SCOTTISH STATUTORY INSTRUMENTS

2025 No. 107 (C. 11)

INSOLVENCY

BANKRUPTCY

DEBT

The Bankruptcy and Diligence (Scotland) Act 2024 (Commencement No. 2, Transitional and Saving Provisions) Regulations 2025

Made - - - -	*1st April 2025*
Laid before the Scottish Parliament	*3rd April 2025*
Coming into force - -	*17th April 2025*

The Scottish Ministers make the following Regulations in exercise of the power conferred by section 22(2) and (3) of the Bankruptcy and Diligence (Scotland) Act 2024(**a**) and all other powers enabling them to do so.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Bankruptcy and Diligence (Scotland) Act 2024 (Commencement No. 2, Transitional and Saving Provisions) Regulations 2025 and come into force on 17 April 2025.

(2) In these Regulations—

(a) "the Act" means the Bankruptcy and Diligence (Scotland) Act 2024,

(b) "the 2016 Act" means the Bankruptcy (Scotland) Act 2016(**b**),

(c) "AiB" means the Accountant in Bankruptcy and is to be construed in accordance with section 199 of the 2016 Act.

Appointed days

2.—(1) 17 April 2025 is the day appointed for the coming into force of section 12 (failure of debtor to co-operate with trustee in sequestration) of the Act but only for the purpose of enabling the Scottish Ministers to prescribe forms under section 147A(3), (5)(a) and (6)(b) of the 2016 Act (as inserted by section 12 of the Act).

(**a**) 2024 asp 9.
(**b**) 2016 asp 21.

(2) 25 June 2025 is the day appointed for the coming into force of the following provisions of the Act—

(a) section 4 (process for applying for recall of an award of sequestration),

(b) section 5 (recall of sequestration: payment of interest),

(c) section 11 (debtor not traced: former trustee's outlays and remuneration),

(d) section 12 in so far as it is not already in force.

Transitional provision: recall of sequestration: payment of interest

3. Where a sequestration has been awarded before 25 June 2025 and the award has not been recalled, section 37A(3) and (4) of the 2016 Act(**a**) are to be read as if the references to "within 6 months after the date of the award of sequestration" are references to "within 6 months after 25 June 2025".

Saving provision

4. Despite the commencement of section 4 of the Act, the modifications made by that section have no effect where before 25 June 2025—

(a) an application for recall of an award of sequestration has been made to AiB under section 31(1) of the 2016 Act, or

(b) AiB has notified the debtor and every creditor known to AiB under section 35(2) of the 2016 Act that AiB considers section 35(1) of that Act applies.

IVAN McKEE
Authorised to sign by the Scottish Ministers

St Andrew's House
Edinburgh
1st April 2025

(**a**) Section 37A is inserted by section 5(6) of the Bankruptcy and Diligence (Scotland) Act 2024 (asp 9).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations commence certain provisions of the Bankruptcy and Diligence (Scotland) Act 2024 ("the Act").

Regulation 2(1) commences section 12 of the Act on 17 April 2025 but only for the limited purpose of enabling the Scottish Ministers to make Regulations under inserted section 147A(3), (5)(a) and (6)(b) of the Bankruptcy (Scotland) Act 2016 ("the 2016 Act") to prescribe the forms that will be used in the process for the trustee to resign office on account of the debtor's failure to co-operate. Regulation 2(2) will then bring into force sections 4, 5, 11 and 12 (in so far as not already in force) of the Act, on 25 June 2025.

Regulation 3 makes transitional provision in relation to the commencement of section 5 of the Act, which makes provision to determine the amount of interest payable on the debtor's debts in relation to a recall of an award of sequestration. Regulation 3 makes transitional provision where a sequestration was awarded before 25 June 2025 and the award has not been recalled. In such cases, interest between the date of sequestration and the date of payment of the debt is not payable if payment of the debt is made in full within 6 months after 25 June 2025.

Regulation 4 provides that section 4 of the Act (process for applying for recall of an award of sequestration) has no bearing where before 25 June 2025 either an application for recall has been made to the Accountant in Bankruptcy ("AiB") or AiB has notified the relevant parties under section 35(2) of the 2016 Act that recall should be granted.

The Bill for the Act received Royal Assent on 15 July 2024. Sections 21, 22 and 23 came into force the following day.

NOTE AS TO EARLIER COMMENCEMENT REGULATIONS

(This note is not part of the Regulations)

The following provisions of the Bankruptcy and Diligence (Scotland) Act 2024 have been brought into force by commencement Regulations made before the date of these Regulations.

Provision	*Date of Commencement*	*S.S.I. No.*
Section 6	20 January 2025	2024/373
Section 8	20 January 2025	2024/373
Section 9	20 January 2025	2024/373
Section 10	20 January 2025	2024/373
Section 13	20 January 2025	2024/373
Section 17	20 January 2025	2024/373
Section 19	20 January 2025	2024/373
Section 20	20 January 2025	2024/373

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