



# Charities Act 1993

## 1993 CHAPTER 10

### PART V

#### CHARITY LAND

#### **37 Supplementary provisions relating to dispositions**

- (1) Any of the following instruments, namely—
- (a) any contract for the sale, or for a lease or other disposition, of land which is held by or in trust for a charity, and
  - (b) any conveyance, transfer, lease or other instrument effecting a disposition of such land,
- shall state—
- (i) that the land is held by or in trust for a charity,
  - (ii) whether the charity is an exempt charity and whether the disposition is one falling within paragraph (a), (b) or (c) of subsection (9) of section 36 above, and
  - (iii) if it is not an exempt charity and the disposition is not one falling within any of those paragraphs, that the land is land to which the restrictions on disposition imposed by that section apply.
- (2) Where any land held by or in trust for a charity is sold, leased or otherwise disposed of by a disposition to which subsection (1) or (2) of section 36 above applies, the charity trustees shall certify in the instrument by which the disposition is effected—
- (a) (where subsection (1) of that section applies) that the disposition has been sanctioned by an order of the court or of the Commissioners (as the case may be), or
  - (b) (where subsection (2) of that section applies) that the charity trustees have power under the trusts of the charity to effect the disposition, and that they have complied with the provisions of that section so far as applicable to it.
- (3) Where subsection (2) above has been complied with in relation to any disposition of land, then in favour of a person who (whether under the disposition or afterwards)

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acquires an interest in the land for money or money's worth, it shall be conclusively presumed that the facts were as stated in the certificate.

(4) Where—

- (a) any land held by or in trust for a charity is sold, leased or otherwise disposed of by a disposition to which subsection (1) or (2) of section 36 above applies, but
- (b) subsection (2) above has not been complied with in relation to the disposition, then in favour of a person who (whether under the disposition or afterwards) in good faith acquires an interest in the land for money or money's worth, the disposition shall be valid whether or not—
  - (i) the disposition has been sanctioned by an order of the court or of the Commissioners, or
  - (ii) the charity trustees have power under the trusts of the charity to effect the disposition and have complied with the provisions of that section so far as applicable to it.

(5) Any of the following instruments, namely—

- (a) any contract for the sale, or for a lease or other disposition, of land which will, as a result of the disposition, be held by or in trust for a charity, and
- (b) any conveyance, transfer, lease or other instrument effecting a disposition of such land,

shall state—

- (i) that the land will, as a result of the disposition, be held by or in trust for a charity,
- (ii) whether the charity is an exempt charity, and
- (iii) if it is not an exempt charity, that the restrictions on disposition imposed by section 36 above will apply to the land (subject to subsection (9) of that section).

(6) In section 29(1) of the Settled Land Act 1925 (charitable and public trusts)—

- (a) the requirement for a conveyance of land held on charitable, ecclesiastical or public trusts to state that it is held on such trusts shall not apply to any instrument to which subsection (1) above applies; and
- (b) the requirement imposed on a purchaser, in the circumstances mentioned in section 29(1) of that Act, to see that any consents or orders requisite for authorising a transaction have been obtained shall not apply in relation to any disposition in relation to which subsection (2) above has been complied with; and expressions used in this subsection which are also used in that Act have the same meaning as in that Act.

(7) Where—

- (a) the disposition to be effected by any such instrument as is mentioned in subsection (1)(b) or (5)(b) above will be a registered disposition, or
- (b) any such instrument will on taking effect be an instrument to which section 123(1) of the Land Registration Act 1925 (compulsory registration of title) applies,

the statement which, by virtue of subsection (1) or (5) above, is to be contained in the instrument shall be in such form as may be prescribed.

(8) Where—

- (a) an application is duly made—

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- (i) for registration of a disposition of registered land, or
  - (ii) for registration of a person's title under a disposition of unregistered land, and
- (b) the instrument by which the disposition is effected contains a statement complying with subsections (5) and (7) above, and
  - (c) the charity by or in trust for which the land is held as a result of the disposition is not an exempt charity,

the registrar shall enter in the register, in respect of the land, a restriction in such form as may be prescribed.

(9) Where—

- (a) any such restriction is entered in the register in respect of any land, and
  - (b) the charity by or in trust for which the land is held becomes an exempt charity,
- the charity trustees shall apply to the registrar for the restriction to be withdrawn; and on receiving any application duly made under this subsection the registrar shall withdraw the restriction.

(10) Where—

- (a) any registered land is held by or in trust for an exempt charity and the charity ceases to be an exempt charity, or
- (b) any registered land becomes, as a result of a declaration of trust by the registered proprietor, land held in trust for a charity (other than an exempt charity),

the charity trustees shall apply to the registrar for such a restriction as is mentioned in subsection (8) above to be entered in the register in respect of the land; and on receiving any application duly made under this subsection the registrar shall enter such a restriction in the register in respect of the land.

(11) In this section—

- (a) references to a disposition of land do not include references to—
  - (i) a disposition of land by way of mortgage or other security,
  - (ii) any disposition of an advowson, or
  - (iii) any release of a rentcharge falling within section 40(1) below; and
- (b) “land” means land in England or Wales;

and subsections (7) to (10) above shall be construed as one with the Land Registration Act 1925.