STATUTORY INSTRUMENTS

1978 No. 544

BANKRUPTCY, ENGLAND

The Bankruptcy (Amendment) Rules 1978

Made -5th April 1978 14th April 1978 Laid before Parliament Coming into Operation 2nd May 1978

The Lord Chancellor, in exercise of the powers conferred on him by section 132 of the Bankruptcy Act 1914(a), with the concurrence of the Secretary of State for Trade, and after consulting the committee appointed under section 10 of the Insolvency Act 1976(b), hereby makes the following Rules:-

- 1.—(1) These Rules may be cited as the Bankruptcy (Amendment) Rules 1978 and shall come into operation on 2nd May 1978.
- (2) The Interpretation Act 1889(c) shall apply to the interpretation of these Rules as it applies to the interpretation of an Act of Parliament.
- (3) The amendments set out in these Rules shall be made to the Bankruptcy Rules 1952(d), as amended(e).
 - 2. After rule 119 there shall be inserted the following rule:—

"Costs payable without taxation

119A. The costs or charges of any person employed by an Official Receiver or trustee which are payable out of the debtor's estate may, if they are within the prescribed scale and do not exceed the sum of £100, be paid and allowed, by the Official Receiver or trustee, as the case may be, without taxation: Provided that the Secretary of State may require such costs or charges to be taxed."

3. In rule 244: —

- (a) for the figure "20" there shall be substituted the figure "25";
- (b) for the figure "£7 10s 0d (£7.50)" there shall be substituted the figure "£25"; and
- (c) for the figure "£3" there shall be substituted the figure "£7.50".
- 4. In rule 278(1):—
 - (a) sub-paragraph (a)(i) shall be deleted; and
 - (b) in sub-paragraph (b), after the words "demised premises" there shall be inserted the words "or any part thereof".

(a) 1914 c. 59. (b) 1976 c. 60. (c) 1889 c. 63. (d) S.I. 1952/2113. (e) The relevant amending instruments are S.I. 1965/1571, 1970/1868.

- 5.—(1) In paragraphs (9) and (11) of rule 298 for the figure "£2" there shall be substituted the figure "£25".
 - (2) Paragraph (14) of rule 298 shall be omitted.
- **6.** In rule 384, for the figure "£300" there shall be substituted the figure "£4.000".

Elwyn-Jones, C.

Dated 30th March 1978.

I concur,

Edmund Dell, Secretary of State for Trade.

Dated 5th April 1978.

EXPLANATORY NOTE

(This Note is not part of the Rules.)

These Rules amend the Bankruptcy Rules 1952 and the following are the principal changes: —

- (i) rule 2 adds a new rule which allows the Official Receiver or trustee to meet certain costs and charges (not exceeding £100) without taxation unless the Secretary of State otherwise requires;
- (ii) rule 3 increases costs allowed in connection with the calling of a creditors' meeting;
- (iii) rule 4 abolishes low value as a requirement for disclaiming a lease without leave of the Court;
- (iv) rule 5 increases the level of debt below which creditors in summary cases are not included in the Official Receiver's certificate on the bankrupt's application for discharge and do not receive certain notices; and
- (v) rule 6 raises the maximum value of the debtor's assets (after certain deductions) which permits the debtor's estate to be administered summarily following the making of a receiving order against him as a judgment debtor under section 107 of the Bankruptcy Act 1914.

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