



Settled Land Act 1925

1925 CHAPTER 18 15 and 16 Geo 5

PART III

INVESTMENT OR OTHER APPLICATION OF CAPITAL MONEY

73 Modes of investment or application.

- (1) Capital money arising under this Act, subject to payment of claims properly payable thereout and to the application thereof for any special authorised object for which the capital money was raised, shall, when received, be invested or otherwise applied wholly in one, or partly in one and partly in another or others, of the following modes (namely):—
- [^{F1}(i) In investment in Government securities either under the general power of investment in section 3 of the Trustee Act 2000 or under a power to invest conferred on the trustees of the settlement by the settlement;]
 - (ii) In discharge, purchase, or redemption of incumbrances affecting the whole estate the subject of the settlement, or of . . . ^{F2}, rentcharge in lieu of tithe, Crown rent, chief rent, or quit rent, charged on or payable out of the settled land, or of any charge in respect of an improvement created on a holding under the [^{F3}Agricultural Holdings Act 1986], or any similar previous enactment;
 - (iii) In payment for any improvement authorised by this Act;
 - (iv) In payment as for an improvement authorised by this Act of any money expended and costs incurred by a landlord under or in pursuance of the [^{F3}Agricultural Holdings Act 1986], or any similar previous enactment, or under custom or agreement or otherwise, in or about the execution of any improvement comprised in [^{F3}Schedule 7] to the said Agricultural Holdings Act;
 - (v) In payment for equality of exchange of settled land;
 - (vi) ^{F4}
 - (viii) In redemption of any compensation rentcharge created in respect of the extinguishment of manorial incidents, and affecting the settled land;
 - (ix) In commuting any additional rent made payable on the conversion of a perpetually renewable leasehold interest into a long term, and in satisfying

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- any claim for compensation on such conversion by any officer, solicitor, or other agent of the lessor in respect of fees or remuneration which would have been payable by the lessee or under-lessee on any renewal;
- (x) In purchase of the freehold reversion in fee of any part of the settled land, being leasehold land held for years;
 - (xi) In purchase of land in fee simple, or of leasehold land held for sixty years or more unexpired at the time of purchase, subject or not to any exception or reservation of or in respect of mines or minerals therein, or of or in respect of rights or powers relative to the working of mines or minerals therein, or in other land;
 - (xii) In purchase either in fee simple, or for a term of sixty years or more, of mines and minerals convenient to be held or worked with the settled land, or of any easement, right, or privilege convenient to be held with the settled land for mining or other purposes;
 - (xiii) In redemption of an improvement rentcharge, that is to say, a rentcharge (temporary or permanent) created, whether before or after the commencement of this Act, in pursuance of any Act of Parliament, with the object of paying off any money advanced for defraying the expenses of an improvement of any kind authorised by Part I. of the Third Schedule to this Act;
 - (xiv) In the purchase, with the leave of the court, of any leasehold interest where the immediate reversion is settled land, so as to merge the leasehold interest (unless the court otherwise directs) in the reversion, and notwithstanding that the leasehold interest may have less than sixty years to run;
 - (xv) In payment of the costs and expenses of all plans, surveys, and schemes, including schemes under the ^{MI}Town Planning Act, 1925, or any similar previous enactment, made with a view to, or in connexion with the improvement or development of the settled land, or any part thereof, or the exercise of any statutory powers, and of all negotiations entered into by the tenant for life with a view to the exercise of any of the said powers, notwithstanding that such negotiations may prove abortive, and in payment of the costs and expenses of opposing any such proposed scheme as aforesaid affecting the settled land, whether or not the scheme is made;
 - ^{F5}(xvi)
 - (xvii) In payment to a local or other authority of such sum as may be agreed in consideration of such authority taking over and becoming liable to repair a private road on the settled land or a road for the maintenance whereof a tenant for life is liable *ratione tenuræ*;
 - (xviii) In financing any person who may have agreed to take a lease or grant for building purposes of the settled land, or any part thereof, by making advances to him in the usual manner on the security of an equitable mortgage of his building agreement;
 - (xix) In payment to any person becoming absolutely entitled or empowered to give an absolute discharge;
 - (xx) In payment of costs, charges, and expenses of or incidental to the exercise of any of the powers, or the execution of any of the provisions of this Act including the costs and expenses incidental to any of the matters referred to in this section;
 - (xxi) In any other mode authorised by the settlement with respect to money produced by the sale of the settled land.

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- (2) Notwithstanding anything in this section capital money arising under this Act from settled land in England or Wales shall not be applied in the purchase of land out of England and Wales, unless the settlement expressly authorises the same.

Textual Amendments

- F1** S. 73(1)(i) substituted (1.2.2001) by 2000 c. 29, s. 40(1), **Sch. 2 Pt. II para. 9** (with s. 35); S.I. 2001/49, **art. 2**
- F2** Words repealed by **Finance Act 1963 (c. 25), Sch. 14 Pt. VI**
- F3** Words substituted by **Agricultural Holdings Act 1986 (c. 5, SIF 2:3), ss. 99(1), 100, Sch. 13 para. 3, Sch. 14 para. 11**
- F4** Ss. 62(1)–(3), 71(1)(iv)(v), 73(1)(vi)(vii) repealed by **Statute Law (Repeals) Act 1969 (c. 52), Sch. Pt. III**
- F5** S. 73(1)(xvi) repealed (19.11.1998) by 1998 c. 43, s. 1(1), **Sch. 1 Pt. II Group 2.**

Modifications etc. (not altering text)

- C1** S. 73 extended by **Housing (Rural Workers) Act 1926 (c. 56), s. 3(3)**, **Landlord and Tenant Act 1927 (c. 36), s. 13(1)**, **Agricultural Credits Act 1932 (c. 35), s. 3**, **Coast Protection Act 1949 (c. 74), s. 11(2)(a)**, **Landlord and Tenant Act 1954 (c. 56), s. 8(5), Sch. 2 para. 6**, **Coal-Mining (Subsidence) Act 1957 (c. 59), s. 11(7)**, **Land Commission Act 1967 (c. 1), s. 92**, **Leasehold Reform Act 1967 (c. 88), ss. 6(5), 17, 18, Sch. 2 para. 9(1)**, **Mines and Quarries (Tips) Act 1969 (c. 10), s. 32(2)(a)** and **Town and Country Planning Act 1971 (c. 78), s. 275(1)**; amended (temp) by **Finance Act 1968 (c. 44), s. 41(5), Sch. 15 para. 8(1)**
- C2** S. 73 extended by **Housing Act 1985 (c. 68, SIF 61), s. 507(3)** and by **Town and Country Planning Act 1990 (c. 8, SIF 123:1), s. 328(1)(a)**
S. 73 extended (1.11.1993) by 1993 c. 28, ss. 9, 40, Sch. 2 paras. 5(2)(b)(i), **6(a)**; S.I. 1993/2134, **arts. 2, 5**
S. 73 extended (1.9.1995) by 1995 c. 8, **ss. 33(1)**, 41(2)
S. 73 extended (1.10.1996 subject to savings in S.I. 1996/2212, art. 2(2), **Sch. para. 4**) by 1993 c. 28, **s. 93A** (as inserted by 1996 c. 52, **s. 113**; S.I. 1996/2212, **art. 2(2)**)
S. 73 extended (17.12.1996) by 1996 c. 53, **s. 55(4)(a)**; S.I. 1996/2842, **art. 3**
S. 73 extended (17.12.1996) by 1996 c. 53, **s. 73(3)(a)**; S.I. 1996/2842, **art. 3**
S. 73 extended (*prosp.*) by 2002 c. 15, **ss. 109(4)(a)**, 181(1)
- C3** S. 73 amended by **Local Government and Housing Act 1989 (c. 42, SIF 61), s. 125(5)(a)**
- C4** S. 73 extended (30.9.2003 for E., 30.3.2004 for W.) by **Commonhold and Leasehold Reform Act 2002 (c. 15), ss. 109(4)(a)**, 181(1); S.I. 2003/1986, art. 2(a); S.I. 2004/669, art. 2(a)
- C5** Power to apply s. 73(1)(ii) given by **Finance Act 1949 (c. 47), s. 40(9), Sch. 9**
- C6** S. 73(1)(xiii) extended by **Agricultural Credits Act 1932 (c. 35), s. 3(3)**; modified by **Agriculture Act 1967 (c. 22), s. 68**

Marginal Citations

- M1** 1925 c. 16.

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Changes to legislation:

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