



Insolvency Act 1986

1986 CHAPTER 45

PART IX

BANKRUPTCY

CHAPTER V

EFFECT OF BANKRUPTCY ON CERTAIN RIGHTS TRANSACTIONS, ETC.

Rights of occupation

337 Rights of occupation of bankrupt.

- (1) This section applies where—
 - (a) a person who is entitled to occupy a dwelling house by virtue of a beneficial estate or interest is adjudged bankrupt, and
 - (b) any persons under the age of 18 with whom that person had at some time occupied that dwelling house had their home with that person at the time when the bankruptcy petition was presented and at the commencement of the bankruptcy.
- (2) Whether or not the bankrupt's spouse (if any) has [^{F1}matrimonial home rights under Part IV of the Family Law Act 1996]—
 - (a) the bankrupt has the following rights as against the trustee of his estate—
 - (i) if in occupation, a right not to be evicted or excluded from the dwelling house or any part of it, except with the leave of the court,
 - (ii) if not in occupation, a right with the leave of the court to enter into and occupy the dwelling house, and
 - (b) the bankrupt's rights are a charge, having the like priority as an equitable interest created immediately before the commencement of the bankruptcy, on so much of his estate or interest in the dwelling house as vests in the trustee.

Status: Point in time view as at 06/04/2005. This version of this provision has been superseded.

Changes to legislation: Insolvency Act 1986, Section 337 is up to date with all changes known to be in force on or before 05 August 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)

- [^{F2}(3) The Act of 1996 has effect, with the necessary modifications, as if—
- (a) the rights conferred by paragraph (a) of subsection (2) were matrimonial home rights under that Act,
 - (b) any application for such leave as is mentioned in that paragraph were an application for an order under section 33 of that Act, and
 - (c) any charge under paragraph (b) of that subsection on the estate or interest of the trustee were a charge under that Act on the estate or interest of a spouse.]
- (4) Any application for leave such as is mentioned in subsection (2)(a) or otherwise by virtue of this section for an order under [^{F3}section 33 of the Act of 1996] shall be made to the court having jurisdiction in relation to the bankruptcy.
- (5) On such an application the court shall make such order under [^{F3}section 33 of the Act of 1996] as it thinks just and reasonable having regard to the interests of the creditors, to the bankrupt's financial resources, to the needs of the children and to all the circumstances of the case other than the needs of the bankrupt.
- (6) Where such an application is made after the end of the period of one year beginning with the first vesting (under Chapter IV of this Part) of the bankrupt's estate in a trustee, the court shall assume, unless the circumstances of the case are exceptional, that the interests of the bankrupt's creditors outweigh all other considerations.

Textual Amendments

- F1** Words in s. 337(2) substituted (1.10.1997) by 1996 c. 27, s. 66(1), **Sch. 8 Pt. III para. 58(2)** (with **Sch. 9 paras. 8-10**); S.I. 1997/1892, **art. 3(1)(b)**
- F2** S. 337(3) substituted (1.10.1997) by 1996 c. 27, s. 66(1), **Sch. 8 Pt. III para. 58(3)** (with **Sch. 9 paras. 8-10**); S.I. 1997/1892, **art. 3(1)(b)**
- F3** Words in s. 337(4)(5) substituted (1.10.1997) by 1996 c. 27, s. 66(1), **Sch. 8 Pt. III para. 58(4)** (with **Sch. 9 paras. 8-10**); S.I. 1997/1892, **art. 3(1)(b)**

Status:

Point in time view as at 06/04/2005. This version of this provision has been superseded.

Changes to legislation:

Insolvency Act 1986, Section 337 is up to date with all changes known to be in force on or before 05 August 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.