



# Insolvency Act 1986

## 1986 CHAPTER 45

The Second Group of Parts Insolvency of Individuals ; Bankruptcy

### PART IX

#### BANKRUPTCY

### CHAPTER II

#### PROTECTION OF BANKRUPT'S ESTATE AND INVESTIGATION OF HIS AFFAIRS

#### **283 Definition of bankrupt's estate**

- (1) Subject as follows, a bankrupt's estate for the purposes of any of this Group of Parts comprises—
- (a) all property belonging to or vested in the bankrupt at the commencement of the bankruptcy, and
  - (b) any property which by virtue of any of the following provisions of this Part is comprised in that estate or is treated as falling within the preceding paragraph.
- (2) Subsection (1) does not apply to—
- (a) such tools, books, vehicles and other items of equipment as are necessary to the bankrupt for use personally by him in his employment, business or vocation ;
  - (b) such clothing, bedding, furniture, household equipment and provisions as are necessary for satisfying the basic domestic needs of the bankrupt and his family.

This subsection is subject to section 308 in Chapter IV (certain excluded property reclaimable by trustee).

- (3) Subsection (1) does not apply to—
- (a) property held by the bankrupt on trust for any other person, or
  - (b) the right of nomination to a vacant ecclesiastical benefice.

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*Status: This is the original version (as it was originally enacted).*

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- (4) References in any of this Group of Parts to property, in relation to a bankrupt, include references to any power exercisable by him over or in respect of property except in so far as the power is exercisable over or in respect of property not for the time being comprised in the bankrupt's estate and—
- (a) is so exercisable at a time after either the official receiver has had his release in respect of that estate under section 299(2) in Chapter III or a meeting summoned by the trustee of that estate under section 331 in Chapter IV has been held, or
  - (b) cannot be so exercised for the benefit of the bankrupt;
- and a power exercisable over or in respect of property is deemed for the purposes of any of this Group of Parts to vest in the person entitled to exercise it at the time of the transaction or event by virtue of which it is exercisable by that person (whether or not it becomes so exercisable at that time).
- (5) For the purposes of any such provision in this Group of Parts, property comprised in a bankrupt's estate is so comprised subject to the rights of any person other than the bankrupt (whether as a secured creditor of the bankrupt or otherwise) in relation thereto, but disregarding—
- (a) any rights in relation to which a statement such as is required by section 269(1) (a) was made in the petition on which the bankrupt was adjudged bankrupt, and
  - (b) any rights which have been otherwise given up in accordance with the rules.
- (6) This section has effect subject to the provisions of any enactment not contained in this Act under which any property is to be excluded from a bankrupt's estate.