



# Insolvency Act 1986

## 1986 CHAPTER 45

### PART IV

#### WINDING UP OF COMPANIES REGISTERED UNDER THE COMPANIES ACTS

### CHAPTER VIII

#### PROVISIONS OF GENERAL APPLICATION IN WINDING UP

#### **[<sup>F1</sup>176ZA<sup>F1</sup> Payment of expenses of winding up (England and Wales)]**

- (1) The expenses of winding up in England and Wales, so far as the assets of the company available for payment of general creditors are insufficient to meet them, have priority over any claims to property comprised in or subject to any floating charge created by the company and shall be paid out of any such property accordingly.
- (2) In subsection (1)—
  - (a) the reference to assets of the company available for payment of general creditors does not include any amount made available under section 176A(2) (a);
  - (b) the reference to claims to property comprised in or subject to a floating charge is to the claims of—
    - (i) the holders of debentures secured by, or holders of, the floating charge, and
    - (ii) any preferential creditors entitled to be paid out of that property in priority to them.
- (3) Provision may be made by rules restricting the application of subsection (1), in such circumstances as may be prescribed, to expenses authorised or approved—
  - (a) by the holders of debentures secured by, or holders of, the floating charge and by any preferential creditors entitled to be paid in priority to them, or

**Status:** Point in time view as at 20/01/2007.

**Changes to legislation:** *Insolvency Act 1986, Section 176ZA is up to date with all changes known to be in force on or before 24 July 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)*

(b) by the court.

(4) References in this section to the expenses of the winding up are to all expenses properly incurred in the winding up, including the remuneration of the liquidator.]

#### **Textual Amendments**

**F1** S. 176ZA inserted (20.1.2007 for specified purposes, otherwise 6.4.2008) by [Companies Act 2006](#) (c. 46), **ss. 1282(1)**, 1300(2); S.I. 2006/3428, **art. 3(3)** (subject to art. 5, Sch. 1 and with arts. 6, 8, Sch. 5); S.I. 2007/3495, arts. 2(2), **3(1)(v)** (with Sch. 4 para. 43)

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

- C1** S. 176ZA applied (with modifications) (17.2.2009 for certain purposes, otherwise 21.2.2009) by [Banking Act 2009](#) (c. 1), **ss. 103**, 263(1)(2) (with s. 247); S.I. 2009/296, **arts. 2, 3**, Sch. para. 2
- C2** S. 176ZA applied by S.I. 1999/2979 reg. 14(5)(a)(i) (as substituted (1.10.2009) by [The Financial Markets and Insolvency \(Settlement Finality\) \(Amendment\) Regulations 2009](#) (S.I. 2009/1972), **reg. 4(d)(ii)**)
- C3** S. 176ZA excluded by S.I. 2003/3226, reg. 10(2B) (as inserted (6.4.2011) by [The Financial Markets and Insolvency \(Settlement Finality and Financial Collateral Arrangements\) \(Amendment\) Regulations 2010](#) (S.I. 2010/2993), **reg. 4(8)(a)**)

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