



Sale of Goods Act 1979

1979 CHAPTER 54

PART II

FORMATION OF THE CONTRACT

Contract of sale

2 Contract of sale.

- (1) A contract of sale of goods is a contract by which the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration, called the price.
- (2) There may be a contract of sale between one part owner and another.
- (3) A contract of sale may be absolute or conditional.
- (4) Where under a contract of sale the property in the goods is transferred from the seller to the buyer the contract is called a sale.
- (5) Where under a contract of sale the transfer of the property in the goods is to take place at a future time or subject to some condition later to be fulfilled the contract is called an agreement to sell.
- (6) An agreement to sell becomes a sale when the time elapses or the conditions are fulfilled subject to which the property in the goods is to be transferred.

3 Capacity to buy and sell.

- (1) Capacity to buy and sell is regulated by the general law concerning capacity to contract and to transfer and acquire property.
- (2) Where necessaries are sold and delivered [^{F1}to a minor or] to a person who by reason of [^{F2}mental incapacity or] drunkenness is incompetent to contract, he must pay a reasonable price for them.

Status: Point in time view as at 01/10/2007.

Changes to legislation: There are currently no known outstanding effects for the Sale of Goods Act 1979, Cross Heading: Contract of sale. (See end of Document for details)

- (3) In subsection (2) above “necessaries” means goods suitable to the condition in life of the [^{F1} minor or other] person concerned and to his actual requirements at the time of the sale and delivery.

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Textual Amendments

- F1** Words in s. 3(2)(3) repealed (S.) (25.9.1991) by [Age of Legal Capacity \(Scotland\) Act 1991 \(c. 50, SIF 49:8\)](#), ss. 10, 11(2), [Sch. 2](#)
- F2** Words in s. 3(2) ceased to have effect (E.W.) (1.10.2007) by [Mental Capacity Act 2005 \(c. 9\)](#), ss. 67(1), 68, [Sch. 6 para. 24](#) (with ss. 27-29, 62); S.I. 2007/1897, [art. 2\(1\)](#)

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