

SOCIOECONOMIC IMPLICATIONS OF SUCCESSION IN FAMILY FARMS IN POLAND

Jacek PUCHAŁA¹, Agnieszka PIOTROWSKA-PUCHAŁA²

¹ University of Agriculture in Krakow; jacek.puchala@urk.edu.pl, ORCID: 0000-0002-7671-411X

² University of Agriculture in Krakow; agnieszka.piotrowska@urk.edu.pl, ORCID: 0000-0003-2045-474X

* Correspondence author

Purpose: The article aims to determine the causes of conflicts in farming families in Poland and find out what people who left family farms received and how the estate was distributed. The first specific objective is to identify the social implications of sibling buyouts and the distribution of the family farm among the heirs. We sought to improve the available knowledge on the frequency of legitim claims addressed to the heirs to the family farm. The other specific objective is to determine the influence of the awareness of legitim on the satisfaction with family financial arrangements linked to farm inheritance.

Design/methodology/approach: The article employs a CAWI survey. It was completed by 596 respondents. The results are analysed with tables and descriptions, with variable relationships shown in figures.

Findings: The article contributes empirical observations on the sources of conflicts in farming families. Those who do not inherit the farm are bestowed with some land to build a house or funds to buy a flat. Every tenth respondent received no support linked to succession in the family farm.

Research limitations/implications: No in-depth case studies were possible because of the delicate financial matters investigated under the study. Inheritance and succession are not discussed outside the close family circle.

Practical implications: Certain tools found in other European Union member states are proposed that would protect heirs to family farms against excessive financial obligations towards siblings.

Originality/value: The article successfully investigates whether family farm inheritance processes in Poland threaten farm stability.

Keywords: Inheritance, Family farm, Conflicts, Legitim.

Article Type: Research paper.

Introduction

The research problem investigated in the article is sibling buyout and its impact on inheritance satisfaction. Some off-farm respondents reported dissatisfaction with estate distribution. Sometimes, it can threaten the stability and continuity of family farms. Sibling buyouts and legitim claims may exacerbate family conflicts. Hence, one question in the survey concerned the causes of conflicts in farming families. The questionnaire included a question about the buyout method in farming families: in-kind or monetary: single payment or instalments. Another question concerned whether the respondent's family properly resolved financial issues related to farm inheritance. The respondents were also asked about sibling buyout by heirs to the farm. A group of questions concerned the frequency of legitim claims.

The literature review focused on farm inheritance principles in the context of estate buyout. The literature shows that the problem of farm fragmentation was widespread as far back as among noble houses. The references noted that Poland has introduced regulations to prevent the fragmentation of inherited farms.

Objectives, materials, and methods

The farm inheritance dynamics are particularly relevant in Europe, where the political agenda is to support generational renewal towards improved modernisation and innovation in farming (Bertolozzi-Caredio, 2024). The article deals with succession-related conflicts in Polish families. Succession is linked to buyouts of off-farm heirs. Following Matser (2019), we also consider the perspective of those siblings who did not participate in farm succession, as they are central to a successful process. However, their role and position in the process are far from clear. We compare the inheritance satisfaction of on-farm and off-farm heirs. Similarly to Taylor and Norris (2000), we look into conflicts between succeeding and non-succeeding siblings in the context of family farm inheritance.

The article aims to determine the causes of conflicts in Polish farming families linked to succession to family farms and to investigate the frequency of legitim claims made to heirs to the farm. The first specific objective is to identify the social implications of sibling buyouts and the distribution of the family farm among the heirs. The other specific objective is to determine the influence of the awareness of legitim on the financial arrangements linked to farm inheritance. Legitim is an amount ordered by the court to be paid by the beneficiary of the estate to their siblings who did not receive at least 50% of the family farm buyout amount due to them under inheritance law.

The article reports the results of a CAWI (computer-assisted web interview) survey carried out from February to April 2024. The survey involved anonymous electronic questionnaires that respondents completed online. They were invited by e-mail. The invitations were sent to all local governments and farm wives associations. The survey covered 596 respondents. The returned questionnaires were collected and answers analysed in Statistica after coding into an MS Excel file. The software generated summary tables, some of which were converted into graphs. The results are presented as tables and descriptive text.

The term 'buyout' and its various forms, as used in the article, do not necessarily refer to a transaction. Under Polish inheritance law, an heir can be 'bought out' in the sense that they are compensated for what they would have received in inheritance proceedings, but did not because they agreed to disclaim inheritance in exchange for money or other consideration, for example. This does not entail the automatic transfer of title or interest unless a notarial deed is executed for that purpose.

Literature review on sibling buyouts

Mogaji (2024) is right to caution that defining the specific niche consistent with the research objective is critical in the dynamic environment of family business research. This approach requires an in-depth literature review to identify worthy gaps. The sources show that no authors have investigated conflicts in family farms caused by farm inheritance. Our niche is family farms and the problem of farm estate distribution. Succession is the central theme in family business research (Ratten et al., 2006). Just as most companies globally are family businesses, Polish agriculture is dominated by family farms. These farms are inherently linked to the homes where people were raised and can be considered home-based food production businesses (Mail et al., 2024). Farm inheritance processes affect family relationships, the number of farms, and the average farm size in Poland. Successors are typically satisfied with how things are (Li, Marshall, 2019). Off-farm siblings have yet to be asked about their satisfaction with the farm inheritance process.

Land fragmentation and its impact on the economic viability of farms are serious issues linked to farm inheritance. Distribution of farm estate among multiple heirs can result in smaller, often economically unviable, plots. The literature shows that the problem of farm fragmentation was widespread as far back as among noble houses. S. Przybyszewski estimated that 'over three centuries, the Slaski family held about 60 villages' in total. The large size of the family necessitated farmland division and distribution, leading to land fragmentation. Buyouts absorbed significant assets of the successor. This, in turn, reduced the social advancement potential among the gentry. As a result, while the Slaskis were still married

representatives of wealthy families in the late eighteenth century, their strategy shifted to the same stratum, mid-landed gentry, in the nineteenth and twentieth centuries (Nowak, 2017).

The problem of farm fragmentation due to farmland division and distribution is by no means new. One author investigated the process of farm fragmentation in Piotrowice Wielkie (Proszowicki District). Over thirteen years, the village gained thirteen new farms: 68% from farmland division and distribution, 25% from farmland division and distribution and marriage, and 7% from purchase. This summary demonstrates the substantial dominance of farmland division and distribution. Lack of non-agricultural work for farmers' children contributed to the division of the parental estate. Farmland division and distribution would surely intensify after the Second World War, were it not for the political, social, and economic transition in Poland. Many people migrated from Piotrowice Wielkie and other overpopulated central Poland areas to the Recovered Territories (Prochownik, 1962). This movement reduced the pressure on farmland division and distribution and farm fragmentation.

Many European states adopted inheritance strategies to avert farm fragmentation and maintain their cohesion. Most inheritance systems in the United Kingdom provide for a single heir and no compensation for the other children. A similar inheritance scheme to 'keep title to land' is found in Finland. Inheritance law of some Aegean Sea islands (like Karpathos and Nisyros) still provides for the firstborn to receive substantial real estate gifts. The French inheritance principles take the middle ground. The successor pays compensation to the other heirs, but the land is on average undervalued by half compared to market prices (Blanc, Perrier-Cornet, 1993). Danish and Belgian regions follow the French lead of equal shares and a single successor (Bika, 2007).

European legal systems employ diverse tools to protect family farms against excessive debts caused by estate buyouts. One solution is to estimate the farm estate value, which is then used to determine the buyout amounts below the market values. It is usually the fiscal value (Germany), income value (Switzerland) or official prices of farms (France, Finland, and Italy – the Bolzano region). Another method for protecting family farms against excessive debt is to divide the buyout amount into instalments paid over a relatively long period (typically 10 years, as seen in Switzerland, Germany, Spain, Belgium, Finland, Luxembourg, and the Austrian federal states) (Lichorowicz, 2015).

The privileged position of successors vis-à-vis other heirs who are bought out entails specific obligations under most European jurisdictions. The successors are usually obliged to perform work on the inherited farm in person (for example, for five years in France) (Lichorowicz, 2015). Sibling buyouts can place family farms in debt. This could pry the farm from the family's hands. As Belmonte, Seaman and Bent (2016) put it, if you have no debts, you are the master of your fate, but if you have debts, the bank is the master of your fate.

Heirs are constrained by relatively long restrictions on selling the farm (10-15 years in Germany). In the case of an early sale, any buyout amounts due to the siblings are immediately due and payable. What is more, the settlements include the buyout amounts and the free-market

price at which the farm was sold (Germany, the Austrian federal states, Spain, Norway, Switzerland, and Norway). In Germany, the amount due to other heirs is reduced on a *pro rata* basis to the length of the period when the successor worked on it before selling the estate, for example, by 25% after 10 years of work (Lichorowicz, 2015).

French legislation allows heirs to establish an agricultural land association during estate distribution proceedings. The heirs eligible to receive buyout payments may contribute their credit to the successor as their share in the company. Then, they are entitled to a proportionate share in farm income, which suspends the buyout payments (Lichorowicz, 2015).

Poland is among the few states whose constitutions have the family farm as the basis of the agricultural system of the state. This principle does not contravene Article 21, which states that ‘The Republic of Poland shall protect ownership and the right of succession’ (Constitution, 1997). Preservation of the farm in its current shape from before estate distribution is not guaranteed. The Polish law does not protect the farm's integrity by forcing a single successor. Although the estate can be gifted to a single descendant, the others may request legitim payments. These payments are the owner's liability.

Statutory inheritance principles provide for joint ownership of the farm. The Polish Civil Code may apply in this case. Its Article 216(1) states that ‘The farm buyout amounts due to joint owners are agreed by them.’ According to Article 216(2), ‘Should no agreement be reached, the buyout amounts due to the joint owners may be reduced.’ The degree of the reduction is determined considering 1) the type, size, and condition of the farm subject to the buyout; and 2) the personal and financial situation of the joint owners obliged to pay and entitled to receive the amounts (Code, 1964).

On 5 July 1963, the Polish Sejm enacted the Act of 29 June 1963 on preventing farm fragmentation (Polish Journal of Laws No. 28, item 168). The reason for these restrictions was to arrive at specific economic and sociological effects in line with the objectives of the agricultural policy at the time. The legislator decided to prevent the creeping fragmentation of farms, caused by inheritance among other things, to ensure economic viability and increase the intensity of the peasant agricultural economy. One solution effective in legal terms was to make the farm a separate part of the estate. The inhibition of farm fragmentation through inheritance is a generalised consequence of the agricultural policy with norms for large farms, introduced with the Act of 29 June 1963 on preventing farm fragmentation and later incorporated into the Civil Code (Łysakowski, Stelmach, 1971).

The individual farmer is defined as a natural person who owns or rents agricultural property with a total area of agricultural usable land of up to 300 hectares, manages the farm in person, has agricultural qualifications, and lives in the municipality where one of the pieces of agricultural property forming their farm is located (Act of 11 April 2003 on shaping the agricultural system). Legitim dates back to Roman law. It was introduced to curb the pathology of a dying *pater familias* denying his children the inheritance and gifting it to other people. Note that in pre-modern societies, like Ancient Rome or Poland until recently, adult children

and wives worked on the farm for no remuneration. Their efforts contributed to the senior's wealth. Therefore, the public did not appreciate leaving the children and the wife bereft of their heritage. People who dedicated their lives to farm work, hoping to receive the estate after the father or husband dies, were left destitute (Sobczak, 2014).

As rightly noted by Gaffney-Rhys and Jones (2013), if the owner of a family farm fails to take appropriate action and appoint a successor in their last will, conflicts may arise between the heirs after the owner dies. In Poland, those excluded in the last will may demand a legitim from the appointed beneficiaries. The person not provided for in the last will may demand 50% of their potential statutory share of the estate. It is practised in the case of farm inheritance in Poland. Children who were not gifted an adequate area of land or its monetary equivalent from the decedent file a legitim claim with a court. Conflicts arising from farm inheritance will become more prevalent. This is because farmers above the age of 65 constitute more than 30% of the farming population in the European Union, with an average age of 51.4 (Czyżewski et al., 2024).

The literature on succession in family farms tends to focus on the succession strategy and the effects of leadership and ownership changes (Wang, 2023). It makes references to such notions as socio-emotional wealth, entrepreneurship, and management. They demonstrate how multidimensional the problem is. Furthermore, the literature provides diverse theoretical frameworks that can potentially facilitate an in-depth understanding of various phases of succession (Zashan et al., 2025). Management structure significantly contributes to successful succession. Researchers suggest that family farm management is a complex process as opposed to non-family farms. It is mostly because of the dual nature of the relationships (family and business) (Marath, 2023). The choice of the successor for a family farm is considered to potentially affect its growth, an occurrence conventionally referred to as the succession effect. Family issues can impact business, and conversely, business can affect the family (Kubicek, Machek, 2022). For example, Glover (2014) investigated farming family conflicts on the male-female plane among joint owners of the farm. The conflicts revolved around different opinions on how to run the farm.

Succession in individual farms has a significant impact on the structure of the Polish agricultural industry (Dudek, Pawłowska, 2022). Seymour (1993) suggests that the lack of a succession plan threatens the existence and continuity of the family farm. Researchers and decision-makers consider generational renewal in farms as the critical driver of agricultural innovation and modernisation. Many European states suffer from declining succession rates in agriculture (Schuh et al., 2022). It is linked to land abandonment, farm productivity decline, capital loss, business stagnation, and reduced investments (Wheeler et al., 2012; Mishra, El-Osta, 2007). Eventually, it may compromise the industry's ability to meet public expectations and achieve policy goals (Lobley et al., 2010). However, there are some legal issues associated with unreasonable farm estate distribution and the effective exercise of the agricultural qualification prerequisite for farmland buyers. The farm inheritance system lacks effective

structural solutions to ensure farm continuity. The Act on shaping the agricultural system provides for farm inheritance under testate and intestate succession by persons who are not individual farmers in line with universal inheritance principles introduced in Poland in 2001. Succession duration is long, and the perception of justice by non-succeeding siblings may vary over time, which can potentially disturb harmonious coexistence within the family and threaten the continuity of the farm (Matser et al., 2019).

Proactive succession planning, utilising multiple legal tools, may be an effective method for managing the challenges of farm estate distribution among heirs (Dudek, 2016). The legal methods include gifts, contracts to transfer the farm to the successor (Lukas, 2019), last wills, and contracts to provide care and lodgings in exchange for property title transfer. A family foundation can be established under Polish law for long-term management of farm assets. A gift of agricultural real property to immediate family members is not subject to donation tax, which makes it an attractive option. Moreover, the farmer may secure their right to live on the farm with a contract under which they transfer the ownership title to another person in exchange for care, lodgings, and food or personal servitude. A written succession plan is crucial for adapting to changing conditions and addressing potential issues with land transfer (Dudek, 2016). Contracts supporting generational renewal in agriculture are pillars of the agricultural law.

The literature emphasises numerous benefits of succession planning in agriculture (Sroka et al., 2019). It helps ensure the continuity and stability of family farms and avoid future conflicts among potential heirs (Borychowski et al., 2023). The Common Agricultural Policy of the European Union aims to reinforce the socioeconomic structure in rural areas, notably through generational renewal (European Commission, 2019). Succession planning helps protect investments, preserve the cultural and emotional load of the farm, stabilise the financial situation of the family, and maintain control over land and natural resources. A written succession plan is a must if the farm is to follow the changing constraints and to address potential problems with the transfer of land. Regrettably, methods of succession planning for family farms are still little known and even less practised in Poland.

Legal and family conflicts are often part of farm estate distribution among heirs (Matyka, 2025). Estate distribution court proceedings determine the composition and value of the estate. They also decide on disputes over whether a specific asset belongs to the estate. If the heirs cannot agree on the distribution, the decision is the court's after considering the parties' proposals. In general, the court is bound by an agreed petition of the heirs regarding the distribution arrangements unless it is illegal or contravenes principles of social coexistence or interests of eligible parties.

Profile of the sample

The respondents are from various places in Poland. Half of them come from five voivodeships: Wielkopolskie, Mazowieckie, Lubelskie, Podkarpackie, and Małopolskie. The smallest groups are from Lubuskie and Zachodniopomorskie Voivodeships. The sample is predominantly composed of women (70.6%). Most of the respondents were local government staff (71.8%). Farmers amounted to 9.4% of the sample. Local government representatives who were also farmers made up 6.4%. Businesspeople accounted for a mere 2% of the sample. The largest age group was 40-50 (35.7%, Figure 1). An overwhelming majority of respondents (70.5%) lived in the countryside, while the others were urban residents.

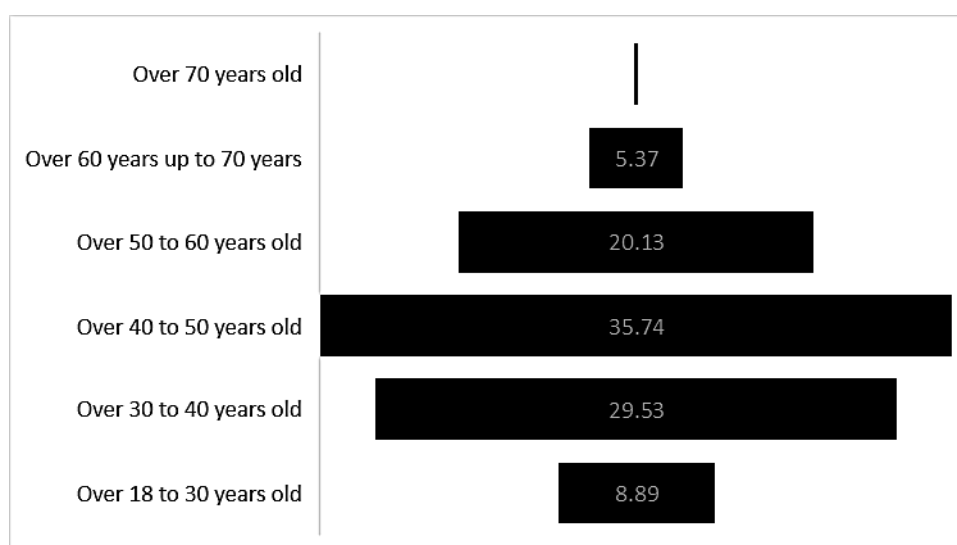


Figure 1. Age structure of the respondents (%).

Source: Authors own work, original work based on the survey (N = 596).

Primary causes of conflicts in farming families

The survey of 596 respondents shows that the primary cause of conflicts in farming families is unresolved mutual financial claims resulting from sibling buyouts (47.3% of answers, Figure 2).

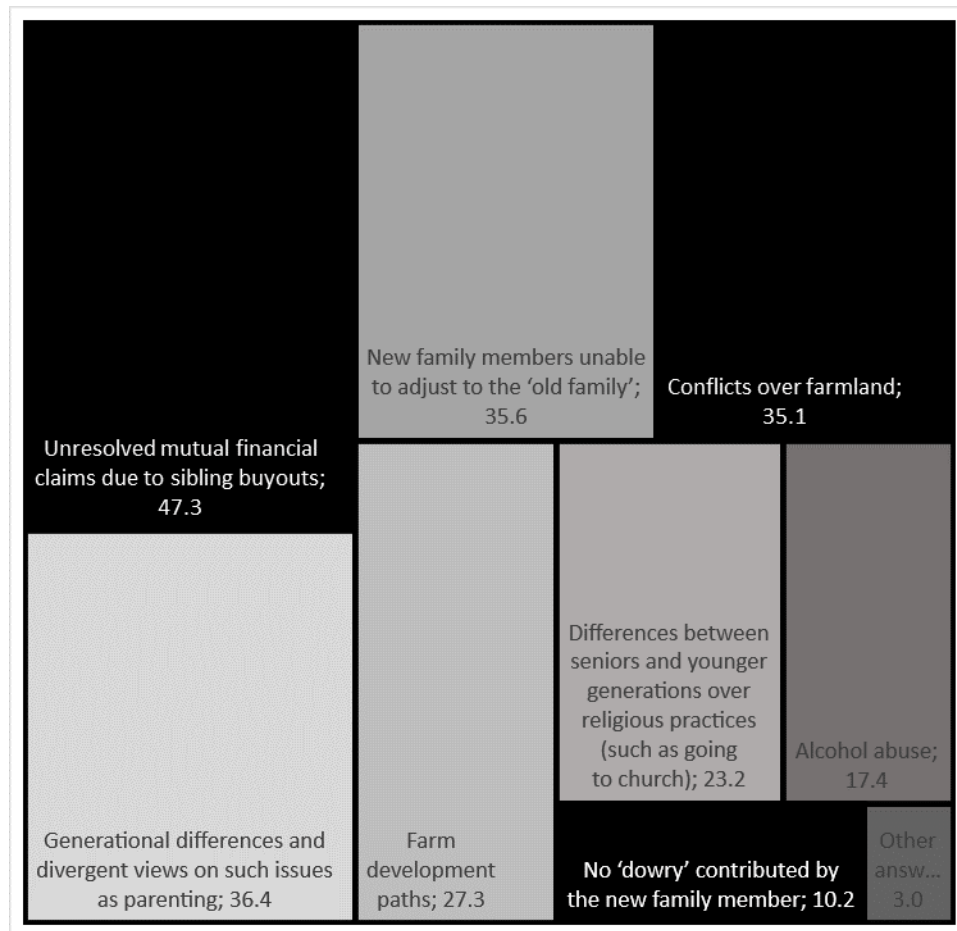


Figure 2. Structure of answers to the question 'What are the primary causes of conflicts in farming families?' Percentages do not total 100% because respondents could select more than one answer (%).

Source: Authors own work, original work based on the survey (N = 596).

The results show that those who indicated 'Unresolved mutual financial claims due to sibling buyouts' also selected 'Conflicts over farmland'. The second most popular cause of conflicts was 'Generational differences and divergent views on such issues as parenting' (36.4%). 'New family members unable to adjust to the "old family"' was selected almost just as often (35.6%). The economic factors that disrupt family relationships include conflicts over farmland (35.1%), mutual financial claims due to sibling buyouts, and the absence of a dowry.

Sibling buyout methods

The respondents were asked 'Have you heard of someone receiving a buyout payment from a sibling who inherited a farm?' About 52% chose the affirmative answer (Figure 3). Every fifth respondent was unable to tell whether they had heard of such a situation.

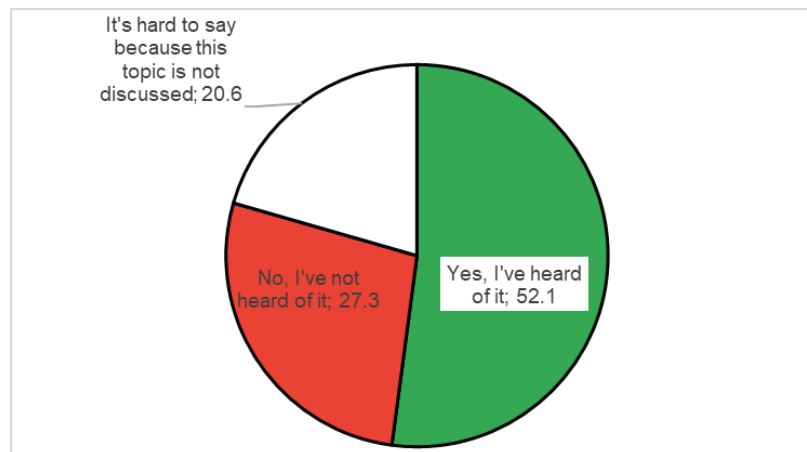


Figure 3. Structure of answers to the question ‘Have you heard of someone in your municipality receiving a buyout payment from a sibling who inherited a farm?’ (%).

Source: Authors own work, original work based on the survey (N = 545).

About a third of the sample had never heard about a sibling receiving a buyout payment from the successor (27.3%). One in five found it difficult to answer the question, mainly because the problem is not discussed in casual conversations (20.6%, Figure 3). People still do not talk about such weighty issues with friends and family in the twenty-first century. Possibly, the financial aspect of a sibling buyout from the farm can be difficult to discuss with strangers.

The buyout usually involved a single payment equivalent to the non-succeeding sibling's share of the farm estate (48.9%). The second most common answer was buyout in instalments (45.6%, Figure 4).

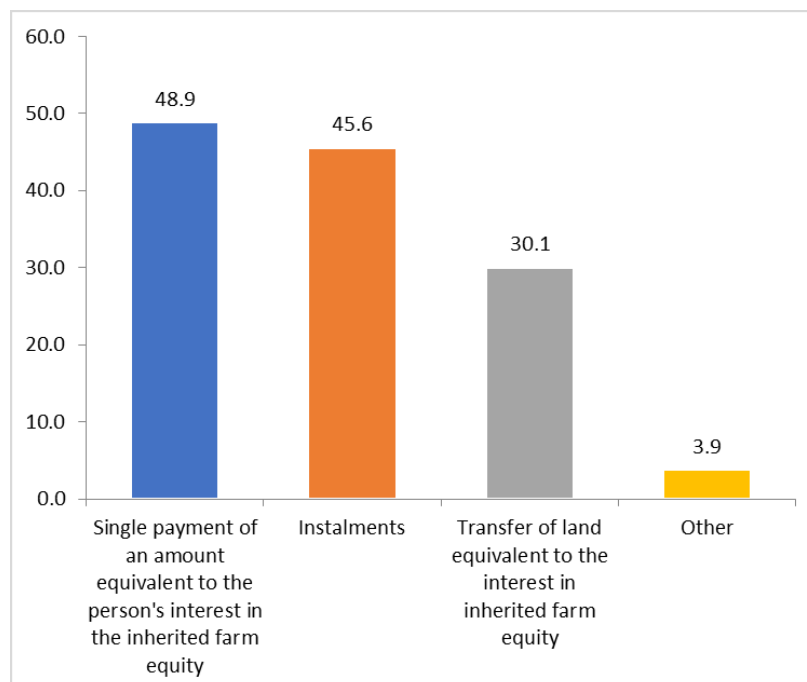


Figure 4. Structure of answers to the question ‘What form of sibling buyout was used?’ (%). Percentages do not total 100% because respondents could select more than one answer.

Source: Authors own work, original work based on the survey (N = 309. Only those respondents who reported having heard of sibling buyouts in their municipality).

Transfer of land equivalent to the interest in farm equity was the least popular option (30.1%). The data in Figure 4 shows that the transfer of land is chosen the least often to buy out siblings. Other answers included help with building a house, buying a flat, and expanding a business. Some buyouts were hybrid, combining a transfer of some land and instalments, for example. The respondents reported other methods as well. Individual answers mentioned a transfer of a building plot. In one case, the buyout was financed with money from the sale of some farm plots.

The respondents were asked whether financial matters linked to farm inheritance had been resolved properly in their families. In the overall sample, financial issues related to farm inheritance were resolved for half the cases (50.7%, 302 people). One-fifth believed they were yet to be handled (19.3%). Every fourth respondent was unable to answer the question (25.5%). Rural residents more often considered farm inheritance finances handled properly than respondents from cities (54.5% and 40.7%, respectively, Figure 5).

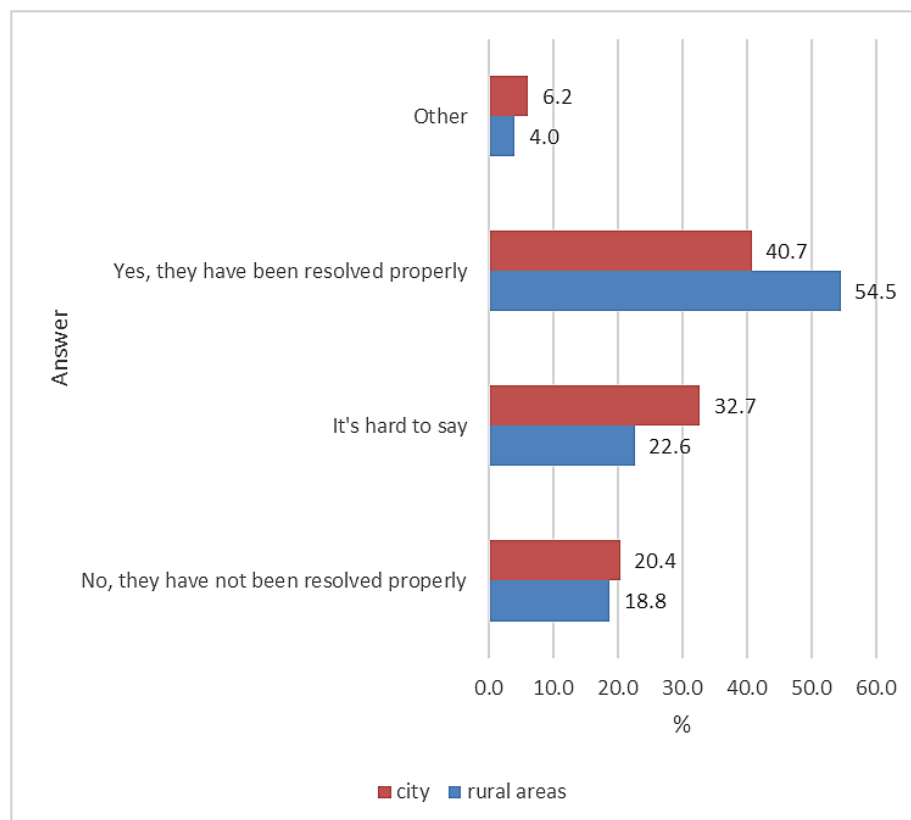


Figure 5. Structure of answers to the question ‘Have farm inheritance finances been resolved properly in your family?’ Answers by place of living (%).

Source: Authors own work, original work based on the survey (N = 596).

Urban residents were more often unable to say whether farm inheritance finances had been resolved properly in their families (32.7%, Figure 5).

The survey suggests that women were more unsure whether family financial issues linked to farm inheritance had been resolved properly (Figure 6). The ‘It's hard to say’ answer was selected by 27.3% of the women and 21.1% of the men.

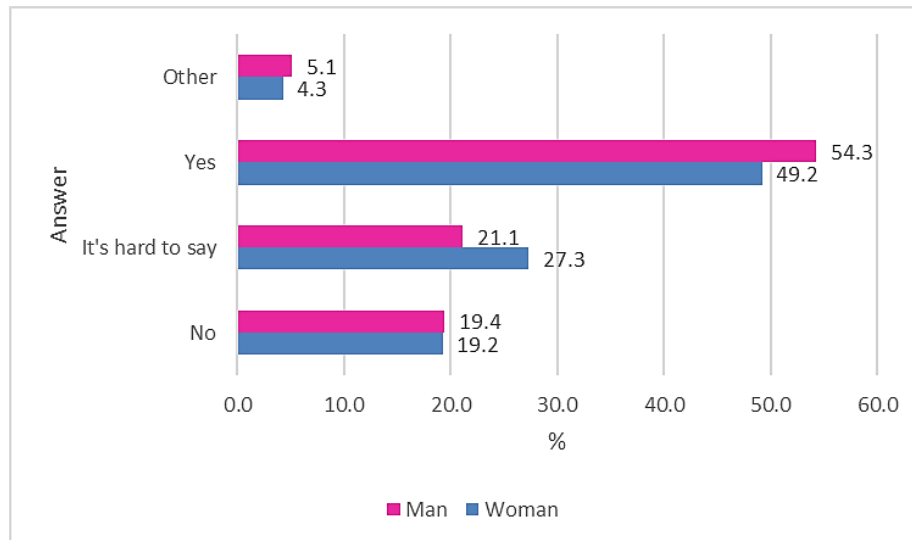


Figure 6. Structure of answers to the question ‘Have farm inheritance finances been resolved properly in your family?’ Answers by sex (%).

Source: Authors own work, original work based on the survey (N = 596).

More than half of the men reported that farm inheritance finances had been resolved properly in their families (54.3%). Five percentage points fewer women believed so (49.2%, Figure 6).

The financial matters were more often settled in the families of those who were aware of the legitim (56.9%), compared to those who were unfamiliar with the term (44.1%, Figure 7).

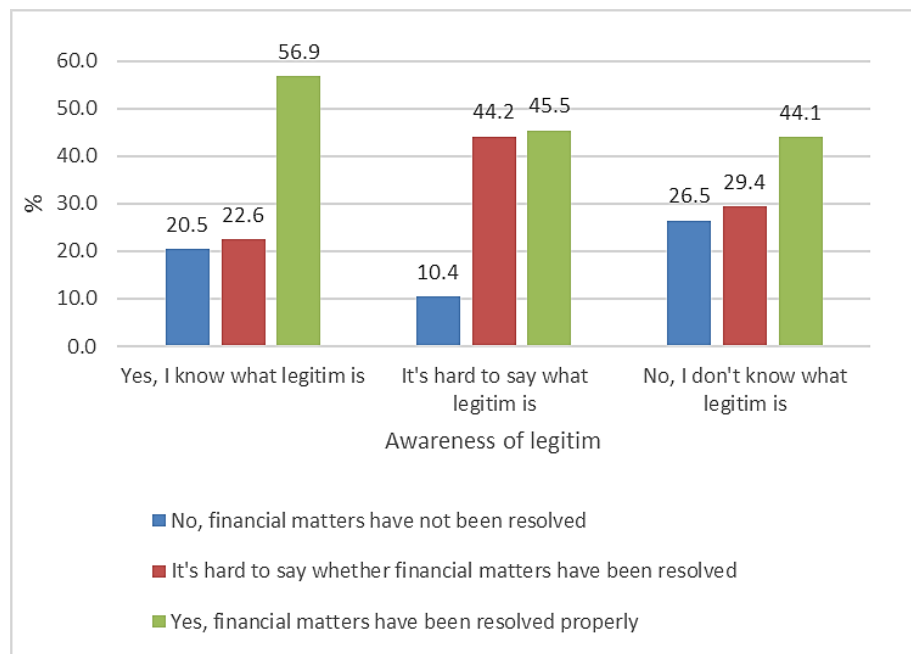


Figure 7. Satisfaction with how farm inheritance finances were settled in groups of respondents with different levels of awareness of legitim (%).

Source: Authors own work, original work based on the survey (N = 569).

Persons who received part of the divided farmland were more satisfied (about 66%) than those who received money (54%, Figure 8). Possibly it is because the value of land constantly increases while the value of money decreases with price inflation.

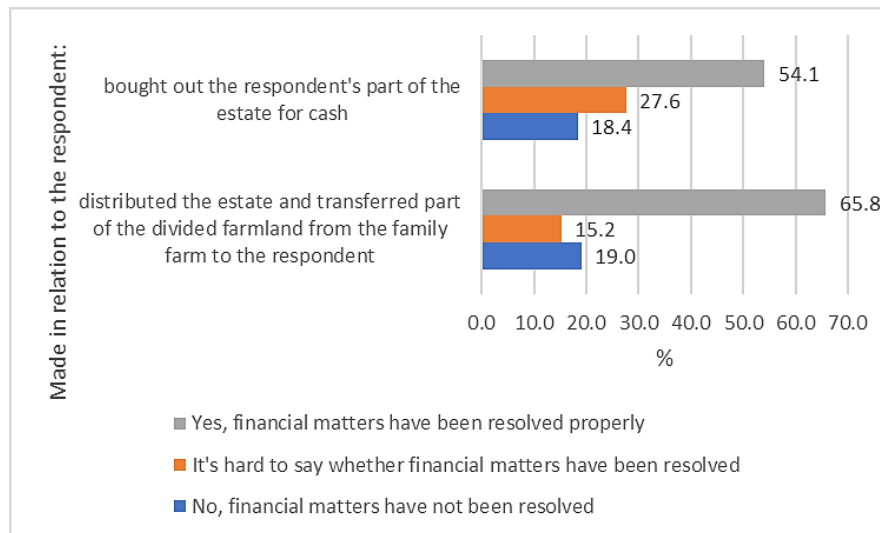


Figure 8. Satisfaction with the settlement of financial matters linked to farm inheritance in groups with experience of different buyout methods (land and cash): people who received land or who were bought out (%).

Source: Authors own work, original work based on the survey (N = 458).

People who bought siblings out with cash and transfer of land were similarly satisfied with the settlement. The survey shows that about 70% of the respondents who bought out siblings considered the issues of farm inheritance resolved properly (Figure 9). When compared, Figures 8 and 9 clearly demonstrate that people who made transfers to siblings (Figure 9) were more satisfied than siblings who were bought out (Figure 8). This suggests that off-farm siblings are usually dissatisfied with the compensation they receive.

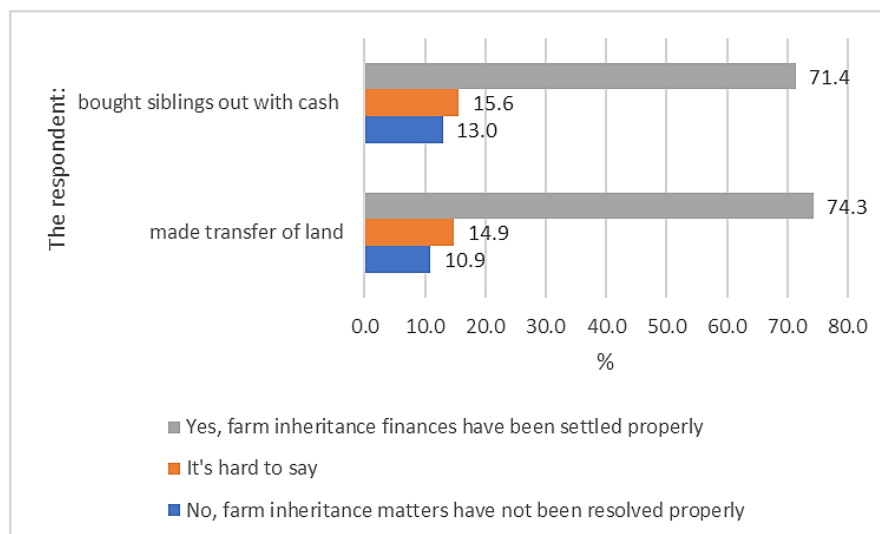


Figure 9. Satisfaction with the settlement of financial matters linked to farm inheritance in groups with experience of different buyout methods (land and cash): people who bought out siblings/child or transferred land to siblings/child (%).

Source: Authors own work, original work based on the survey (N = 178).

Respondents who stayed on their parents' farm (on-farm) were more satisfied with how the financial aspects of farm inheritance were handled than off-farm heirs (Figure 10). The answer 'Yes, financial farm inheritance matters have been resolved properly' was selected by 54% of the respondents who stayed on the farm and 42% of the respondents who left the parents' farm. Note that every fourth non-succeeding respondent believed that matters related to farm inheritance had not been resolved properly. It is double that of those who stayed on the farm (12.9%, Figure 10).

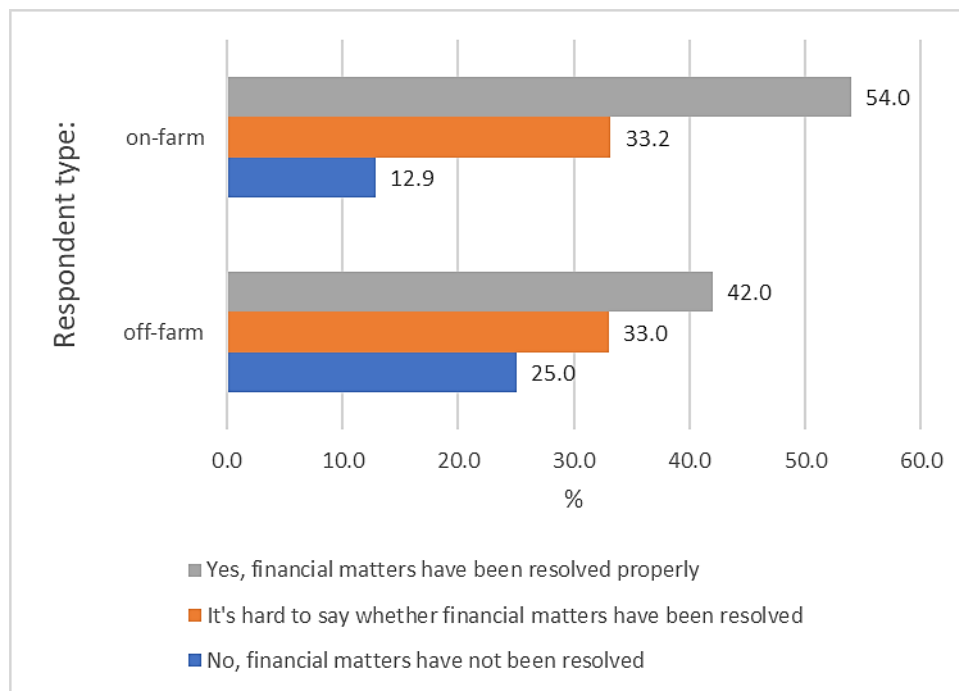
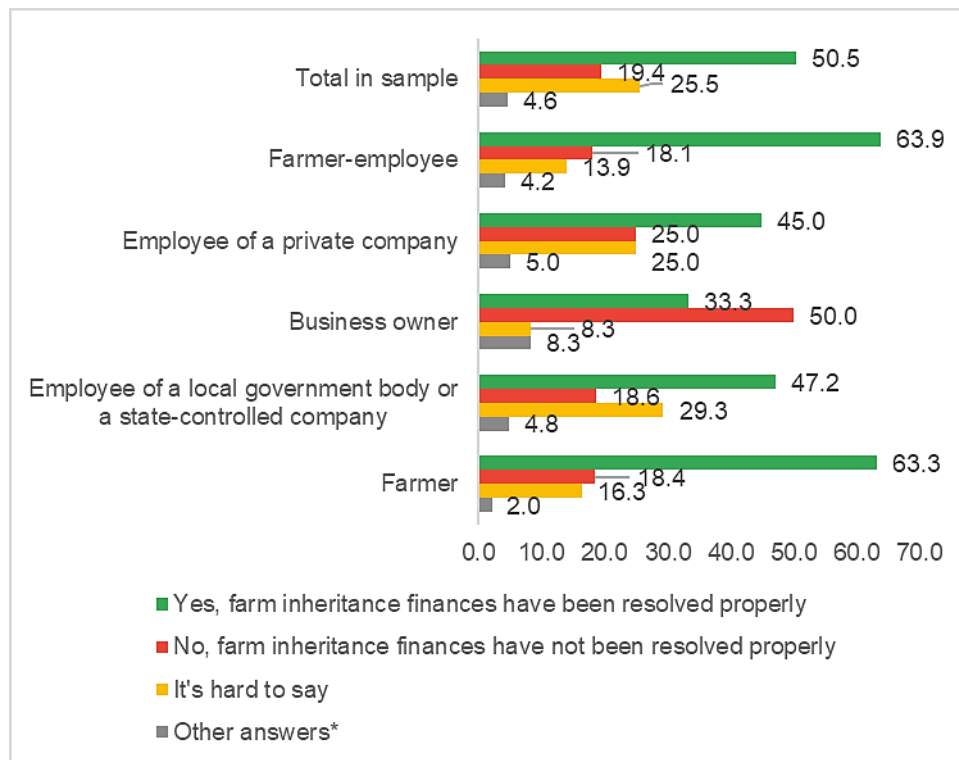


Figure 10. Satisfaction with how farm inheritance finances were settled in on- and off-farm groups of respondents (%).

Source: Authors own work, original work based on the survey (N = 178).

Financial matters linked to farm inheritance were resolved properly mostly in the opinions of farmers (63%, Figure 11). Businesspeople were the least satisfied with how financial matters related to farm inheritance were resolved in their families (33%).



Other answers*: not yet, pending completion, the matter has not been discussed yet, no farm inheritance occurred, the matters remain unresolved, the problems are being resolved, the farm has not been distributed yet because the parents still farm the land.

Figure 11. Structure of answers to the question 'Have farm inheritance finances been resolved properly in your family?' by employment (%).

Source: Authors own work, original work based on the survey (N = 545).

Sibling buyout by successors to the farm

About 56% of the 596 respondents (332 people) left the parents' farm. Those who stayed were asked whether they bought off their siblings. On-farm respondents settled the buyout mainly through the division and transfer of farmland (44%, Figure 12) and less often by paying them the amount equivalent to the value of their share of the estate (33.6%, Figure 12).

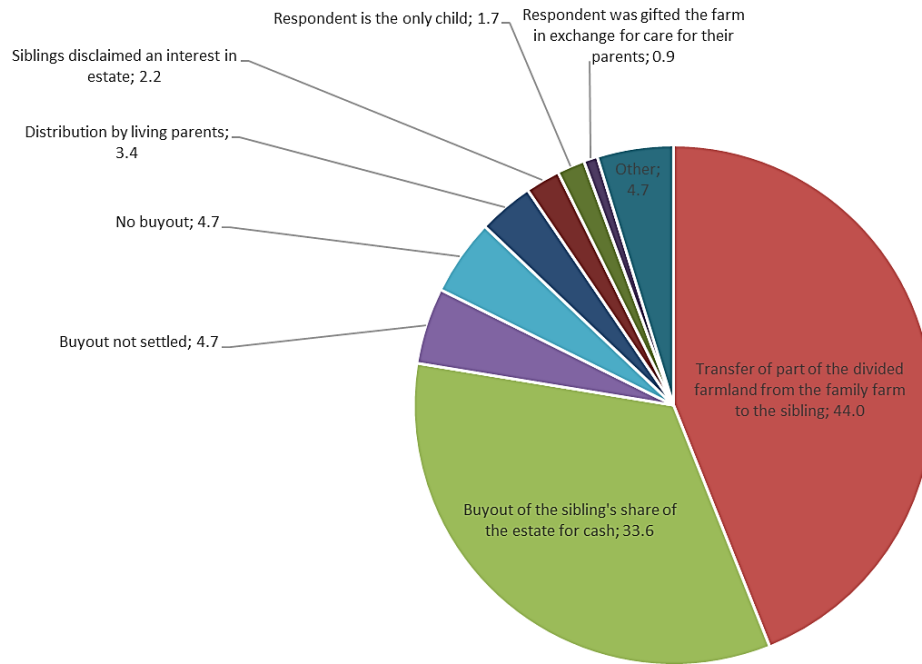


Figure 12. Structure of answers concerning buyout by succeeding siblings (%).

Source: Authors own work, original work based on the survey (N = 232, on-farm heirs).

The survey shows that in several cases, the parents applied an *inter vivos* distribution of the farm estate (3.4%). They gifted off-farm children, for example. Parents often gift building plots to children who leave the family farm. By making specific donations to children who left the family home, the parents relieve the succeeding sibling from obligations towards their brothers and sisters.

Only children (1.7%) had no issues with estate distribution, farm included. The sample included some respondents (0.9%) who did not engage in buyout procedures because they were gifted the farm in exchange for caring for their parents. The results show that siblings rarely disclaimed an interest in a farm estate (2.2%).

Some respondents reported not buying out their siblings (4.7%). A few gave reasons. One of them inherited poor-quality land, 'class 6, and the farm had to be modernised.' Therefore, they had no funds to buy out the siblings. Another participant clarified that their 'siblings got building plots, and I got eight hectares of arable land'.

The study shows that in some cases, the buyout has not been settled and is not discussed by the family (4.7%). Sometimes it was because the farm had not yet been handed down. The results revealed that some inherited farms are in debt. To keep it, the respondent had to pay the debt they inherited along with the agricultural land. Often, the matter was not settled because the farm had not been transferred.

The respondents also selected other answers (4.7%). Some reported that the topic had not been discussed in the family or settled. Another respondent shared that the parcels had been sold, and the proceeds divided among the heirs. Testate succession was reported in just one case.

Buyouts of non-succeeding respondents

Some respondents represented siblings who had left the farm. This group was less satisfied with the buyouts.

Off-farm respondents were asked to provide the method of sibling buyout they experienced. Most of the 325 answers reported transfer of some divided farmland distributed from the family farm estate (48.6%). The second most common answer was payment of amounts equivalent to the value of the respondent's interest in the estate (30.8%).

The survey shows that the respondents who received no buyout payments (10.5%) referred to respecting the deceased parents' last will regarding the succession. One respondent shared that 'the youngest sister took over the farm in exchange for taking care of the parents. None of the remaining children expected any repayment.' Another respondent wrote that she 'was given several thousand zlotys of buyout from the parents while a brother inherited the entire farm worth several hundred thousand zlotys and movables worth several dozen thousand'. The latter case exemplifies unequal treatment of children by their parents. Some respondents who received no buyout compensation indicated that they had not wanted to stay on the farm. They left it intentionally and did not expect any compensation from the succeeding siblings.

Those respondents who reported that their buyout was not settled properly (3.4%) clarified that the topic of buyout 'is not discussed' or they 'have not talked about the farm distribution yet'. In one case, the sale of the farm was discussed, and so the matter has not been resolved yet.

Non-succeeding siblings received gifts in-kind (3.4%), notably a flat bought by the parents or a building plot. One person wrote that they 'can count on the brother's help with anything as long as they live.' Another respondent received a 'small dowry' but did not specify the nature of the gift.

Those who left the parents' farm reported receiving part of the divided farmland (48.6%, Figure 13). Buyout payment in cash was less common (30.8%).

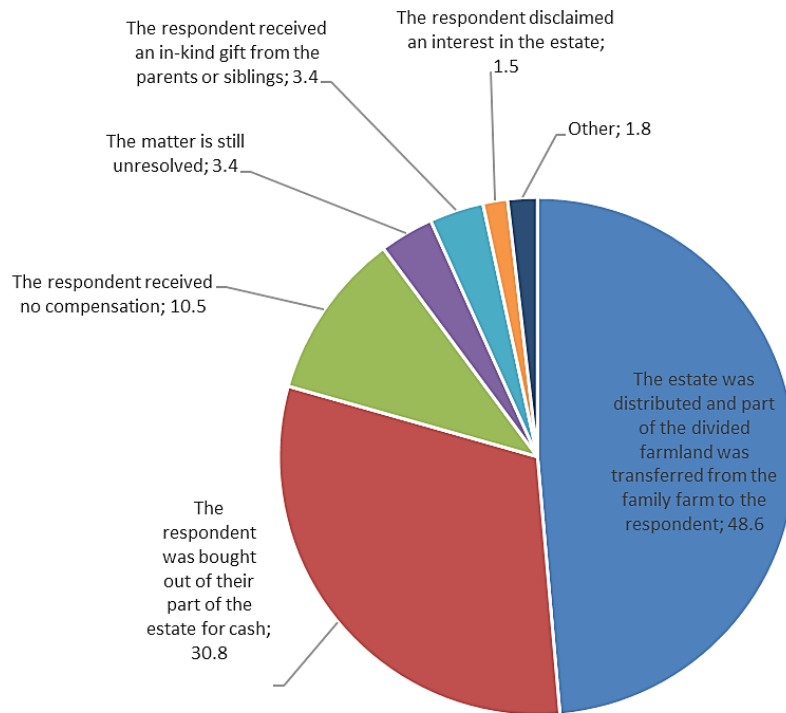


Figure 13. Farmland division and distribution and buyouts of off-farm respondents (%).

Source: Authors own work, original work based on the survey (N = 325).

Farmland division is common in southeastern Poland and Zachodniopomorskie Voivodeship. Buyouts are typical of central Poland (Figure 14).

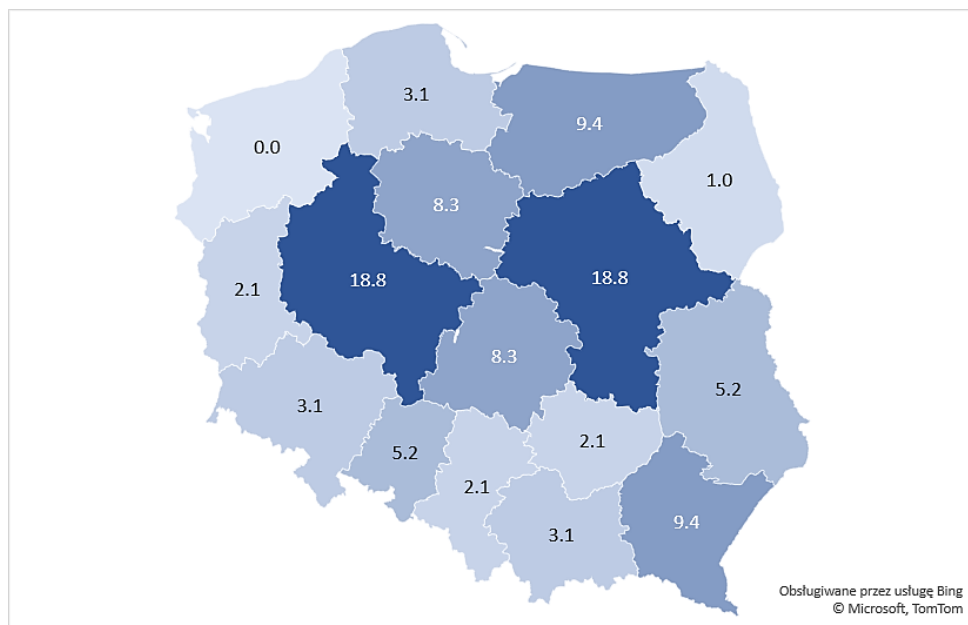


Figure 14. Regional structure of answers concerning buyout of respondents' shares of estate for cash (%).

Source: Authors own work, original work based on the survey.

Buyout for cash was reported mainly in Wielkopolskie Voivodeship (30%). It was the least popular in Zachodniopomorskie and Małopolskie (7.1%), followed by Śląskie and Świętokrzyskie (8% each).

Some respondents described extreme unfair treatment during the farmland division and distribution. One answer shows that the decisions are not always impartial. One respondent wrote that she 'was given several thousand złotys of buyout from the parents while a brother got the entire farm worth several hundred thousand złotys and all movables worth several dozen thousand'. I agreed to the notarial deed so that my mother could get sickness allowance. The brother does not feel inclined to buy me out.' Some respondents noted that the succeeding sibling had more responsibilities in terms of caring for their parents. The farm went to the youngest sister, who undertook to provide care for the parents. None of the remaining sisters expected any compensation'. 'The youngest brother got the farm "for care"'.

The respondents were asked, 'Have you heard of someone disclaiming inheritance of a part of a farm in a notarial deed provided they are compensated in the future, but they have never been compensated?'. There were 17.6% of affirmative answers. More than half of the respondents (51.5%) have never encountered such a situation. Every third respondent found it hard to answer the question (30.9%).

Seven out of ten participants were familiar with how legitim works (69.4%). Eligibility for legitim from the successor was news to 17.6% of the respondents. About 13% of the sample found it hard to answer the question.

More than one-fourth of the respondents have heard of legitim court proceeding in their neighbourhood (26.3%). A majority of the respondents did not notice legitim cases in their surroundings (57.4%). Approximately one in six people could not answer this question (16.3%).

Some respondents shared details of legitim procedures with which they were familiar (15%). One of the most telling examples involves a succeeding person's siblings who remembered their eligibility for legitim after living abroad for many years and following the death of their parents. One of the respondents noted that 'the farm was large, and the land gained significant value. The conflict is over money'. This meaningful perspective shows that the increase in land prices makes voicing legitim claims worthwhile. The later it is made, the better for the petitioner. According to the respondent, 'despite making the buyout payments, the greedy siblings petitioned the court requesting a legitim, but lost'. Another case involved a farm that was handed down to one son, while the other received cash and a plot to build a house. After both parents died, the non-succeeding son petitioned the court for a legitim despite having received financial support from his parents.

The respondents reported situations in which a non-succeeding son petitioned for legitim despite having received a new house from the parents. The brother demanded a legitim after 20 years of the farming sibling's substantial investments in the farm. In a different case, a legitim petition was made after the successor started selling off the farm. Their siblings demanded a legitim because 'there was an unwritten agreement that he was supposed to run the farm and

hand it down to his children'. Sometimes the farm had to be liquidated to pay out legitim. There was 'an auction of property under debt enforcement proceedings to pay legitim debts to siblings'.

In one case, 'legitim was demanded by siblings of a deceased owner whose wife gifted her nephew the farm'. Emigrants often demand a legitim after a long time abroad or in a city, and after their parents die. Sometimes, a conflict 'over everything' erupts after parents die despite previous oral agreements between them and the children.

It also happens that children who moved to a city received regular yet undocumented payments from their parents as a 'buyout'. When the parents die, they demand legitim from the succeeding sibling.

Life holds the most interesting stories. One respondent recalled a story of the youngest son who inherited a farm. He died childless after several decades and bequeathed the entire farm to his sister's son. His other siblings demanded a legitim.

In a different family, 'a brother was gifted the entire farm so that the father could be granted a farmer's pension'. After both parents died, his sister demanded a legitim. Yet another successor failed to provide care for his parents. The siblings demanded a legitim, which they spent on care services for the parents.

Discussion and conclusions

The survey reveals that the primary cause of family conflicts is unresolved mutual financial claims stemming from sibling buyouts. Nearly half of the respondents have heard of siblings receiving buyout payments from the successor. In the overall sample, financial issues linked to farm inheritance were resolved properly for half of the cases. Men were more often satisfied with buyouts than women. The financial matters were more often settled in the families of those who were aware of the legitim compared to those who did not know the term. On-farm respondents settled the buyout mainly by transferring land, and less often by paying their siblings the amount equivalent to the value of their share of the estate in cash. More than one-fourth of the respondents have heard of legitim court proceeding in their neighbourhood.

The article contributes empirical observations on the sources of conflicts in farming families. Those respondents more familiar with the law and the notion of legitim (a court-ordered compensation for being disinherited) are the most satisfied with how estate matters are resolved in their families. Typically, the succeeding sibling is more satisfied with how financial issues linked to the farm inheritance have been resolved. Those who do not inherit the farm are bestowed with some land to build a house or funds to buy a flat in a city. The same happened in New Zealand, where parents tried to compensate non-succeeding children with other assets or opportunities (Keating, Little, 1997). Every tenth respondent received no support linked to

succession in the family farm. Typically, the succeeding sibling is the most satisfied with the financial settlement under farm succession.

It would be beneficial to employ some Western European farm inheritance solutions in Poland. The results show that more than a quarter of the respondents knew about legitim court proceedings nearby. Non-farming heirs often demand legitim from the successors after the parents pass away. It would be desirable to implement the German principle that the sum due to other beneficiaries is reduced by 25% after 10 years of work on the inherited farm.

Western European countries establish laws to ensure the stability and development of family farms. The Polish mechanisms are limited to several specific provisions (Lichorowicz, 2015). One can only hope that the gaps in the Polish agricultural legislation will be addressed quickly and reasonably.

Another interesting solution worth considering is enabling the heirs to appoint a family agricultural land association under estate distribution proceedings. This French tool facilitates the integration of heirs into a family business. In this case, the family that lives in a city help the successor during vacations, for example. A member of the land association is entitled to a portion of the farm's income but not to a legitim. A share in a land association could also hedge a mortgage loan. The latter option might be valuable to persons seeking funding for the purchase of a building plot in the suburbs.

The reason why many successors are sued for legitim is poor knowledge of the law. It is particularly harmful in the case of the deceased person's parents. The heir could be protected against legitim claims if they are gifted the farm in exchange for care. Another mistake decedents make is undocumented financial gifts in cash instead of bank transfers. This way, children who received financial support from their parents file claims for legitim because there is no proof of the gifts.

Limitations and future research

The respondents were anonymous. We were unable to ask for more details on the conflicts caused by the unfair distribution of the estate they described. Although we know the municipality in each case, it would be costly and time-consuming to reach the individuals scattered all over Poland. Furthermore, it is a challenge to obtain answers to questions concerning financial settlements related to farm inheritance. We attempted to investigate individual cases more closely by trying to reach people engaged in such conflicts through the heads of villages. However, they refused to identify families with farm inheritance conflicts. Next, we attempted to build case studies by reaching out to young farmers who benefited from EU support programmes that help with generational renewal in agriculture. Once again, the Agency for Restructurisation and Modernisation of Agriculture refused to share their

addresses protected under the GDPR. Then, we managed to contact several young farmers through the village heads, but there were no conflicts linked to farm inheritance in their families.

Future research will require gaining the trust of rural residents, also by ensuring anonymity, and assuring them their input will be used for research only.

References

1. Ahmad, Z., Najam, U., Mustamil, N. (2025). Uncovering the research trends of family-owned business succession: past, present and the future. *Journal of Family Business Management, Vol. 15, No. 1*, pp. 185-204.
2. Belmonte, S., Seaman, C., Bent, R. (2016). Keeping it in the family: family, priorities and succession in Scottish landed estates. *Journal of Family Business Management, Vol. 6, No. 3*, pp. 350-362.
3. Bertolozzi-Caredio, D. (2024). The farm succession effect on farmers' management choices. *Land Use Policy, 137*, available at: <https://www.sciencedirect.com/science/article/pii/S0264837723004805>, 1 February 2025.
4. Bika, Z. (2007). *The Territorial Impact of the Farmers' Early Retirement Scheme*. Available at: <https://onlinelibrary.wiley.com/doi/full/10.1111/j.1467-9523.2007.00436.x>, <https://doi.org/10.1111/j.1467-9523.2007.00436.x>, 26 February 2025.
5. Blanc, M., Perrier-Cornet, P. (1993). Farm transfer and farm entry in the European community. *Sociologia Ruralis, Journal of the European Society for Rural Sociology*, pp. 319-333.
6. Borychowski, M., Grzelak, A., Stępień, S. (2023). Economic and environmental determinants of farm succession. The empirical evidence from Wielkopolska region (Poland). *Journal of Rural Studies, Vol. 101*.
7. Czyżewski, B., Kryszak, Ł., Bajrami, E., Lucasenco, E., Muntean, A. Tosović-Stevanović, A. (2023). What determines small farms' succession patterns in Eastern European emerging markets? Exploring the role of embeddedness in social networks. *International Journal of Emerging Markets*.
8. Dudek, M., Pawłowska, A. (2022). Can succession improve the economic situation of family farms in the short term? Evidence from Poland based on panel data. *Land Use Policy, Vol. 112*.
9. Dudek, M. (2016). A matter of family? "An analysis of determinants of farm succession in Polish agriculture". *Studies in Agricultural Economics, Vol. 118*, pp. 61-67.
10. Dudek, M. (2016). *Sukcesja indywidualnych gospodarstw rolnych jako czynnik przeobrażeń strukturalnych w polskim rolnictwie*. Warszawa: Instytut Ekonomiki Rolnictwa i Gospodarki Żywnościowej.

11. *Dziedziczenie gospodarstwa rolnego - podstawowe zasady*. Available at: <https://poradnikprzedsiebiorcy.pl/-dziedziczenie-gospodarstwa-rolnego-podstawowe-zasady>, 24 March 2025.
12. European Commission (2019). Evaluation of the impact of the CAP on generational renewal, local development and jobs in rural areas. Available at: <https://op.europa.eu/en/publication-detail/-/publication/4bd0b0a2-0503-11ea-8c1f-01aa75ed71a1/language-en>, 1 February 2025.
13. Gaffney-Rhys, R., Jones, J. (2013). Where there's a will there's a way. Attitudes to inheritance planning amongst small business owners. *International Journal of Law and Management*, Vol. 55, No. 2, pp. 103-122.
14. Glover, L.J. (2014). Gender, power and succession in family farm business. *International Journal of Gender and Entrepreneurship*, Vol. 6, No. 3, pp. 276-295.
15. *Instytucja zachowku w prawie spadkowym wymaga zmian*. Available at: <https://www.prawo.pl/prawnicy-sady/instytucja-zachowku-w-prawie-spadowym-wymaga-zmian,57114.html>, 24 March 2025.
16. Keating, N.C., Little, H.M. (1997). Choosing the successor in New Zealand family farms. *Family Business Review*, Vol. 10, No. 2, pp. 157-171.
17. Kodeks Cywilny (1964). Ustawa z dnia 23 kwietnia 1964 r. Kodeks cywilny. Available at: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU19640160093/U/D19640093Lj.pdf>, 21 February 2024.
18. Kodeks Cywilny, Art. 216. §1 i §2. Available at: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU19640160093/U/D19640093Lj.p>, 17 February 2025.
19. Konstytucja Rzeczypospolitej Polskiej (1997). z dnia 2 kwietnia 1997 r. Available at: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU19970780483/U/D19970483Lj.pdf>, 20 February 2024.
20. Konstytucja Rzeczypospolitej Polskiej, Art. 23. Art. 21. Available at: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU19970780483/U/D19970483Lj.pdf>, 5 February 2025.
21. Kubicek, A., Machek, O. (2022). Status conflict in family firms: a multilevel conceptual model. *Journal of Family Business Management*, Vol. 12, No. 4, pp. 1020-1042.
22. Li, W., Marshall, M.I. (2019). Gender and business owner satisfaction. The case of farm and non-farm family businesses in the Midwest. *Journal of Family Business Management*, Vol. 9, No. 4, pp. 416-428.
23. Lichorowicz, A. (2015). Podstawowe rozwiązania regulujące status prawny gospodarstw rodzinnych w krajach Europy Zachodniej. In: P. Litwiniuk (Ed.), *Prawne mechanizmy wspierania i ochrony rolnictwa rodzinnego w Polsce i innych państwach Unii Europejskiej* (pp. 265-283). Warszawa: Sekretariat Centralny Krajowej Sieci Obszarów Wiejskich.
24. Lobley, M. (2010). Succession in the family farm business. *Journal of farm management*, Vol. 13, No. 12, pp. 839-851.

25. Lukas, Z., Lostak, M., Swain, N. (2019). Family Farm Succession of the First Post-Socialist Generation in the Czech Republic. *Eastern European Countryside*, Vol. 25, pp. 9-35.
26. Łysakowski, W., Stelmach, K. (1971). *Dziedziczenie i działy gospodarstw rolnych w praktyce sądowej*. Available at: <https://repozytorium.amu.edu.pl/bitstreams/2bae0c77-ada6-4dc1-a8eb-4cdd7038c1bf/download>, 21 February 2025.
27. Malik, S., Alkhalidi, A., Salamzadeh, A., Mantas, C. (2024). "A systematic literature review on home-based businesses: two decades of research. *Journal of Family Business Management*, Vol. 14, No. 6, pp. 1136-1152.
28. Marath, B. (2023). Impact of effective governance structure on succession process in the family business: exploring the mediating role of management succession planning. *Rajagiri Management Journal*, Vol. 17, No. 1, pp. 84-97.
29. Matser, I., Bouma, J., Veldhuizen, E. (2019). No hard feelings? Non-succeeding siblings and their perceptions of justice in family firms. *Journal of Family Business Management*. Emerald Publishing.
30. Matyka, M. (2025). Changes in land resources in European Union member states. *Annals of the Polish Association of Agricultural and Agribusiness Economists*, XXVII(1), pp. 133-143.
31. Mishra, A.K., El-Osta, H.S. (2007). Factors affecting succession decisions in family farm Businesses: evidence from a national survey. *Journal of the ASFMRA (American Society of Farm Managers and Rural Appraisers)*, pp. 1-10.
32. Mogaji, E. (2024). Navigating the path of family business research: a personal reflection. *Journal of Family Business Management*, Vol. 14, No. 5, pp. 891-906.
33. Nowak, M. (2016). Małopolski ród Slaskich – linia na Broniszowie – przykład średniozamożnej szlachty ziemi pińczowskiej w XIX-XX w. *Rocznik Lubelskiego Towarzystwa Genealogicznego*, pp. 89-110. Available at: <https://www.ceeol.com/search/viewpdf?id=728507>, 22 February 2025.
34. Nowak, M. (2017). Małopolski ród Slaskich – linia na Broniszowie – przykład średniozamożnej szlachty ziemi pińczowskiej w XIX-XX w. *Rocznik Lubelskiego Towarzystwa Genealogicznego*, Vol. VIII, pp. 89-109. Available at: <https://www.ceeol.com/search/viewpdf?id=728507>, 1 February 2024.
35. Prochownik, A. (1962). Rozdrabnianie gospodarstw a emigracja ze wsi. Studium wsi Piotrkowice Wielkie w pow. Proszowickim. *Rocznik Naukowo-Dydaktyczny WSP w Krakowie*, Z. 10. *Prace geograficzne*, 1962. Available at: <http://rep.up.krakow.pl/xmlui/handle/11716/3360>, 15 February 2025.
36. Ratten, V., Chrisman, J.J., Mustafa, M., Sciascia, S., Seaman, C., Discua Cruz, A., Feranita, F. (2024). Learning from family business researchers. *Journal of Family Business Management*, Vol. 14, No. 4, pp. 735-747.
37. Schuh, B. (2022). *Research for AGRI Committee – The Future of the European Farming Model: Socioeconomic and territorial implications of the decline in the number of farms*

- and farmers in the EU*. Brussels: European Parliament, Policy Department for Structural and Cohesion Policies.
38. Seymour, K. (1993). International relationships in the family firm: the effect on leadership succession. *Family Business Review*, Vol. 6, No. 3, pp. 263-281, doi: 10.1111/j.1741-6248.1993.00263.x
39. Sobczak, K. (2014). Instytucja zachowku w prawie spadkowym wymaga zmian. Available at: <https://www.prawo.pl/prawnicy-sady/instytucja-zachowku-w-prawie-spadkowym-wymaga-zmian,57114.html>, 30 March 2024.
40. Sroka, W., Dudek, M., Wojewodzic, T., Król, K. (2019). Generational changes in agriculture: The influence of farm characteristics and socio-economic factors. *Agriculture*, Vol. 9, No. 12, pp. 244-264.
41. Taylor, J.E., Norris, J.E. (2000). Sibling relationships, fairness, and conflict over transfer of the farm. *Family Relations*, Vol. 49, No. 3, pp. 277-283.
42. Ustawa z dnia 11 kwietnia 2003 r. o kształtowaniu ustroju rolnego, art. 6. Dziennik ustaw nr 64. Available at: <https://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20030640592/U/D20030592Lj.pdf>, 15 February 2024.
43. Ustawa z dnia 11 kwietnia 2003 r. o kształtowaniu ustroju rolnego. Available at: <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20030640592>, 19 March 2024.
44. Wang, L., Zhang, X., Yan, B. (2023). Timing, paths and contents of the intergenerational inheritance of family firm from the perspective of HeXie theory. *Chinese Management Studies*, Vol. 17, No. 5, pp. 1031-1052.
45. Wheeler, S., Bjornlund, H., Zuo, A., Edwards, J. (2012). Handing down the farm? The increasing uncertainty of irrigated farm succession in Australia. *J. Rural Stud.*, 28, pp. 266-275.
46. Zubik, M. (2015). Gospodarstwo rodzinne – niedoceniona szansa współkształtowania konstytucyjnych podstaw ustroju rolnego poprzez sądownictwo konstytucyjne. In: Litwiniuk, P. (Ed.), *Prawne mechanizmy wspierania i ochrony rolnictwa rodzinnego w Polsce i innych państwach Unii Europejskiej* (pp. 53-66). Warszawa: Sekretariat Centralny Krajowej Sieci Obszarów Wiejskich.