



CHAPTER 41

ARTICLE 2 - UNIFORM STATUTORY RULE AGAINST PERPETUITIES

N.C.G.S. § 41-23.

Perpetuities and suspension of power of alienation for trusts.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 04:44 UTC	17c5402785ba8f04d1fe672c - eea9f238f6f467fe51933293 - 8a7a3e47a33a6048

- § 41-23(a)** A trust is void if it suspends the power of alienation of trust property, as that term is defined in G.S. 36C-1-103, for longer than the permissible period. The permissible period is no later than 21 years after the death of an individual then alive or lives then in being plus a period of 21 years.
- § 41-23(b)** If the settlor of a revocable trust, as those terms are defined in G.S. 36C-1-103, has an unlimited power to revoke or amend the trust, the permissible period under subsection (a) of this section is computed from the termination of that power.
- § 41-23(c)** If a trust is created by exercise of a power of appointment, the permissible period under subsection (a) of this section is computed from the time the power is exercised if the power is a general power even if the power is only exercisable as a testamentary power. In the case of other powers, the permissible period is computed from the time the power is created, but facts at the time the power is exercised shall be considered in determining whether the power of alienation is suspended beyond a life or lives in being at the time of the creation of the power plus 21 years.
- § 41-23(d)** The power of alienation is suspended only when there are no persons in being who, alone or in combination with others, can convey an absolute fee in possession of land, or full ownership of personal property.
- § 41-23(e)**

Notwithstanding subsection (a) of this section, there is no suspension of the power of alienability by a trust or by equitable interests under a trust if the trustee has the power to sell, either expressed or implied, or if there exists an unlimited power to terminate the trust in one or more persons in being.

§ 41-23(f) This section does not apply to a transfer in trust (i) for charitable purposes, as defined in G.S. 36C-4-405; (ii) to a literary or charitable organization; (iii) to a veterans' memorial organization; (iv) to a cemetery corporation, society, or association; or (v) as part of a pension, retirement, insurance, savings, stock bonus, profit sharing, death, disability, or similar plan established by an employer for the benefit of some or all of its employees for the purpose of accumulating and distributing to such employees the earnings or the principal, or both earnings and principal, of the trust.

§ 41-23(g) This section does not apply to a future interest other than a future interest in trust and, other than as set forth in this section, this section does not modify the common law of the State regarding the power of alienation in this State.

§ 41-23(h) The provisions of G.S. 41-15, the common law rule against perpetuities, and the common law rule against accumulations do not apply to trusts created or administered in this State. (2007-390, s. 1; 2014-107, s. 5.1; 2017-102, s. 32(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
3 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 36C-1	(a)	<i>"as that term is defined in"</i>
G.S. 36C-4	(f)	<i>"for charitable purposes, as defined in"</i>
G.S. 41-15	(h)	<i>"The provisions of"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 41-23 (2026).

PINPOINT

N.C. Gen. Stat. § 41-23(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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