



ASIC
Australian Securities &
Investments Commission

Insolvency

Insolvency is when a company or person can't pay debts when they are due

There are several options available to an insolvent company or person:

- the most common corporate insolvency procedures for an **insolvent company** are [liquidation](#), [voluntary administration](#) and [receivership](#)
- the available personal insolvency procedures for an **insolvent person** are [bankruptcy](#) and [personal insolvency agreements](#).

ASIC regulates insolvent companies, it does not manage personal insolvency procedures. For more information about bankruptcy and personal insolvency agreements, [visit the Australian Financial Security Authority website](#).

Find out how a corporate insolvency affects you. I am a...



If you are owed money by an insolvent company, you are a creditor.

[Search our notices to find out if a company is insolvent](#) 🔍

ASIC also tracks [corporate insolvency trends](#) in Australia and reports on them monthly.

The Australian Government's insolvency reforms for small business come into effect on **1 January 2021**. These reforms follow the [temporary measures](#) introduced in March 2020 in response to the COVID-19 pandemic. These measures only apply to eligible incorporated small businesses with liabilities of less than \$1 million.

The reforms include a new:

- › [debt-restructuring process](#) for incorporated small businesses
- › [simplified liquidation process](#) for incorporated small businesses
- › 'class' of registered liquidator

There is also an ability to extend the [temporary relief](#).

ASIC has also begun publishing [weekly statistics](#) of companies entering external administration.

Not sure what that insolvency term means? Our [glossary](#) can help.

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