



# Insolvency Act 1985

## 1985 CHAPTER 65

### PART III

#### INDIVIDUAL INSOLVENCY

### CHAPTER V

#### ADMINISTRATION BY TRUSTEE

##### *Vesting of property in trustee etc.*

#### **156 Income payments orders**

- (1) The court may, on the application of the trustee, make an order (" an income payments order ") claiming for the bankrupt's estate so much of the income of the bankrupt during the period for which the order is in force as may be specified in the order.
- (2) The court shall not make an income payments order the effect of which would be to reduce the income of the bankrupt below what appears to the court to be necessary for meeting the reasonable domestic needs of the bankrupt and his family.
- (3) An income payments order shall, in respect of any payment of income to which it is to apply, either—
  - (a) require the bankrupt to pay the trustee an amount equal to so much of that payment as is claimed by the order; or
  - (b) require the person making the payment to pay so much of it as is so claimed to the trustee, instead of to the bankrupt.
- (4) Where the court makes an income payments order it may, if it thinks fit, discharge or vary any attachment of earnings order that is for the time being in force to secure payments by the bankrupt.
- (5) Sums received by the trustee under an income payments order shall form part of the bankrupt's estate.

---

**Status:** *This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

---

- (6) An income payments order shall not be made after the discharge of the bankrupt, and if made before, shall not have effect after his discharge except—
- (a) in the case of a discharge under section 126(2)(a) above, by virtue of a condition imposed under section 127(2)(c) above; or
  - (b) in the case of a discharge under section 126(2)(b) above, by virtue of a provision of the order requiring it to continue in force for a period ending after the discharge but no later than three years after the making of the order.
- (7) For the purposes of this section the income of the bankrupt comprises every payment in the nature of income which is from time to time made to the bankrupt or to which he from time to time becomes entitled, including any payment in respect of the carrying on of any business or in respect of any office or employment.