

AGRICULTURAL HOLDINGS (SCOTLAND) ACT 2003

EXPLANATORY NOTES

INTRODUCTION

Part 4: Compensation under Agricultural Tenancies

Section 45: Right to compensation for improvements

140. Subsections (1) and (2) provide that tenants of both SLDTs and LDTs are entitled on quitting the land on termination of the tenancy to compensation from the landlord in respect of improvements specified in Schedule 5 to the 1991 Act (as section 34(1) of the 1991 Act provides in respect of 1991 Act tenancies). Section 47 sets out how the compensation payable is to be calculated.
141. Subsection (3) provides that compensation is payable in respect of the laying down of temporary pasture (an improvement listed at paragraph 32 of Schedule 5 to the 1991 Act) even if laying down or leaving temporary pasture at the termination of the tenancy contravenes a term of the lease or an agreement between the landlord and the tenant as to the method of cropping the arable lands (as section 34(6) of the 1991 Act provides in respect of 1991 Act tenancies).
142. Subsection (4) provides that a tenant's right to compensation for improvements is not limited to improvements carried out during the currency of the tenancy on the termination of which the tenant quits the land. The right to such compensation is also exercisable in respect of improvements carried out during any previous tenancy, so long as the tenant has remained in occupation of the land.