

# INHERITANCE AND TRUSTEES' POWERS ACT 2014

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Section 3: definition of "personal chattels"*

26. The table at section 46(1)(i) of the Administration of Estates Act 1925 provides that the surviving spouse or civil partner of a person who has died intestate is entitled to all of that person's "personal chattels". These are defined at section 55(1)(x).
27. [Section 3\(1\)](#) substitutes for the current wording of section 55(1)(x) a new definition of personal chattels as "tangible movable property" with three defined exceptions. The first exception is money and securities for money, which is an exception that is found in the current statutory definition. The second exception is for property used at the death of the intestate solely or mainly for business purposes. The former statutory definition of personal chattels also excluded any chattels used at the death of the intestate for business purposes but the new definition adds the words "solely or mainly" to make clear that it is only where a chattel was used primarily for business purposes that it should be excluded under this exception and not pass to the surviving spouse or civil partner. The third exception, for property held at the death of the intestate solely as an investment, is wholly new. This is intended as a narrow exception for property held solely as an investment which had no personal use at the date of the deceased's death. Property which had some personal use but which the deceased also hoped might maintain or increase its value, for example precious jewellery worn only occasionally, will not fall within this exception (and so will pass to the surviving spouse) even if it is held outside the home, for example in a bank for security reasons.
28. When the expression "personal chattels" is used in a will or codicil (a document which amends a will) it may be defined by reference to section 55(1)(x) of the 1925 Act. However, wills and codicils are executed on one date, but do not take effect until a later date - the death of the person who made the will. Section 3(2) establishes how references in a will executed before the commencement of section 3(1) to "personal chattels" defined by reference to section 55(1)(x), will be interpreted. This is established according to the date of execution of the will or codicil containing the reference.
29. Where a will or codicil that defines "personal chattels" by reference to section 55(1)(x) of the 1925 Act is executed before section 3(1) comes into force, section 3(2) ensures that (subject to contrary intention) the will or codicil will be read as referring to the old definition of personal chattels even if the death occurs after section 3(1) comes into force. Equally, where a will is executed before section 3(1) comes into force, the fact that a codicil is made after that date is not in itself sufficient to oust the rule in section 3(2). Where that later codicil itself makes, say, a gift of personal chattels defined according to section 55(1)(x) then the codicil will be read as referring to the new definition. Section 3(2) is subject to contrary intention, so that it is open to a person making a will or codicil to make express provision for the new definition to apply.