



# **LAWS OF MALAYSIA**

**Act A1624**

**INSOLVENCY (AMENDMENT) ACT 2020**

|                                              |     |     |                 |
|----------------------------------------------|-----|-----|-----------------|
| Date of Royal Assent                         | ... | ... | 12 October 2020 |
| Date of publication in the<br><i>Gazette</i> | ... | ... | 22 October 2020 |

# LAWS OF MALAYSIA

## Act A1624

### INSOLVENCY (AMENDMENT) ACT 2020

An Act to amend the Insolvency Act 1967.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

#### **Short title and commencement**

**1.** (1) This Act may be cited as the Insolvency (Amendment) Act 2020.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

#### **Amendment of section 5**

**2.** The Insolvency Act 1967 [*Act 360*], which is referred to as the “principal Act” in this Act, is amended in section 5—

(a) in paragraph (1)(a), by substituting for the words “fifty thousand ringgit” the words “one hundred thousand ringgit”; and

(b) by inserting after subsection (1) the following subsections:

“(1A) The Minister may, after consultation with the Minister of Finance, by order published in the *Gazette*, amend the amount of debt in paragraph (1)(a) for the presentation of a bankruptcy petition for a specific time period, if the Minister is satisfied that there are special circumstances and that it would not be contrary to public interest, to do so.

(1B) Where an order to amend the amount of debt for the presentation of a bankruptcy petition in subsection (1A) ceases or expires—

(a) any bankruptcy petition, presented by a petitioning creditor against a debtor which is still pending immediately before the order in subsection (1A) ceases or expires, shall be continued or concluded in accordance with the amount of debt as amended by the order in subsection (1A); and

(b) any bankruptcy petition, presented by a petitioning creditor against a debtor after the order in subsection (1A) ceases or expires, shall be continued or concluded in accordance with the amount of debt as specified in paragraph (1)(a).

(1C) The order made under subsection (1A) shall be laid before the Dewan Rakyat as soon as practicable after its publication in the *Gazette*.”.

### **Saving**

**3.** Any bankruptcy petition presented by the petitioning creditor against a debtor before the coming into operation of this Act with the amount of debt owing by the debtor to the creditor that fulfils the requirement in paragraph 5(1)(a) of the principal Act, which is still pending immediately before the coming into operation of this Act, shall be continued or concluded under the principal Act as if the principal Act had not been amended by this Act.