or otherwise) the land to be comprised in the tenancy or proposed tenancy, and

Changes to legislation: Agricultural Tenancies Act 1995, Cross Heading: Farm business tenancies is up to date with all changes known to be in force on or before 08 March 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (ii) containing a statement to the effect that the person giving the notice intends that the tenancy or proposed tenancy is to be, and remain, a farm business tenancy, and
 - (b) that, at the beginning of the tenancy, having regard to the terms of the tenancy and any other relevant circumstances, the character of the tenancy was primarily or wholly agricultural.
- (5) In subsection (4) above “the relevant day” means whichever is the earlier of the following—
- (a) the day on which the parties enter into any instrument creating the tenancy, other than an agreement to enter into a tenancy on a future date, or
 - (b) the beginning of the tenancy.
- (6) The written notice referred to in subsection (4) above must not be included in any instrument creating the tenancy.
- (7) If in any proceedings—
- (a) any question arises as to whether a tenancy was a farm business tenancy at any time, and
 - (b) it is proved that all or part of the land comprised in the tenancy was farmed for the purposes of a trade or business at that time,
- it shall be presumed, unless the contrary is proved, that all or part of the land so comprised has been so farmed since the beginning of the tenancy.
- (8) Any use of land in breach of the terms of the tenancy, any commercial activities carried on in breach of those terms, and any cessation of such activities in breach of those terms, shall be disregarded in determining whether at any time the tenancy meets the business conditions or the agriculture condition, unless the landlord or his predecessor in title has consented to the breach or the landlord has acquiesced in the breach.

Modifications etc. (not altering text)

C1 S. 1 modified (1.9.1995) by 1995 c. 8, ss. 40, 41(2), **Sch. para. 34** (with s. 37) (which Act inserted s. 14B into 1958 c. 69).

2 Tenancies which cannot be farm business tenancies.

- (1) A tenancy cannot be a farm business tenancy for the purposes of this Act if—
- (a) the tenancy begins before 1st September 1995, or
 - (b) it is a tenancy of an agricultural holding beginning on or after that date with respect to which, by virtue of section 4 of this Act, the ^{M1}Agricultural Holdings Act 1986 applies.
- (2) In this section “agricultural holding” has the same meaning as in the ^{M2}Agricultural Holdings Act 1986.

Marginal Citations

M1 1986 c. 5.
M2 1986 c. 5.

Changes to legislation: Agricultural Tenancies Act 1995, Cross Heading: Farm business tenancies is up to date with all changes known to be in force on or before 08 March 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

3 Compliance with notice conditions in cases of surrender and re-grant.

- (1) This section applies where—
 - (a) a tenancy (“the new tenancy”) is granted to a person who, immediately before the grant, was the tenant under a farm business tenancy (“the old tenancy”) which met the notice conditions specified in section 1(4) of this Act,
 - (b) the condition in subsection (2) below or the condition in subsection (3) below is met, and
 - (c) except as respects the matters mentioned in subsections (2) and (3) below and matters consequential on them, the terms of the new tenancy are substantially the same as the terms of the old tenancy.
- (2) The first condition referred to in subsection (1)(b) above is that the land comprised in the new tenancy is the same as the land comprised in the old tenancy, apart from any changes in area which are small in relation to the size of the holding and do not affect the character of the holding.
- (3) The second condition referred to in subsection (1)(b) above is that the old tenancy and the new tenancy are both fixed term tenancies, but the term date under the new tenancy is earlier than the term date under the old tenancy.
- (4) Where this section applies, the new tenancy shall be taken for the purposes of this Act to meet the notice conditions specified in section 1(4) of this Act.
- (5) In subsection (3) above, “the term date”, in relation to a fixed term tenancy, means the date fixed for the expiry of the term.

Changes to legislation:

Agricultural Tenancies Act 1995, Cross Heading: Farm business tenancies is up to date with all changes known to be in force on or before 08 March 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 8A inserted by [2023 asc 4 s. 24\(4\)](#)
- s. 28(5)(za) inserted by [2023 asc 4 s. 24\(5\)](#)
- s. 36A inserted by [2023 asc 4 s. 24\(6\)](#)