



Australian Government

Australian Financial Security Authority

INDEXED AMOUNTS

26 October 2022

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Many of the dollar amounts provided for in bankruptcy law are indexed. This means they regularly change to keep up with the Consumer Price Index or the base pension rate.

These tables show the current amounts and the provisions of the law to which they relate. Full details of how and when they apply are in the *Bankruptcy Act 1966* and *Bankruptcy Regulations 2021*.

Limit, threshold or payment	Amount	Bankruptcy Act & Regulations
Part IX debt agreement - maximum debts, property and income <i>Updated 20 March and 20 September</i>		
Debts: You can't propose a debt agreement if your unsecured debts add up to more than this limit.	\$128,528.40	S185C(4)(b) & (5)
Property: You can't propose a debt agreement if your divisible property* add up to more than this limit. *(Divisible property is property that could be sold by your trustee if you were bankrupt.)	\$257,056.80	S185C(4)(c) & (5)
Income: You can't propose a debt agreement if your after-tax income for the year is over this limit.	\$96,396.30	S185C(4)(d) & (5)
Protected property - assets a bankrupt person can keep <i>Updated each financial year</i>		
Tools: Up to this total value, you can keep property used to earn income by physical exertion (tools of trade).	\$3,950.00	S116(2)(c)(i) and r29
Vehicles: You can keep cars or motorbikes you use mainly for transport worth up to this amount. If you haven't paid off this vehicle, the amount that counts towards the limit is its value minus what you still owe.	\$8,550.00	S116(2)(ca) and r30
Amount of credit etc. you can get without telling the lender about your bankruptcy or debt agreement <i>Updated quarterly</i>		
Above this limit, you must disclose that you're bankrupt or in a debt agreement before you can: <ul style="list-style-type: none"> buy goods or services on credit, by hire purchase or by cheque lease, hire or promise to pay for goods or services promise to supply goods or services in return for payment. 	\$6,501.00	S269(1)(a), (aa), (ab), (ac), (ad) and S304A(1)(j)
Warning: It is a criminal offence if you are bankrupt or subject to a debt agreement to obtain or attempt to obtain credit in certain circumstances. Severe penalties apply to these offences.		
The trustee can lodge an objection if you are bankrupt and engage in misleading conduct relating to amounts that are, or add up to, more than the limit.	\$6,501.00	S149D(1)(c) and S304A(1)(g)

Limit, threshold or payment	Amount	Bankruptcy Act & Regulations												
Income contributions from the bankrupt person <i>Updated 20 March and 20 September</i>														
Base income threshold amount (BITA)	\$64,264.20 (after tax)	S139K												
Actual income threshold amount (AITA) Over this amount, half of any income you get goes towards repaying creditors. The applicable threshold depends on how many dependants you have. Number of dependants: <table style="margin-left: 20px; border: none;"> <tr><td>0</td><td>\$64,264.20</td></tr> <tr><td>1</td><td>\$75,831.76</td></tr> <tr><td>2</td><td>\$81,615.53</td></tr> <tr><td>3</td><td>\$84,828.74</td></tr> <tr><td>4</td><td>\$86,114.03</td></tr> <tr><td>More than 4</td><td>\$87,399.31</td></tr> </table>	0	\$64,264.20	1	\$75,831.76	2	\$81,615.53	3	\$84,828.74	4	\$86,114.03	More than 4	\$87,399.31	(all amounts after tax)	S139K
0	\$64,264.20													
1	\$75,831.76													
2	\$81,615.53													
3	\$84,828.74													
4	\$86,114.03													
More than 4	\$87,399.31													
How much someone can earn and still be a dependant (used when calculating income contributions) <i>Updated each financial year</i>														
A person who resides with you and who depends on you for economic support can earn income up to this limit during the income contribution assessment period and still count as your dependant.	\$3,975.00	S139K and r36												
Trustee remuneration														
The amount a registered trustee can take from an estate (including a bankruptcy, a personal insolvency agreement or a controlling trustee authority) unless creditors, a committee of inspection or the Inspector-General in Bankruptcy set a different amount.														
Where the trustee is appointed in the current financial year, regardless of when the estate began.	\$5,725.00	S60-15 of Schedule 2												
<i>Limit updated each financial year - for trustee appointments in prior financial years, see the historical indexations</i>														
When the trustee was appointed before 1 September 2017 and the estate began on or after 1 December 2010.	\$5,000.00	S161B as it was from 1 December 2010 to 31 August 2017												
<i>This amount is not indexed</i>														
Where the trustee was appointed before 1 September 2017 and the estate began before 1 December 2010.	\$2,141.00	S161B as it was before 1 December 2010												
<i>Limit updated quarterly</i>														
Limit on priority payments to employees <i>Updated each financial year</i>														
Up to this limit, the bankrupt's employees who are entitled to claim in the estate are the first unsecured creditors to get payments from the estate.	\$4,850.00	S109(1)(e) and r26												
Allowance for attending the Official Receiver to give evidence about someone else's bankruptcy <i>Updated quarterly</i>														
Attending the Official Receiver to give evidence or information	\$24.00	S77D(1)(a) and S304A(1)(a)												
Advanced payment for costs of travel by:														
aircraft	\$24.00	S77E(2) and 304A(1)(b)												
private motor vehicle	\$24.00	S77E(3) and 304A(1)(c)												
another kind of transport	\$12.00	S77E(4)(a) & (b) and S304A(1)(d) & (e)												
<i>Historical indexations (from 2017-18)</i>														