



NEWS RELEASE

Administrative Office of the U.S. Courts

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Bankruptcy Filings Drop in Calendar Year 2004

Bankruptcy filings in the federal courts dropped nearly 4 percent in calendar year 2004, according to data released today by the Administrative Office of the U.S. Courts. Total bankruptcies filed in the twelve-month period ending December 31, 2004, totaled 1,597,462, down 3.8 percent from the 1,660,245 petitions filed in the 12-month period ending December 31, 2003. Despite the decline for 2004, total filings still exceed the 1.5 million bankruptcies first reported in 2002.

New Bankruptcy Judgeships Requested

The Judicial Conference of the United States has recommended to Congress that 47 bankruptcy judgeships be created in 31 judicial districts. The last bankruptcy judgeships were authorized in 1992. Since that time, the total number of bankruptcy filings has crossed the one-million mark; they have totaled over 1.5 million for the last three years. The result has been a nearly two-thirds increase in the caseload of bankruptcy judges nationwide.

Business and Non-Business Filings

The majority of bankruptcy filings are non-business filings and in CY 2004, they totaled 1,563,145, a 3.8 percent decline in non-business filings from the 1,625,208 bankruptcy petitions filed in CY 2003. The number of business filings, totaling 34,317 in CY 2004, fell 2.1 percent from the 35,037 reported in CY 2003.

First Quarter Filings for FY 2005

The last three months of CY 2004 were the first quarter of the Judiciary's 2005 fiscal year. The number of bankruptcies filed during the first quarter of fiscal year 2005 (October 1-December 31, 2004) was 371,668, down 5.5 percent from the 393,348 filings in the first quarter of FY 2004 (October 1-December 31, 2003).

**Total Bankruptcy Filings by Bankruptcy Chapter
Calendar Years, Period Ending
December 30, 2000-2004**

Year	Chapter			
	7	11	12	13
2004	1,137,958	10,132	108	449,129
2003	1,176,905	9,404	712	473,137
2002	1,109,923	11,270	485	455,877
2001	1,054,975	11,424	383	425,292
2000	859,220	9,884	407	383,894

Filings by Chapter

Of the total number of bankruptcy filings for the 12-month period ending December 31, 2004, there were 1,137,958 Chapter 7 filings, down 3.3 percent from the 1,176,905 Chapter 7 filings in the

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same period in 2003. The next largest group of filings was Chapter 13 filings at 449,129, down 5.1 percent from the 473,137 filings in CY 2003. Chapter 11 filings rose 7.7 percent to 10,132, from the 9,404 filings in CY 2003. In CY 2004, Chapter 12 filings dropped to 108 from the 712 filings reported in CY 2003.

Year	Business	Non-business	Total
2004	34,317	1,563,145	1,597,462
2003	35,037	1,625,208	1,660,245
2002	38,540	1,539,111	1,577,651
2001	40,099	1,452,030	1,492,129
2000	35,472	1,217,972	1,253,444

Chapter 7 is designed to allow individuals to keep certain exempt property while the remaining property is sold to repay creditors. Under Chapter 13 bankruptcy, creditors may be repaid in installments, in full or in part, over a 3- to 5-year period. Chapter 11 provides for a business to continue operations while formulating a plan to repay its creditors. Chapter 12 is designed to meet the needs of financially distressed family farmers. Chapter 9 provides protection for a financially distressed municipality from its creditors while it develops and negotiates a plan for adjusting its debt.

For more information on bankruptcy, visit the Judiciary’s website at www.uscourts.gov/bankbasic.pdf. Local bankruptcy court rules can be found at www.uscourts.gov/rules/bk-localrules.html. A breakdown of the latest data on bankruptcy filings is attached and also is available on the Judiciary’s website at www.uscourts.gov under Newsroom, Newsreleases. Bankruptcy filings over the last 10 years are available at <http://www.uscourts.gov/bnkrpctystats/bankruptcystats.htm>. Additional bankruptcy statistics, including bankruptcies by county, can be found on the Judiciary’s PACER system at http://pacer.psc.uscourts.gov/announcements/general/bkstat_rpt.html.

Quarterly Filings*

PERIOD	FILINGS	PERIOD	FILINGS	PERIOD	FILINGS
DEC. 31, 2004	371,668	JUN. 30, 2001	400,394	DEC. 31, 1997	347,685
SEPT. 30, 2004	396,438	MAR. 31, 2001	366,841	SEPT. 30, 1997	353,515
JUN. 30, 2004	421,110	DEC. 31, 2000	310,169	JUN. 30, 1997	367,168
MAR. 31, 2004	407,572	SEPT. 30, 2000	308,718	MAR. 31, 1997	335,073
DEC. 31, 2003	393,348	JUN. 30, 2000	321,729	DEC. 31, 1996	311,131
SEPT. 30, 2003	412,989	MAR. 31, 2000	312,335	SEPT. 30, 1996	303,309
JUN. 30, 2003	440,257	DEC. 31, 1999	318,634	JUN. 30, 1996	297,162
MAR. 31, 2003	412,968	SEPT. 30, 1999	323,550	MAR. 31, 1996	266,149
DEC. 31, 2002	395,129	JUN. 30, 1999	345,956	DEC. 31, 1995	244,494
SEPT. 30, 2002	401,306	MAR. 31, 1999	330,784	SEPT. 30, 1995	233,593
JUN. 30, 2002	400,686	DEC. 31, 1998	353,108	JUN. 30, 1995	235,302
MAR. 31, 2002	379,012	SEPT. 30, 1998	361,205	MAR. 31, 1995	212,626
DEC. 31, 2001	364,921	JUN. 30, 1998	373,460	DEC. 31, 1994	201,618
SEPT. 30, 2001	359,518	MAR. 31, 1998	354,118		

*Because of on-going corrections to the bankruptcy database, the quarterly data may not total to the most recent annual figures.