

Summary

Discharge – as one of modes of resolving insolvency

The subject matter of this master thesis is the institute of discharge of debts, with an emphasis on its rehabilitative nature. A certain degree of indebtedness of the population is currently a social standard and many consumers are falling into the so-called debt trap. This is the reason why the institute of discharge of debts has become the forefront of interest. Discharge allows a debtor to solve impending or already existing bankruptcy and his/her return to normal economic life with a clean sheet. In its seven chapters, the thesis classifies discharge in the system of insolvency law and chronologically deals with insolvency proceedings from the petition to declare bankruptcy and the motion to permit the discharge until its termination from the point of view of debtors as well as creditors.

Besides defining alternative ways of resolving insolvency, basic subjects of insolvency proceedings and their possible intervention in the process; the thesis focuses on the subjective and objective admissibility of discharge. Furthermore, the thesis examines the choice of the appropriate method of discharge, namely realisation of bankrupt's estate, fulfilment of the instalment plan or combination of these methods; and conditions for successful completion of insolvency proceedings, i.e. a debtor's release from debts and obstacles that hinder the achievement of this objective. Finally, this thesis deals with the expected legislative changes to the Insolvency Act which should alleviate the conditions for the debtor's entry into the discharge of debts and thus provide the benefit of discharge to a wider circle of persons.

The aim of this master thesis is to critically analyse the current legal framework and to draw attention to some practical difficulties that occur throughout the duration of the approved discharge of debts. In particular, it concerns the execution of deductions from the debtor's income. If the debtor has business income or multiple payers simultaneously, there is often a lack of uniform decision-making in insolvency courts on how to deal with the situation, while detailed legislation is also absent.

Key words

bankruptcy, discharge, deductions from income