



Perpetuities and Accumulations Act 2009

2009 CHAPTER 18

Accumulations

13 Abolition of restrictions

These provisions cease to have effect—

- (a) sections 164 to 166 of the [Law of Property Act 1925 \(c. 20\)](#) (which impose restrictions on accumulating income, subject to qualifications);
- (b) section 13 of the [Perpetuities and Accumulations Act 1964](#) (which amends section 164 of the 1925 Act).

14 Restriction on accumulation for charitable trusts

- (1) This section applies to an instrument to the extent that it provides for property to be held on trust for charitable purposes.
- (2) But it does not apply where the provision is made by a court or the Charity Commission for England and Wales.
- (3) If the instrument imposes or confers on the trustees a duty or power to accumulate income, and apart from this section the duty or power would last beyond the end of the statutory period, it ceases to have effect at the end of that period unless subsection (5) applies.
- (4) The statutory period is a period of 21 years starting with the first day when the income must or may be accumulated (as the case may be).
- (5) This subsection applies if the instrument provides for the duty or power to cease to have effect—
 - (a) on the death of the settlor, or
 - (b) on the death of one of the settlors, determined by name or by the order of their deaths.
- (6) If a duty or power ceases to have effect under this section the income to which the duty or power would have applied apart from this section must—

Status: This is the original version (as it was originally enacted).

- (a) go to the person who would have been entitled to it if there had been no duty or power to accumulate, or
 - (b) be applied for the purposes for which it would have had to be applied if there had been no such duty or power.
- (7) This section applies whether or not the duty or power to accumulate extends to income produced by the investment of income previously accumulated.