

## **Transfer of Farmland Rights after Retirement (Final)**

Takayuki Kimura  
Ministry of Agriculture, Forestry and Fisheries, Japan

Akihiko HIRASAWA  
Norinchukin Research Institute Co., Ltd.

### **Subsidy to Retiring Farmers**

Farmers who are going to retire can receive a subsidy from the government if they lend their farmlands to ICOF. There are three types of subsidies as of 2014.

#### ***(1) Subsidy to a community***

This subsidy is paid to a community whose members lend their farmlands to ICOF in a group. A community is eligible for the subsidy if the percentage of farmlands lent to ICOF among total farmlands in a community reaches prescribed levels. The payment rate of the subsidy differs depending on the proportion as follows.

#### **[Payment rates of the subsidy as of 2014]**

The proportion of farmlands lent to ICOF is between 20% and 50%: ¥20,000/10a  
The proportion of farmlands lent to ICOF is more than 80%: ¥36,000/10a

#### ***(2) Subsidy to business change and retiring farmer***

This subsidy is paid to lenders of farmlands to ICOF, who change their business, completely retire from farm management, or receive farmlands by inheritance but do not farm them by themselves. In order to receive the subsidy, it is necessary that the applicants lend their farmlands to ICOF for more than 10 years and that ICOF lend the farmlands to other farmers.

#### **[Payment rates of the subsidy as of 2014]**

The area of farmlands is less than 0.5ha: ¥300,000 per farmer  
The area of farmlands is between 0.5ha and 2.0ha: ¥500,000 per farmer  
The area of farmlands is more than 2.0ha: ¥700,000 per farmer

#### ***(3) Subsidy to a cooperating farmer***

The applicable farmlands for this subsidy are those located next to farmlands lent to ICOF. Farmers who have the property rights of such farmlands and use them are eligible for the subsidy. Farmers who borrow such farmlands and use them are also eligible. In order to receive the subsidy, it is necessary that the farmers lend their farmlands to ICOF for more than 10 years and that ICOF lend the farmlands to other farmers.

#### **[Payment rate of the subsidy as of 2014]**

¥20,000/10a

Date submitted: March 15, 2016

Reviewed, edited and uploaded: March 16, 2016