



Applying to become bankrupt

1. Overview

You can apply to make yourself bankrupt if you can't pay your debts.

! Check if there are [other ways you can deal with your debts](https://www.gov.uk/pay-off-debts) (<https://www.gov.uk/pay-off-debts>) before you apply for bankruptcy.

Your application will be looked at by someone who works for the Insolvency Service called an 'adjudicator'. They'll decide if you should be made bankrupt.

! The process is different if someone else is [applying to make you bankrupt](https://www.gov.uk/being-made-bankrupt) (<https://www.gov.uk/being-made-bankrupt>).

How to apply

You can only [apply for bankruptcy online](https://www.gov.uk/apply-for-bankruptcy) (<https://www.gov.uk/apply-for-bankruptcy>). It costs £680.

What happens when you go bankrupt

If the adjudicator makes you bankrupt:

- you'll [receive a copy of the bankruptcy order](https://www.gov.uk/bankruptcy/after-you-apply) (<https://www.gov.uk/bankruptcy/after-you-apply>) and may be interviewed about your situation
- your [assets](https://www.gov.uk/bankruptcy/your-assets) (<https://www.gov.uk/bankruptcy/your-assets>) can be used to pay your debts
- you'll have to follow the [bankruptcy restrictions](https://www.gov.uk/bankruptcy/restrictions) (<https://www.gov.uk/bankruptcy/restrictions>)
- your name and details will be published in the [Individual Insolvency Register](https://www.gov.uk/search-bankruptcy-insolvency-register) (<https://www.gov.uk/search-bankruptcy-insolvency-register>)

! You can apply to have your address removed from the Individual Insolvency Register if publishing it will put you [at risk of violence](https://www.gov.uk/bankruptcy/parv-order) (<https://www.gov.uk/bankruptcy/parv-order>). This won't affect your bankruptcy.

After 12 months you're usually [released](https://www.gov.uk/bankruptcy/when-bankruptcy-ends) (<https://www.gov.uk/bankruptcy/when-bankruptcy-ends>) ('discharged') from your bankruptcy restrictions and debts. Assets that were part of your estate during the bankruptcy period can still be used to pay your

debts.

You might be able to [cancel \('annul'\) your bankruptcy](https://www.gov.uk/bankruptcy/cancel-a-bankruptcy) (<https://www.gov.uk/bankruptcy/cancel-a-bankruptcy>) before you're discharged.

! Bankruptcy only applies to individuals. Find out what your options are if [your limited company can't pay its creditors](https://www.gov.uk/government/publications/options-when-a-company-is-insolvent/options-when-a-company-is-insolvent). (<https://www.gov.uk/government/publications/options-when-a-company-is-insolvent/options-when-a-company-is-insolvent>)

Get help and information

Read the following:

- the Citizens Advice [bankruptcy advice guide](#)
- the Money Advice Service's [guide on options for writing off your debt](#)

You can also contact the [National Debtline](#) for bankruptcy advice.

If you don't live in England or Wales

You can't apply to make yourself bankrupt in England or Wales if you live in [Scotland](#) or [Northern Ireland](#).

You might be able to apply if you live anywhere else - talk to a [debt adviser](#).

! You must not break the [bankruptcy restrictions](https://www.gov.uk/bankruptcy/restrictions) (<https://www.gov.uk/bankruptcy/restrictions>) in England or Wales. These might also apply outside England and Wales - check the laws of the country you live in.

2. Get a person at risk of violence (PARV) order

When you're made bankrupt, your name and address will be published in:

- the [Individual Insolvency Register](#)
- the [London Gazette](#)

If having your address published will put you at risk of violence, you can apply to the court for a person at risk of violence (PARV) order.

Your name will still be published, but your address won't be.

! You can only apply for a PARV if you've already started a [bankruptcy application](https://www.gov.uk/apply-for-bankruptcy) (<https://www.gov.uk/apply-for-bankruptcy>).

How to apply

Download and fill in [application form 7.1A](#)

(<https://www.gov.uk/government/publications/application-notice-insolvency-form-71a>).

Take your completed form to your nearest [court that deals with bankruptcy](#)

(<https://www.gov.uk/find-court-tribunal>). They'll tell you if you need to pay a fee to apply.

You'll have to go to a hearing to present your application to a judge - the court will tell you when and where this will take place. You'll usually get a decision on the same day.

Submit your bankruptcy application once you have your PARV order.

3. After you apply

You'll usually get an email or letter from the adjudicator within 28 days of submitting your application to say if you've been made bankrupt.

This can take longer if the adjudicator needs to ask more questions about your application.

They'll then issue a bankruptcy order.

After you get your bankruptcy order

You'll get a letter from the official receiver within 2 weeks of getting your bankruptcy order. The official receiver is an officer of the court who manages your bankruptcy.

You'll also get an information pack that explains what you need to know and what you must do.

You might be asked to:

- fill in a questionnaire
- attend an interview with the official receiver
- give the official receiver more information about your debts, creditors, assets and income

If you're asked to attend an interview

The interview can be in person or over the phone. The official receiver will:

- check the information they have about your debts and assets
- ask for more details, for example about your pension or savings
- ask how and why you became bankrupt
- answer any questions you have about the bankruptcy process

! Your release ('discharge') from bankruptcy may be delayed if you don't provide the information you're asked for.

4. Restrictions

You have to follow bankruptcy restrictions when you're bankrupt. This means you can't:

- borrow more than £500 without telling the lender you're bankrupt
- act as a director of a company without the court's permission
- create, manage or promote a company without the court's permission
- manage a business with a different name without telling people you do business with that you're bankrupt
- work as an insolvency practitioner (an authorised debt specialist)

! It's a criminal offence to break the restrictions - you might be prosecuted if you do.

You must co-operate with the people managing your bankruptcy, for example by providing them with the information they ask for.

How long the restrictions last

Restrictions last until [your bankruptcy ends \(https://www.gov.uk/bankruptcy/when-bankruptcy-ends\)](https://www.gov.uk/bankruptcy/when-bankruptcy-ends). This will happen sooner if you [cancel your bankruptcy \(https://www.gov.uk/bankruptcy/cancel-a-bankruptcy\)](https://www.gov.uk/bankruptcy/cancel-a-bankruptcy).

When the restrictions can be extended

Bankruptcy restrictions can be extended if you don't carry out your duties under the bankruptcy proceedings or if you're found to have acted carelessly or dishonestly.

The official receiver will tell you if the restrictions will be extended.

You'll be asked to agree to a [Bankruptcy Restrictions Undertaking \(https://www.gov.uk/government/publications/bankruptcy-additional-effects-of-a-bankruptcy-restrictions-order-or-undertaking\)](https://www.gov.uk/government/publications/bankruptcy-additional-effects-of-a-bankruptcy-restrictions-order-or-undertaking) to extend the restrictions. If you don't agree, they'll ask the court to issue a Bankruptcy Restrictions Order.

5. Your assets

Your assets might be sold to pay your bankruptcy debts. You have to hand over your assets to the person appointed to manage your bankruptcy (your 'trustee'). They can be:

- an official receiver - an officer of the court
- an insolvency practitioner - an authorised debt specialist

The official receiver will usually act as your trustee to begin with.

Assets you can keep

You can usually keep:

- items needed for your job, such as tools or a vehicle
- household items, such as clothing, bedding or furniture

You might have to give these items up if they're worth more than a reasonable replacement.

Your bank accounts

You must give the official receiver your bank cards, cheque books and credit cards for any accounts you're no longer allowed to use. This includes any account that was overdrawn on the date you were made bankrupt.

Your accounts will be frozen but your trustee may release:

- any money you need urgently, for example to buy food
- your partner's share of any money in a joint account

Your bank will decide whether to allow you to continue using your accounts.

Your pension

 You usually keep any money you've put into a pension.

If you're getting pension payments when you're made bankrupt, those payments usually count as **income** (<https://www.gov.uk/bankruptcy/your-income>).

Speak to your trustee or [read the guidance](#) (<https://www.gov.uk/government/publications/bankruptcy-what-will-happen-to-my-pension>) to find out how bankruptcy will affect your pension.

! You can get free advice on managing your money and how bankruptcy affects your credit rating from [Citizens Advice](#) or [National Debtline](#).

6. Your home

Your home might be sold depending on your equity - your share after any secured debts (like a mortgage) have been paid.

You might have to give up:

- your equity
- legal ownership of the property if your equity is £1,000 or more

If the official receiver hasn't put your home up for sale within 3 years it will be transferred back to you.

Sole owners

The equity and legal ownership are transferred to your trustee. This means you can't sell the property or claim any money from a sale.

A bankruptcy restriction or notice is added to your property's entry in the land register to say this.

It can only be removed if it's been added to your property by mistake. Send Land Registry a signed statement saying you aren't bankrupt and [an application to change the register for a property](#).

Joint owners

The equity is transferred to your trustee.

A 'Form J restriction' is added to your property's entry in the land register. This means your trustee will be told of any dealings connected with your home, for example if you try to sell it.

It can be removed if you can prove you (as the bankrupt) don't have a share in the property, for example if your partner owns the property. The owner has to send Land Registry a signed statement saying they aren't the bankrupt person and [an application for the cancellation of a Form J restriction](#).

Stop the sale of your home

You might be able to stop or delay the sale of your home if, for example:

- the value of your equity is less than £1,000
- the equity or legal title can be sold to someone else, such as a partner
- you need to organise somewhere for children or a partner to live - the sale can be delayed for up to 1 year

You may want to [get legal advice \(https://www.gov.uk/find-a-legal-adviser\)](https://www.gov.uk/find-a-legal-adviser) to find out if you can stop or delay the sale of your home.

[Check if you can get legal aid \(https://www.gov.uk/check-legal-aid\)](https://www.gov.uk/check-legal-aid) to help with your legal costs. You can get advice from Civil Legal Advice if you're eligible.

Rented property

Your landlord may be told that you're bankrupt and your rental situation may be affected.

7. Your income

Your trustee will tell you if you have to make monthly payments from your spare income - you'll only have to do this if you can afford it.

The arrangement can last for up to 3 years and is called an Income Payments Agreement (IPA).

If you're getting pension payments when you're made bankrupt, those payments usually  count as income.

If you don't agree to the IPA your trustee can ask the court to order you to make monthly payments. This is called an Income Payments Order (IPO).

How much you pay

The monthly amount you pay depends on how much you can afford after essential expenses like food and bills are paid.

You also pay a £150 fee for setting up the IPA or IPO.

8. Cancel a bankruptcy

You can apply to cancel ('annul') your bankruptcy at any time if you've either:

- paid your debts in full
- got an [Individual Voluntary Arrangement \(https://www.gov.uk/options-for-paying-off-your-debts/individual-voluntary-arrangements\)](https://www.gov.uk/options-for-paying-off-your-debts/individual-voluntary-arrangements) (IVA)

This means you won't have to follow the [bankruptcy restrictions \(https://www.gov.uk/bankruptcy/restrictions\)](https://www.gov.uk/bankruptcy/restrictions).

How to apply

Download and fill in [application form 7.1A \(https://www.gov.uk/government/publications/application-notice-insolvency-form-71a\)](https://www.gov.uk/government/publications/application-notice-insolvency-form-71a).

Send or take your completed form to your nearest [court that deals with bankruptcy \(https://www.gov.uk/find-court-tribunal\)](https://www.gov.uk/find-court-tribunal).

You must tell the court if you want details of your bankruptcy removed from the Land Charges register.

You'll be given a date for a court hearing of your application, which you must attend.

You'll still need to attend your [interview with the official receiver \(https://www.gov.uk/bankruptcy/after-you-apply\)](https://www.gov.uk/bankruptcy/after-you-apply) if you've been asked to.

! If you've paid your debts in full you must tell the official receiver and anyone else who's managing your bankruptcy (your 'trustee') when and where the hearing will take place. Do this 28 days before the date of the hearing.

If the court agrees with your application, they'll make an annulment order which cancels your bankruptcy.

Advertise your cancellation order

You can ask the official receiver to advertise your annulment order within 28 days of getting it. You can't do this if your bankruptcy order hasn't been advertised yet.

Your annulment order will be advertised wherever your bankruptcy order was.

9. When bankruptcy ends

Your bankruptcy and the restrictions generally end when you're 'discharged', which is usually automatic.

This is usually 12 months after the adjudicator made you bankrupt. It can be longer in some circumstances, for example if you don't co-operate with your trustee.

Check your discharge date online using the [Individual Insolvency Register](https://www.gov.uk/search-bankruptcy-insolvency-register) (<https://www.gov.uk/search-bankruptcy-insolvency-register>).

! If you cancel your bankruptcy, all restrictions will end immediately and your details will be removed from the Individual Insolvency Register.

Proof of discharge

You can get proof that your bankruptcy has ended.

If you're applying for credit or a mortgage, you need a Certificate of Discharge. [Contact the court](https://www.gov.uk/find-court-tribunal) (<https://www.gov.uk/find-court-tribunal>) that dealt with your bankruptcy - there's a £70 fee for the certificate.

For proof for any other reason, you can get a free confirmation letter. Email discharge.queries@insolvency.gsi.gov.uk to get one.

Bankruptcy registers

The [Individual Insolvency Register](https://www.gov.uk/search-bankruptcy-insolvency-register) (<https://www.gov.uk/search-bankruptcy-insolvency-register>) is updated within 3 months of your discharge.

You must apply to both Land Charges and Land Registry to have your bankruptcy entry removed from any properties you still own after paying your debts.

! Bankruptcy entries are automatically removed from the Land Charges register after 5 years if they're not renewed.

Apply to Land Charges

Send an [application to cancel an entry in the Land Register \(K11\)](https://www.gov.uk/government/publications/land-charges-register-except-class-f-cancel-entry-k11) (<https://www.gov.uk/government/publications/land-charges-register-except-class-f-cancel-entry-k11>) to the Land Charges Department.

You need to include:

- a copy of your court order permitting the cancellation (or 'vacation') of the entry
- £1 for each entry you want to cancel

Land Charges Department
Seaton Court
2 William Prance Road
Plymouth
PL6 5WS

Apply to Land Registry

You need to send Land Registry either:

- an [application to change the register for a property](https://www.gov.uk/government/publications/change-the-register-ap1) (<https://www.gov.uk/government/publications/change-the-register-ap1>), if you're the sole owner of your property
- an [application for the cancellation of a Form J restriction](https://www.gov.uk/government/publications/cancel-a-restriction-registration-rx3) (<https://www.gov.uk/government/publications/cancel-a-restriction-registration-rx3>), if you own your property with someone else

You must include a copy of your court order.

Land Registry Bankruptcy Unit
Seaton Court
2 William Prance Road
Plymouth
PL6 5WS

! All forms sent will be destroyed once the registers are updated. You can send copies if you write "I certify that this is a true copy of the original" together with your signature on the first page.

Your credit record

Credit reference agencies won't be told directly when your bankruptcy ends - they'll get this information from public records.

Get a copy of your [credit reference report](#) - contact a credit reference agency if it needs updating.

Your bankruptcy can stay on your credit reference file for 6 years from the date of your bankruptcy.

Debts that won't be written off

When you're discharged you'll be released from most, but not all, of the debts you owed at the date of the bankruptcy.

Debts you won't be released from include:

- debts arising from fraud
- anything you owe under family proceedings - unless the court decides otherwise
- damages for personal injuries to anyone - unless the court decides otherwise

- debts which weren't included in the bankruptcy itself, eg a debt to the Student Loans Company

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