



Law of Property Act 1925

1925 CHAPTER 20 15 and 16 Geo 5

PART VII

PERPETUITIES AND ACCUMULATIONS

Accumulations

164 General restrictions on accumulation of income.

- (1) No person may by any instrument or otherwise settle or dispose of any property in such manner that the income thereof shall, save as hereinafter mentioned, be wholly or partially accumulated for any longer period than one of the following, namely:—
- (a) the life of the grantor or settlor; or
 - (b) a term of twenty-one years from the death of the grantor, settlor or testator; or
 - (c) the duration of the minority or respective minorities of any person or persons living or en ventre sa mere at the death of the grantor, settlor or testator; or
 - (d) the duration of the minority or respective minorities only of any person or persons who under the limitations of the instrument directing the accumulations would, for the time being, if of full age, be entitled to the income directed to be accumulated.

In every case where any accumulation is directed otherwise than as aforesaid, the direction shall (save as hereinafter mentioned) be void; and the income of the property directed to be accumulated shall, so long as the same is directed to be accumulated contrary to this section, go to and be received by the person or persons who would have been entitled thereto if such accumulation had not been directed.

- (2) This section does not extend to any provision—
- (i) for payment of the debts of any grantor, settlor, testator or other person;
 - (ii) for raising portions for—
 - (a) any child, children or remoter issue of any grantor, settlor or testator;or

Status: Point in time view as at 01/02/1991.

Changes to legislation: Law of Property Act 1925, Cross Heading: Accumulations is up to date with all changes known to be in force on or before 07 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)

- (b) any child, children or remoter issue of a person taking any interest under any settlement or other disposition directing the accumulations or to whom any interest is thereby limited;
- (iii) respecting the accumulation of the produce of timber or wood;
- and accordingly such provisions may be made as if no statutory restrictions on accumulation of income had been imposed.
- (3) The restrictions imposed by this section apply to instruments made on or after the twenty-eighth day of July, eighteen hundred, but in the case of wills only where the testator was living and of testamentary capacity after the end of one year from that date.

Modifications etc. (not altering text)

C1 S. 164 amended by [Perpetuities and Accumulations Act 1964 \(c. 55\), s. 13](#)

165 Qualification of restrictions on accumulation.

Where accumulations of surplus income are made during a minority under any statutory power or under the general law, the period for which such accumulations are made is not (whether the trust was created or the accumulations were made before or after the commencement of this Act) to be taken into account in determining the periods for which accumulations are permitted to be made by the last preceding section, and accordingly an express trust for accumulation for any other permitted period shall not be deemed to have been invalidated or become invalid, by reason of accumulations also having been made as aforesaid during such minority.

166 Restriction on accumulation for the purchase of land.

- (1) No person may settle or dispose of any property in such manner that the income thereof shall be wholly or partially accumulated for the purchase of land only, for any longer period than the duration of the minority or respective minorities of any person or persons who, under the limitations of the instrument directing the accumulation, would for the time being, if of full age, be entitled to the income so directed to be accumulated.
- (2) This section does not, nor do the enactments which it replaces, apply to accumulations to be held as capital money for the purposes of the ^{M1}Settled Land Act, 1925, or the enactments replaced by that Act, whether or not the accumulations are primarily liable to be laid out in the purchase of land.
- (3) This section applies to settlements and dispositions made after the twenty-seventh day of June eighteen hundred and ninety-two.

Marginal Citations

M1 1925 c. 18.

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

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