



Fuel Support Scheme for farmers tips to help manage cashflow

Following recent disruption to global oil supply caused by conflict in the Middle East, fuel prices across Ireland have risen sharply, with significant increases in the cost of green diesel, home heating oil and fuel at the pumps.

At the same time, Irish farmers are continuing to face rising fertiliser costs, difficult weather conditions and delays in turning livestock out to grass. As a result, this Spring has proven particularly challenging for many farmers and rural businesses.

In response, the Government has announced a range of fuel support measures aimed at easing pressure on affected sectors.

Fuel supports available

The measures introduced include:

- Temporary excise reductions on fuel.
- Deferral of the planned carbon tax increase until October 2026.
- A €120 million Road Transport Support Scheme for hauliers, own-account transport operators and bus and coach operators.
- A €100 million Fuel Subsidy Support Scheme for farmers, agricultural contractors and fishers.



€100 million fuel subsidy support scheme

The fuel subsidy support scheme will apply to:

- Farmers
- Agricultural contractors
- Forestry operators
- Fishery businesses
- Horticulture businesses

Applicants of the scheme will make a self-declaration of usage based on statements or receipts which will be subject to risk-based checks.

Farmers can apply online via [My AgFood](#), and contractors can download the necessary forms from the [Department's website](#) and submit completed forms and receipts to fuelsub@agriculture.gov.ie or to the postal address provided on the forms.

The scheme will remain open until Wednesday 27 May 2026 with payments to issue as soon as thereafter.

Steps to take now

1. Gather your 2025 fuel purchase records

Collect and organise all invoices, receipts and delivery dockets relating to fuel purchases made during 2025. Complete and accurate records will be essential when submitting your application.

2. Confirm your tax compliance status

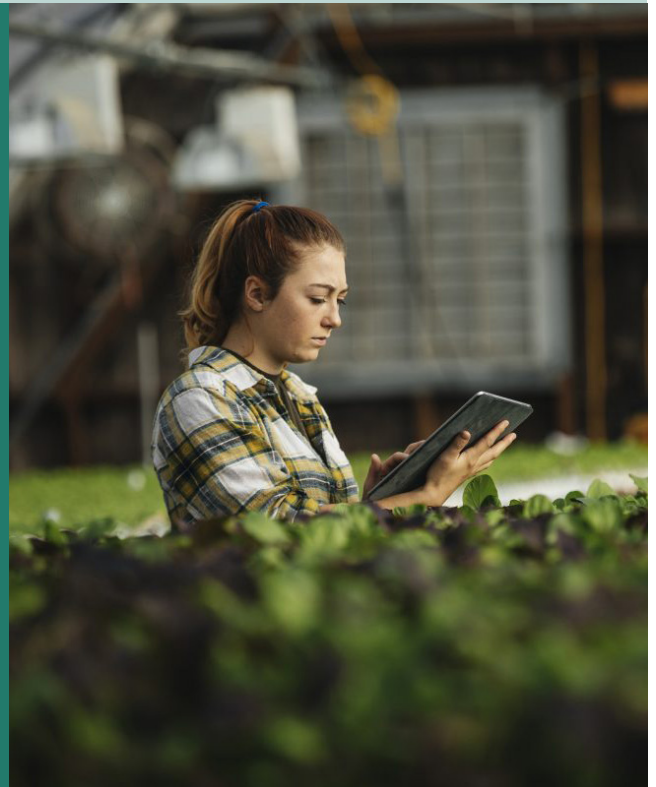
Tax compliance will form part of the eligibility criteria. If you have any outstanding Revenue issues, these should be addressed as soon as possible.

3. Ensure registrations are up to date

Check that herd numbers, farm registrations and any relevant licences or registrations are current. Agricultural contractors will qualify for support once they are VAT registered and can provide a valid tax clearance certificate. Farmers will not be required to be VAT registered.

4. Apply promptly when the portal opens

It is expected that approximately 120,000 farmers and 1,500 agricultural contractors will apply for support. Early preparation will help avoid delays once applications open.



Cashflow management for farmers

Managing cashflow can be difficult for any business, but following a prolonged and challenging winter, many farmers are now under additional financial pressure.

Planning ahead and taking early action can make a significant difference. Below are six practical steps farmers should consider when reviewing cashflow for the year ahead.

Six practical cashflow tips

1. Review household and living expenses

Consider reducing and controlling personal drawings by setting a fixed weekly or monthly amount for living expenses.

2. Speak with suppliers early

If large bills are outstanding, such as contractor, veterinary or accountancy costs, discuss the possibility of putting structured payment plans in place. Suppliers are also managing cashflow pressures, but maintaining communication is important.

3. Talk to your bank about short-term support

Many banks offer short-term facilities to spread the cost of insurance premiums, tax liabilities, rates and professional fees over an 11-month period, typically at a fixed interest rate.

4. Discuss loan repayment options

Where appropriate, speak to your lender about the possibility of deferring loan repayments or restructuring short-term borrowing.

5. Consider fuel purchasing timelines

With carbon tax increases expected to recommence in October 2026, businesses may wish to review fuel purchasing plans in advance of this date.

6. Review your tax position early

Income tax liabilities for 2025, together with preliminary tax for 2026, will fall due in October. Speaking with your accountant early can help avoid unnecessary pressure later in the year.

Planning ahead is essential

The financial impact of the long winter and increased operating costs is likely to reduce farm profitability this year. However, it is important to remember that farm profit and available cashflow are not the same thing.

Farm income must also cover:

- Household living expenses
- Existing loan repayments
- Tax liabilities
- Ongoing operating costs

Now is an important time for farmers and businesses to prepare realistic cashflow projections for the year ahead. Reviewing previous years' accounts and comparing current output prices and costs with prior periods can help identify potential pressure points early.

Once a cashflow plan is prepared, it becomes easier to identify whether additional support or corrective action may be required during the year.

Income averaging option

Farmers currently using income averaging may also have the option to opt out temporarily, where profits have fallen significantly. Deferred tax liabilities can then be spread over the following four-year period. However, this option can only be used once every five years.

If you believe you may have difficulty meeting your income tax obligations in October, contact your accountant as early as possible. In some cases, arrangements may be made with Revenue to assist with payment difficulties.



How we can help

If you require assistance organising fuel receipts or submitting an application under the Fuel Support Scheme, please contact our Cork office at +353 21 4288 888 or our Mallow office at +353 22 21047.

If you would like support with cashflow planning or taxation matters, please contact a member of our team:



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