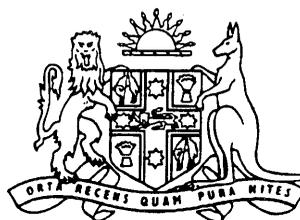


[Act 1996 No 100]



New South Wales

Trustee Amendment Bill 1996

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.*

Overview of Bill

The object of this Bill is to amend the *Trustee Act 1925* to increase the amount of trust money that trustees may spend on making improvements, or carrying out repairs, relating to trust property without first obtaining the authority of the Supreme Court.

* Amended in committee—see table at end of volume.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides that the proposed Act will commence on the date on which the Governor assents to it.

Clause 3 gives effect to Schedule I, which amends the *Trustee Act 1925*.

Schedule 1 Amendment

Schedule 1 amends section 82A of the *Trustee Act 1925*, which enables a trustee to spend trust money on improving or repairing buildings and other structures erected on land vested in the trustee without first having to obtain the authority of the Supreme Court. However, the maximum amount that a trustee (other than the Public Trustee or a trustee company) can spend on those purposes without obtaining that authority is the lesser of \$1,000 and one-third of the value of the land. The first amendment will increase that amount to \$100,000 regardless of the value of the land involved.

In the case of the Public Trustee or a trustee company, the maximum amount of trust money that can be spent without obtaining the Supreme Court's authority is the greater of \$10,000 and an amount agreed to by the Public Trustee, or the trustee company, and the persons beneficially interested in the land. The second amendment will increase that amount to \$100,000. It will still be possible to vary the latter amount by means of a regulation made under the *Trustee Act 1925*.