

Amendments to the Bill since the previous version are indicated by sidelining in the right margin. Wherever possible, provisions that were in the Bill as introduced retain the original numbering.

Agricultural Holdings (Amendment) (Scotland) Bill

[AS AMENDED AT STAGE 2]

An Act of the Scottish Parliament to amend the law governing succession to agricultural tenancies and the review or variation of rent under such tenancies.

Succession

1 Succession by near relatives

5 In paragraph 1 of Part III of Schedule 2 to the Agricultural Holdings (Scotland) Act 1991 (c.55), for the definition of “near relative” substitute—

““near relative” in relation to a deceased tenant of an agricultural holding, means a surviving spouse, civil partner, child or grandchild of that tenant;”.

10 *Review of rent etc.*

2 Prohibition of upward only rent reviews etc.

In section 9 of the Agricultural Holdings (Scotland) Act 2003 (asp 11), before subsection (1) insert—

15 “(A1) Where, by virtue of any provision, a review of rent due as payable under a lease constituting a limited duration tenancy—

- (a) may be initiated only by the landlord; or
- (b) may only determine that the rent is to be increased,

the provision concerned is void and the rent due as payable under the lease is instead to be reviewed and determined in accordance with this section.”.

20 **3 Effect of VAT changes on determination of rent**

In section 13(9) of the Agricultural Holdings (Scotland) Act 1991, after paragraph (c) insert—

“(d) a variation of rent arising from—

- 25 (i) the exercise or revocation of an option to tax under Schedule 10 to the Value Added Tax Act 1994 (c.23); or

- (ii) a change in the rate of value added tax applicable to grants of interests in or rights over land in respect of which such an option has effect.”.

General

5 **4 Transitional provisions**

- 10 (1) The amendment made by section 1 has effect in respect of a notice to quit given in accordance with section 25(2) of the Agricultural Holdings (Scotland) Act 1991 only if the landlord of the tenancy in question is given notice of the tenant’s acquisition of the right to the lease of the agricultural holding (under section 11(2) or 12(1) of the Agricultural Holdings (Scotland) Act 1991) on or after the day on which section 1 comes into force.
- 15 (2) The amendment made by section 2 has effect only in respect of a provision for review of rent made on or after that section comes into force.
- (3) The amendment made by section 3 has effect in relation to a variation of rent arising from the exercise or revocation of an option, or a change in rate of value added tax, that takes effect before that section comes into force.

5 Commencement

- (1) This section and section 6 come into force on the day after Royal Assent.
- 20 (2) The other provisions of this Act come into force at the end of the period of 2 months beginning with the day of Royal Assent.

6 Short title

The short title of this Act is the Agricultural Holdings (Amendment) (Scotland) Act 2012.

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[AS AMENDED AT STAGE 2]

An Act of the Scottish Parliament to amend the law governing succession to agricultural tenancies and the review or variation of rent under such tenancies.

Introduced by: Richard Lochhead
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Bill type: Executive Bill

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