



## **Law Commission welcomes reform of outdated trusts law**

The Law Commission welcomes the introduction of the Perpetuities and Accumulations Bill in the House of Lords today.

In March 1998, the Law Commission published its Report entitled *The Rules Against Perpetuities and Excessive Accumulations*, accompanied by a draft Bill. The full Report is available at: <http://www.lawcom.gov.uk/docs/lc251.pdf>.

Sir Terence Etherton, the Chairman of the Law Commission, said:

“I am delighted that the Perpetuities and Accumulations Bill has been introduced in the House of Lords. Reform of this ancient area of law is long overdue, and I am pleased that the Ministry of Justice has taken forward the Law Commission’s 1998 Report and draft Bill for legislative implementation. The Bill aims to modernise and simplify the centuries-old rules that prevent property being tied up indefinitely in trusts, and which limit the extent to which trusts can accumulate income. The effects of the Bill will be felt particularly in commercial transactions, which will be freed from the unnecessary complexity added by these rules.”

The Bill is the first to be introduced into the House of Lords under the procedure for Law Commission Bills set out in the House of Lords Procedure Committee Report of 25 February 2008. Details of the procedure can be found at: <http://www.parliament.the-stationery-office.co.uk/pa/ld200708/ldselect/ldprohse/63/63.pdf>.

### **Notes for Editors**

1. The Law Commission is a non-political independent body, set up by Parliament in 1965 to keep all the law of England and Wales under review, and to recommend reform where it is needed.
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