



Agricultural Holdings (Scotland) Act 1991

1991 CHAPTER 55

PART IV

COMPENSATION FOR IMPROVEMENTS

35 Payment of compensation by incoming tenant

- (1) This section applies to compensation which is payable or has been paid to an outgoing tenant of an agricultural holding by the landlord under or in pursuance of this Act or the Agricultural Holdings (Scotland) Act 1923, the Small Landholders and Agricultural Holdings (Scotland) Act 1931, the Agriculture (Scotland) Act 1948 or the 1949 Act.
- (2) Subject to subsection (3) below, any agreement made after 1st November 1948 between an incoming tenant and his landlord whereby the tenant undertakes to pay to the outgoing tenant or to refund to the landlord any compensation to which this section applies shall be null and void.
- (3) Subsection (2) above shall not apply in the case of an improvement of a kind referred to in Part III of Schedule 5 to this Act, where the agreement is in writing and states a maximum amount which may be payable thereunder by the incoming tenant.
- (4) Where, on entering into occupation of an agricultural holding, a tenant, with the consent in writing of the landlord pays to the outgoing tenant compensation to which this section applies—
 - (a) in respect of an old improvement, in pursuance of an agreement in writing made before 1st November 1948; or
 - (b) where subsection (3) above applies,the incoming tenant shall be entitled, on quitting the holding, to claim compensation for the improvement or part in like manner, if at all, as the outgoing tenant would have been entitled if the outgoing tenant had remained tenant of the holding and quitted it at the time at which the tenant quits it.
- (5) Where, in a case not falling within subsection (2) or (3) above, a tenant, on entering into occupation of an agricultural holding, paid to his landlord any amount in respect of the whole or part of a new improvement, he shall, subject to any agreement in

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writing between the landlord and the tenant, be entitled on quitting the holding to claim compensation in respect of the improvement or part in like manner, if at all, as he would have been entitled if he had been tenant of the holding at the time when the improvement was carried out and the improvement or part thereof had been carried out by him.