

# Rentcharges Act 1977

## **1977 CHAPTER 30**

#### PROHIBITION AND EXTINGUISHMENT

# 2 Creation of rentcharges prohibited. E+W

- (1) Subject to this section, no rentcharge may be created whether at law or in equity after the coming into force of this section.
- (2) Any instrument made after the coming into force of this section shall, to the extent that it purports to create a rentcharge the creation of which is prohibited by this section, be void.
- (3) This section does not prohibit the creation of a rentcharge—
  - [F1(a) in the case of which paragraph 3 of Schedule 1 to the Trusts of Land and Appointment of Trustees Act 1996 (trust in case of family charge) applies to the land on which the rent is charged;
    - (b) in the case of which paragraph (a) above would have effect but for the fact that the land on which the rent is charged is settled land or subject to a trust of land;]
    - (c) which is an estate rentcharge;
    - (d) under any Act of Parliament providing for the creation of rentcharges in connection with the execution of works on land (whether by way of improvements, repairs or otherwise) or the commutation of any obligation to do any such work; or
    - (e) by, or in accordance with the requirements of, any order of a court.
- (4) For the purposes of this section "estate rentcharge" means (subject to subsection (5) below) a rentcharge created for the purpose—
  - (a) of making covenants to be performed by the owner of the land affected by the rentcharge enforceable by the rent owner against the owner for the time being of the land; or
  - (b) of meeting, or contributing towards, the cost of the performance by the rent owner of covenants for the provision of services, the carrying out of maintenance or repairs, the effecting of insurance or the making of any

Changes to legislation: Rentcharges Act 1977, Section 2 is up to date with all changes known to be in force on or before 04 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

payment by him for the benefit of the land affected by the rentcharge or for the benefit of that and other land.

(5) A rentcharge of more than a nominal amount shall not be treated as an estate rentcharge for the purposes of this section unless it represents a payment for the performance by the rent owner of any such covenant as is mentioned in subsection (4)(b) above which is reasonable in relation to that covenant.

## **Textual Amendments**

F1 S. 2(3)(a)(b) substituted (1.1.1997) by 1996 c. 47, s. 25(1), Sch. 3 para. 15(2) (with ss. 24, 25(4)); S.I. 1996/2974, art.2.

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## Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 7A inserted by 2016 c. 22 s. 138(2)
- s. 8(1A) inserted by 2016 c. 22 s. 138(3)(b)
- s. 12(1A)(1B) inserted by 2016 c. 22 s. 138(4)(b)