



# Insolvency Act 1986

## 1986 CHAPTER 45

### PART XII

#### PREFERENTIAL DEBTS IN COMPANY AND INDIVIDUAL INSOLVENCY

#### **386 Categories of preferential debts.**

- (1) A reference in this Act to the preferential debts of a company or an individual is to the debts listed in Schedule 6 to this Act (money owed to the Inland Revenue for income tax deducted at source; VAT, [<sup>F1</sup>insurance premium tax,][<sup>F2</sup>landfill tax,][<sup>F3</sup>climate change levy,]car tax, betting and gaming duties [<sup>F4</sup>,beer duty][<sup>F5</sup>, lottery duty][<sup>F6</sup>, air passenger duty]; social security and pension scheme contributions; remuneration etc. of employees [<sup>F7</sup>;levies on coal and steel production]); and references to preferential creditors are to be read accordingly.
- (2) In that Schedule “the debtor” means the company or the individual concerned.
- (3) Schedule 6 is to be read with [<sup>F8</sup>Schedule 4 to the Pension Schemes Act 1993](occupational pension scheme contributions).

#### **Textual Amendments**

- F1** Words in s. 386(1) inserted (3.5.1994) by 1994 c. 9, s. 64, **Sch. 7 Pt. III para. 7(2)**
- F2** Words in s. 386(1) inserted (29.4.1996) by 1996 c. 8, s. 60, **Sch. 5 Pt. III para. 12(1)**
- F3** Words in s. 386(1) inserted (28.7.2000) by 2000 c. 17, s. 30, Sch. 7 para. 3(1)(a)
- F4** Words in s. 386(1) inserted (1.6.1993) by Finance Act 1991 (c. 31), s. 7, **Sch. 2**, para. 21A (as inserted (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 9(2)); S.I. 1993/1152, art. 3(2), **Sch. 1 Pt. II**
- F5** Words in s. 386(1) inserted (1.12.1993) by 1993 c. 34, s. 36(1) (with art. 40(2)(3)); S.I. 1993/2842, **art. 3(1)**
- F6** Words in s. 386(1) inserted (1.5.1995) by 1995 c. 4, s. 17
- F7** Words inserted by S.I. 1987/2093, **reg. 2(1)(3)**
- F8** Words in s. 386(3) substituted (7.2.1994) by 1993 c. 48, s. 190, **Sch. 8 para. 18** (with s. 6(8)); S.I. 1994/86, **art. 2**

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*Status: Point in time view as at 28/07/2000. This version of this provision has been superseded.*

**Changes to legislation:** *Insolvency Act 1986, Section 386 is up to date with all changes known to be in force on or before 10 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

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**Modifications etc. (not altering text)**

**C1** S.386 applied with modifications by S.I. 1986/1999, art. 3, **Sch. 1 Pt. II**

**Status:**

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