

[Detailed guide: Woodland owners: tax planning](#)

To preserve and protect national heritage for the benefit of the public, the government introduced the 'Conditional Exemption Tax Incentive Scheme'. This offers landowners – including owners of woodland sites – conditional exemption from Inheritance Tax and Capital Gains Tax, providing certain criteria are met.

Buildings, land (including woodland), works of art and other objects that qualify under the scheme might be exempt from Inheritance Tax and Capital Gains Tax. These property types are called 'heritage properties' by HMRC.

Find out if you're eligible

To be eligible you have to own ancient semi-natural woodlands – which are, or could be, included on the inventories of Ancient Woodland kept by Natural England and Scottish Natural Heritage. HMRC will consider your case for conditional exemption from capital taxes based on scientific, scenic or historic value.

If you own other woodlands on ancient woodland sites, such as new plantations, you might qualify for tax relief if your site satisfies the criteria relating to land of outstanding scenic or historic interest.

Find further information in the HMRC publication on [capital taxation and tax-exempt heritage assets](#). Sections 5.7 and 5.8 in chapter 5 of this document explain how woodlands might qualify for tax exemptions.

Capital Gains Tax

A growing timber crop is exempt from Capital Gains Tax (but not the land it grows on), where managed as a commercial investment. [Find out more in HMRC's capital gains manual.](#)

Income Tax

Income from the sale of timber from the ownership of commercial woodlands is exempt from both income and corporation tax. [Find out more in HMRC's business manual.](#)

Stewardship agreements and the Conditional Exemption Tax Incentive Scheme

If your land is currently under either Environmental Stewardship or Countryside Stewardship schemes with Natural England, your grants may be

affected by the Conditional Exemption Tax Incentive Scheme.

Find out more about:

- [Environmental Stewardship for heritage properties](#) – how Environmental Stewardship grants apply to land that is exempt from Inheritance Tax as a heritage property
- [Countryside Stewardship for heritage properties](#) – your options and which capital items are available on land exempt from Inheritance Tax as a heritage property

Find more information on:

- [Inheritance Tax](#)
- [Capital Gains Tax](#)

[Detailed guide: Cross-compliance for woodland owners and managers](#)

For clarification by the Forestry Commission on cross-compliance and how it affects you as a woodland owner or manager, read [Cross-compliance requirements for forests/woodland: operations note 38](#). This gives you information on:

- cross-compliance in the Common Agricultural Policy (CAP) programme 2014 to 2020 for woodland (forest)
- the two separate sets of standards – specific requirements relating to European Regulations, known as ‘Statutory Management Requirements’ (SMRs) and standards for ‘Good Agricultural and Environmental Condition’ (GAEC) of land
- when and how you need to comply with cross-compliance rules
- which woodland schemes and payments are affected
- breaches and sanctions
- exemptions and derogations

Read broader guidance for farmers and landowners on how you must [follow cross-compliance rules](#) from 1 January 2018 if you claim for the [Basic Payment Scheme \(BPS\)](#), a Countryside Stewardship scheme or the English Woodland Grant Scheme (EWGS).

Find out more about about [Countryside Stewardship and woodland support](#).

[Detailed guide: The Woodland Carbon Code scheme for buyers and landowners](#)

Background

The Woodland Carbon Code (WCC) is the UK's voluntary carbon standard for woodland creation projects. It provides reassurance about the carbon savings that woodland projects may realistically achieve. This government-led scheme provides:

- a high quality, robust voluntary carbon standard
- a transparent UK Woodland Carbon Registry
- robust science to predict and monitor carbon sequestration
- independent validation and verification of projects

This means that:

- carbon buyers have reassurance that they have invested in a responsible scheme and can see the benefits that will be provided
- project developers have recognised procedures and standards to work to, both in terms of woodland management and carbon accounting

Information if you're buying carbon

Woodland Carbon Units from verified WCC projects can help a company compensate for their unavoidable emissions. Projects provide a whole host of benefits for water, biodiversity, communities and the economy as well as sequestering carbon.

Read [WCC guidance](#) on:

- what are Woodland Carbon Units
- why buy WCC-verified carbon units
- where to buy WCC-verified carbon units
- what other companies say

See the [UK Government's Environmental Reporting Guidelines](#), which set out how a company should report their greenhouse gas emissions, and the pamphlet, [Woodland carbon units: buyer's guide](#).

(PDF, 1.89MB, 2 pages)

Case studies

See [examples of buyers who have purchased Woodland Carbon Units](#).

Information if you're a landowner

The WCC is the UK's voluntary carbon standard for woodland creation projects. If you demonstrate that you meet this standard, you can sell the carbon sequestered in your woodland in the form of Woodland Carbon Units.

See the pamphlet,
[Woodland landowner's guide to the WCC](#).
(PDF, 225KB, 2 pages)

See [the steps involved if you are a landowner with a woodland creation project](#), including how to:

- find a project developer
- register your project
- get validated (have your project checked at the outset)
- stay verified (have your project checked to show progress)

The WCC and other grant and funding schemes

If you apply for registration with the WCC you are not excluded from applying for Forestry Commission grant and funding schemes:

Find out about your eligibility for:

- [Woodland Carbon Fund](#)
- [Countryside Stewardship: woodland support](#)
- [Woodland Creation Planning Grants](#)
- [Woodland Research and Development Grant](#)
- HS2 Woodland Fund

Case studies

See [examples of WCC projects](#).

The UK Woodland Carbon Registry

The [UK Woodland Carbon Registry](#) holds details of WCC projects, and tracks the issuance, ownership and use of carbon credits. You can use it to look up a project or to see who has purchased carbon units from WCC projects.

Woodland Carbon Code contact details

Email enquiries: climatechange@forestry.gov.uk

Find [regional contact details for the WCC team](#), nationally and regionally.

[Detailed guide: Woodland Research and Development Grant](#)

Organisations and businesses intending to innovate and develop new processes or technologies for the forestry sector in England can apply to the Forestry Commission for this grant, which is part of the Forestry Innovation Fund, along with the [Woodland Creation Planning Grant \(WCPG\)](#).

The Research and Development Grant (RDG) is a one-off grant that funds a maximum of 6 projects up to a total cost of £50,000 each.

The RDG is now closed for new applications.

How it works

Stage 1

You need to submit an expression of interest containing details of your proposed project, outlining:

- what's innovative about your project – this can be at the global level, so completely unique, or it can apply developments from a different sector or country to benefit UK forestry, and may include an element of original research
- how it fits with the objectives of the scheme (to target opportunities for significant changes in productivity and substantial potential to encourage growth in any part of the forestry sector)

The first stage will ensure proposals are eligible and within scope of the fund.

You can no longer submit an expression of interest for funding in 2018. If the Forestry Commission invited you to make a full application you must have done so by 1 June 2018.

Stage 2

When the Forestry Commission has assessed expressions of interest, it may invite you to submit a full application.

You need to outline the:

- need, challenge or opportunity behind your innovation
- approach you intend to take, including the focus of the innovation

- project team and their roles
- target market
- possible impact of the project outside the project team
- management plans
- main risks
- planned impact of an injection of public funding on the project
- costs and how the project represents value for money for the team and the taxpayer

You need to give full:

- project costs
- organisational details
- funding details for each organisation involved (if this applies)

You will have been notified of the RDG funding decision by 6 July 2018. If you were successful then you must complete the project within 9 months, and by 31 March 2019.

Payments and claim forms

If you're successful, you'll be sent a claim form with your agreement. Payments can be made in 2 instalments. You can claim the first instalment for half of the funding when the project is at the halfway point. You can claim the second (final) instalment for the remaining half of the funding on completion.

You must submit the final claim before 31 March 2019 with evidence of expenditure, as set out on the claim form.

Contact the Forestry Commission

Contact the Forestry Innovation Fund team for more information:
rdg@forestry.gsi.gov.uk

Find out how to make a [complaint or appeal](#).

Forest Research

The research agency of the Forestry Commission offers a range of services to [help with pest and disease control](#), and also offers resources such as [publications, statistics and datasets](#).

News story: Royal Armouries Trustee Term Extension

Hemant Patel was born and educated in London before graduating from the University of Manchester having studied Physics with Astrophysics. He then moved into industry to train as a chartered management accountant. He has worked at various multi-national companies including Mars Inc and SC Johnson in financial, commercial and marketing roles before moving with his family to Yorkshire to join Asda in 2003.

At Asda, Hemant carried out various roles in finance including Commercial Finance Director and Retail Finance Director as well as running Asda's own label business and leading business reinvention as Director of Strategy. Hemant then moved on to be Director of Online at the financial service provider, Provident Financial plc, with responsibility for their online loans businesses. He is now Finance Director of the Pub Co at Greene King plc, leading the finance function for the business's 1,700 managed pubs.

Until 2017, Hemant was chairman of Interplay Theatre, a Leeds based company using the arts to work with children in special schools nationally and socially excluded children locally. He was given the Arts and Business Individual of the Year award in 2007 for his work with this charity.

Hemant is lead non-executive director and Chairman of the Royal Armouries Trading & Enterprises Ltd Board as well as the Royal Armouries Audit and Finance & Capital Development Committees. He became a trustee of the Royal Armouries in July 2010.

The role is not remunerated. This appointment has been made in accordance with the [Cabinet Office's Governance Code on Public Appointments](#). The appointments process is regulated by the Commissioner for Public Appointments. Under the Code, any significant political activity undertaken by an appointee in the last five years must be declared. This is defined as including holding office, public speaking, making a recordable donation, or candidature for election. Hemant has declared no such political activity.