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Tax Burden Stifles Vineyard Family Handoffs

Vineyard Land Prices Soar, Threatening Family Succession

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The value of vineyard land in prestigious regions like Burgundy, Champagne, and Bordeaux is reaching record levels, jeopardizing the ability of family-owned vineyards to pass down their properties to the next generation. According to a report by AFP, representatives of vineyard owners have expressed concern over the taxes affecting the transfer of these lands, which make it difficult for younger generations to take over. During a press conference, Jérôme Bauer, president of the National Confederation of

Appellations of Controlled Origin (Cnaoc), warned that this trend is leading to the loss of valuable vineyard plots that only financial investors or large groups can afford to purchase.

The press conference took place in the context of parliamentary debates on the 2025 budget. Bauer noted that vineyards are becoming a "poisoned gift" for the children of vineyard owners. He explained that the high taxes imposed on family land transfers force heirs into decades of debt, preventing them from making new investments. This issue is particularly evident in regions like Burgundy, where local vineyard representative Thiébault Huber pointed out that rising land prices are making it impossible for families to retain ownership. A recent example is the purchase of 1.3 hectares by the luxury group LVMH for €15.5 million, illustrating the sharp increase in land values in the area.

Huber emphasized that this situation, often perceived as a "problem of the wealthy," is devastating for many vineyard families. In response, vineyard organizations are calling for a change in tax legislation, specifically in relation to the "Dutreil pact," which currently provides tax relief for family business transfers but does not apply to agricultural land.

The proposal is to extend the Dutreil pact to include vineyard properties, which would significantly reduce the tax burden on successions. According to calculations by the General Syndicate of Champagne Winegrowers (SGV), a child inheriting one hectare of vineyard land in Champagne, where the price is around €1 million per hectare, must currently pay €150,000 in taxes. Under the proposed change, that amount would drop to €50,000. In return, heirs would be required to keep the land for at least 15 years without selling it.

Maxime Toubart, a representative of the SGV, stressed that vineyard owners wish to pass their land on to their children and enable young winemakers to continue the winegrowing tradition. Toubart called on lawmakers to support the measure, while acknowledging that a precise assessment of the economic cost of this tax reform still needs to be conducted.