

Bankruptcy Online a breakthrough



Stewart Free, Jirsch Sutherland Partner

Applying for bankruptcy is about to get easier – and Jirsch Sutherland’s bankruptcy specialist Stewart Free says “it’s a great milestone – and long overdue”.

From January 2, 2020, an individual wanting to apply for bankruptcy or needing to file their statement of affairs following a court bankruptcy order, will be able to do this online. The new service will be called Bankruptcy Online and is available from the [AFSA website](#).

“This is great news – and will certainly help assist people who might normally keep their heads in the sand and not seek help about their financial struggles,” says Free. “It provides easier access to the legal protections afforded by the bankruptcy process. And I believe it may lead people to investigate their options through the online portal first and then seek expert help, rather than hoping their issues will go away.”

AFSA has simplified the process by combining the Statement of Affairs and Debtor’s Petition forms and moving the service online. With the new online application process, applicants will be able to create an online account with AFSA, automatically validate their identity using two forms of identity documents (such as a driver’s licence, birth certificate or Medicare card) and complete and submit their form.

The Bankruptcy Form will be available for download from the online account that the individual creates and can be saved, even if partially complete, on their computer or other electronic storage device. Once complete, the form can be uploaded and submitted through the online portal.

“The insolvency industry is very paper intensive, and this initiative will ensure the process is less cumbersome and more streamlined,” adds Free. “It’s a great place to start and I look forward to the day something similar is introduced for the corporate insolvency sphere as well.”

Registered trustees

If a person applying for bankruptcy has organised for a registered trustee to become the trustee of their bankruptcy, Bankruptcy Online allows them to upload the trustee's signed consent form and submit that along with their application. If the application is accepted, AFSA will appoint that trustee to the administration and notify them, as it currently does.