



Personal Insolvency Thresholds

The following information outlines both the monetary thresholds and time limits that apply in relevant insolvency practices.

Income Contribution Threshold

Income Thresholds before Income Contributions become Payable

(after tax & s139N deductions):

\$59,559.50 - No Dependents

\$70,280.21 - 1 Dependent

\$75,640.57 - 2 Dependents

\$78,618.54 - 3 Dependents

\$79,809.73 - 4 Dependents

\$81,000.92 - 5+ Dependents

Maximum Dependant Income - \$3,782.00

Part IX Thresholds

To be eligible to propose a Part IX Agreement:

\$89,339.25 - Income (after tax)

\$238,238.00 - Available Assets (after secured debts)

\$119,119.00 – Unsecured Creditors

Meeting Convening Periods

Notice period for bankruptcy meetings:

Reasonable notice of meeting

Deadline for Virtual Meetings:

Trustee to specify the end of voting

Holding Part X meeting:

within **25 business days** from date of appointment

Holding change of trustee meeting:

At any time with **7 days** notice of meeting

Streamlined Change of Trustee:

at any time with at least **10 days** notice

Asset Allowances

\$3,800.00 - Tools of Trade allowance

\$8,150.00 - Motor Vehicle Allowance

\$5,969.00 - Obtaining Credit without Disclosure

General Dividends

Notice to be given to creditors to lodge Proofs of Debt:

at least **21 days** before Declaration

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Minimum time after Declaration before payment of Dividend:

at least **21 days** after the end of the lodgement period.

Minimum Dividend:

Liquidators are not required to pay a dividend under **\$25.00** to any creditor.

Priority Employee Entitlement Threshold

Priority Claim for Employee:

A maximum priority dividend (including superannuation) of **\$4,650.00** The balance paid as a non-priority debt.

Bankruptcy Notices

Minimum amount for issuance of a Bankruptcy Notice:

\$5,000.00

Time period for compliance:

The debtor has 21 days to pay the debt or be deemed insolvent

Section 161B Fees

The trustee is entitled to draw fees (has automatic approval) for fees up to an amount of **\$5,448.00**

Bankruptcy Act Offences

Concealment of property from Trustee: section 263 – 1 -5 years or \$1,000

Creditor lodging false claims to vote: section 263C - 6 months

Failure to Disclose Property to Trustee: Section 265 – 1 – 5 years

Failure of Person to Attend Interview with Trustee: section 267D - 6 months

Bankrupt obtaining credit of more than Statutory limit without advising of bankruptcy: Section 269 - 3 years

Failure to keep proper Books and Records: section 270 – 1 - 3 years

Bankrupt leaving Australia with intention of not returning: section 272 – 3 -5 years

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