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# Indexed amounts

The Bankruptcy Act and Regulations contain a number of thresholds, limits and other amounts that are regularly indexed (changed in line with the Consumer Price Index or the base pension rate).

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## Protected property

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Protected property	Limit	Bankruptcy Act & Regulations
<b>Tools</b>  A bankrupt may keep tools used to earn an income up to this limit.	\$3,800	s116(2)(c)(i) and R6.03B (1) & (2)

<p><b>Vehicles</b></p> <p>A bankrupt may keep vehicles (cars or motorbikes) used mainly for transport up to this limit. The amount refers to the equity in the vehicles (the value of the vehicles less the sum owing under finance).</p>	<p>\$8,000</p>	<p>s116(2)(ca) and R6.03B (3) &amp; (4)</p>
<p><i>Limits updated each financial year</i></p>		

## Credit limit

<b>Credit limit</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<p>Above this limit, bankrupts and debt agreement debtors* must disclose their bankrupt or debtor status when seeking to obtain goods or services on credit, by hire purchase or cheque; when leasing, hiring or promising to pay for goods and services; or when seeking to obtain an amount by promising to supply goods or render services.</p>	<p>\$5,812</p>	<p>s269(1)(a), (aa), (ab), (ac), (ad) and s304A(1)(j)</p>
<p>A trustee may lodge an objection if a bankrupt engages in misleading conduct in respect of an amount, or combined amounts, which exceed this limit.</p>		<p>s149D(1)(c) and s304A(1)(g)</p>

### **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.*

*Limit updated quarterly*

\*This extends to debtors in debt agreements that commenced on or after 1 December 2010

## Official Receiver allowances and advances

<b>Official Receiver allowances and advances</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<b>Attendance</b>		
A person, other than a bankrupt, who attends before the Official Receiver or authorised officer to give evidence/information is entitled to this allowance.	\$22	s77D(1)(a) and s304A(1)(a)
<b>Advances</b>		
Where a person is required to attend before the Official Receiver, the Official Receiver must offer the following advances on allowances and reimbursement of expenses before a person begins travelling by:		
• aircraft	\$22	s77E(2) and s304A(1)(b)
• private motor vehicle	\$22	s77E(4)(a) & (b) and s304A(1)(d) & (e)
• other	\$10	

*Limits updated quarterly*

## Part IX debt agreement eligibility

<b>Part IX debt agreement eligibility</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<b>Unsecured debts</b>  Your unsecured debts must be less than this to propose a debt agreement.	\$116,662.00	s185C(4)(b) & (5)
<b>Unsecured assets</b>  Your unsecured assets must be less than this to propose a debt agreement.	\$233,324.00	s185C(4)(c) & (5)
<b>Income level</b>  Your income must be less than this to propose a debt agreement.	\$87,496.50	s185C(4)(d) & (5)
<i>Limits updated twice a year: 20 March and 20 September</i>		

## Other amounts

<b>Other amounts</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<b>Trustee remuneration</b> – the amount a registered trustee can take from an estate (includes 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	\$5272	s60-15 of Schedule 2- as it was from 01 September 2017
<i>Limit updated each financial year – for trustee appointments in prior financial years (from 2017-18) see the historical indexations</i>		
Where the trustee was appointed before 1 September 2017, and the estate began on or after 1 December 2010.	\$5000*	s161B (1)
<i>*This amount is not indexed</i>		
Where the trustee was appointed before 1 September 2017, and the estate began before 1 December 2010	\$1,915	s161B (1) and (2) - as it was before 1 December 2010
<i>Limit updated each financial year</i>		
<p><b>Extent of priority for employee amounts</b></p> <p>If an employee is owed certain moneys by a bankrupt, they are entitled to receive payment of any dividends issued in preference to those issued to other unsecured creditors, up to this limit</p>	\$4,550	S109(l)(e) and R6.02

## Income contributions

<b>Income contributions</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>

**Base Income Threshold Amount (BITA)** (net of tax)  
**no dependants** \$58,331.00 s139K

Used when calculating a bankrupt's income contributions

**Actual Income Threshold Amount (AITA)**  
**with dependants**

Used when calculating a bankrupt's income contributions which vary according to the number of dependants.

<b>Number of dependants</b>	<b>Income limit</b>	s139K
0	\$58,331.00	
1	\$68,830.58	
2	\$74,080.37	
3	\$76,996.92	
4	\$78,163.54	
over 4	\$79,330.16	

*Limits updated twice a year: 20 March and 20 September*

## Dependants

<b>Dependants</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<b>Amount a person can earn and still remain a 'dependant'</b>	\$3,664	s139K and R6.15A

<p>A person may earn income up to this limit during the contribution assessment period and still be considered a dependant for the purpose of calculating a bankrupt's income contribution liability.</p>		
<p><i>Limits updated quarterly</i></p>		

## Bankruptcy notice

<b>Bankruptcy notice</b>	<b>Limit</b>	<b>Bankruptcy Act &amp; Regulations</b>
<p>This is the minimum amount upon which a bankruptcy notice can be issued (it may be comprised of one or more final judgments/orders)</p>	<p>\$5,000</p>	<p>s41</p>
<p><i>The minimum judgment amount is set by the Bankruptcy Act and is not indexed</i></p>		

## Historical indexations

 [Historical indexations \[PDF 92.19 KB\]](/sites/default/files/historical_indexations_200919.pdf) (/sites/default/files/historical\_indexations\_200919.pdf)

## Indexed amounts PDF version

 [Indexed amounts \[PDF 341.56 KB\]](/sites/default/files/20190920_afsa_indexed_amounts.pdf) (/sites/default/files/20190920\_afsa\_indexed\_amounts.pdf)

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