

Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986, Part I. (See end of Document for details)

SCHEDULES

SCHEDULE 1

TENANTS' COMPENSATION FOR MILK QUOTA

Modifications etc. (not altering text)

C1 Sch. 1 excluded (1.9.1995) by 1995 c. 8, ss. 16(3), 41(2) (with s. 37).

PART I

RIGHT TO COMPENSATION

Tenants' rights to compensation

- 1 (1) Subject to the following provisions of this Schedule, where on the termination of the tenancy of any land the tenant has milk quota registered as his in relation to a holding consisting of or including the land, the tenant shall be entitled, on quitting the land, to obtain from his landlord a payment—
 - (a) if the tenant had milk quota allocated to him in relation to land comprised in the holding ("allocated quota"), in respect of so much of the relevant quota as consists of allocated quota; and
 - (b) if the tenant had milk quota allocated to him as aforesaid or was in occupation of the land as a tenant on 2nd April 1984 (whether or not under the tenancy which is terminating), in respect of so much of the relevant quota as consists of transferred quota transferred to him by virtue of a transaction the cost of which was borne wholly or partly by him.
- (2) In sub-paragraph (1) above—

"the relevant quota" means—

 - (a) in a case where the holding mentioned in sub-paragraph (1) above consists only of the land subject to the tenancy, the milk quota registered in relation to the holding; and
 - (b) otherwise, such part of that milk quota as falls to be apportioned to that land on the termination of the tenancy;

"transferred quota" means milk quota transferred to the tenant by virtue of the transfer to him of the whole or part of a holding.
- (3) A tenant shall not be entitled to more than one payment under this paragraph in respect of the same land.

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Modifications etc. (not altering text)

- C1** Sch. 1 para. 1 restricted (with effect in accordance with reg. 14(1) of the commencing S.I.) (31.3.2005) by [The Dairy Produce Quotas \(Wales\) Regulations 2005 \(S.I. 2005/537\)](#), regs. 1, **14(4)** (with reg. 3)

Succession on death or retirement of tenant

- 2 (1) This paragraph applies where on the termination of the tenancy of any land after 2nd April 1984 a new tenancy of the land or part of the land has been granted to a different tenant (“the new tenant”) and that tenancy—
- (a) was obtained by virtue of a direction under section 39 or 53 of the ^{M1}Agricultural Holdings Act 1986 (direction for grant of tenancy to successor on death or retirement of previous tenant);
 - (b) was granted (following a direction under section 39 of that Act) in circumstances within section 45(6) of that Act (new tenancy granted by agreement to persons entitled to tenancy under direction); or
 - (c) is such a tenancy as is mentioned in section 37(1)(b) or (2) of that Act (tenancy granted by agreement to close relative).
- (2) Where this paragraph applies—
- (a) any milk quota allocated or transferred to the former tenant (or treated as having been allocated or transferred to him) in respect of the land which is subject to the new tenancy shall be treated as if it had instead been allocated or transferred to the new tenant; and
 - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the new tenant, he shall be treated for the purposes of any claim in respect of that quota—
 - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the former tenant bore (or is treated as having borne); and
 - (ii) in a case where the former tenant was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date.
- (3) Sub-paragraph (1) above applies in relation to the grant of a new tenancy before the date on which the ^{M2}Agricultural Holdings Act 1986 comes into force as if the references in that sub-paragraph to sections 39, 53 and 45(6) of that Act were references to section 20 of the ^{M3}Agriculture (Miscellaneous Provisions) Act 1976, paragraph 5 of Schedule 2 to the ^{M4}Agricultural Holdings Act 1984 and section 23(6) of the said Act of 1976 respectively.

Marginal Citations

- M1** 1986 c. 5.
M2 1986 c. 5.
M3 1976 c. 55.
M4 1984 c. 41.

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Assignments

- 3 Where the tenancy of any land has been assigned after 2nd April 1984 (whether by deed or by operation of law)—
- (a) any milk quota allocated or transferred to the assignor (or treated as having been allocated or transferred to him) in respect of the land shall be treated as if it had instead been allocated or transferred to the assignee; and
 - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the assignee, he shall be treated for the purposes of any claim in respect of that quota—
 - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the assignor bore (or is treated as having borne); and
 - (ii) in a case where the assignor was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date;
- and accordingly the assignor shall not be entitled to a payment under paragraph 1 above in respect of that land.

Sub-tenancies

- 4 Where the sub-tenancy of any land terminates after 2nd April 1984 then, for the purposes of determining the sub-landlord's entitlement under paragraph 1 above—
- (a) any milk quota allocated or transferred to the sub-tenant (or treated as having been allocated or transferred to him) in respect of the land shall be treated as if it had instead been allocated or transferred to the sub-landlord;
 - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the sub-landlord, he shall be treated for the purposes of any claim in respect of that quota—
 - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the sub-tenant bore (or is treated as having borne); and
 - (ii) in a case where the sub-tenant was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date;
 - (c) if the sub-landlord does not occupy the land after the sub-tenancy has ended and the sub-tenant has quitted the land, the sub-landlord shall be taken to have quitted the land when the sub-tenant quitted it.

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